CRYPTO BLOCKCHAIN INDUSTRIES

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INTERIM FINANCIAL REPORT

HALF-YEAR ENDED SEPTEMBER 30, 2024

DISCLAIMER - This document contains information relating to the Group's business and the market in which it operates. This information is based on studies carried out either internally or by external sources (industry publications, specialist studies, information published by market research companies or analysts' reports). The Group believes that this information currently gives a true and fair view of its reference market and of its competitive position in that market. However, this information has not been verified by an independent expert and the Group cannot guarantee that a third party using different methods to gather, analyze or calculate market data would obtain the same results.

FORWARD-LOOKING INFORMATION - This document also contains information about the Group's objectives and development plans. This information is sometimes identified by the use of the future tense, the conditional tense and forward-looking terminology such *as "estimate", "consider", "aim", "expect", "intend", "should", "wish" and "may"* or similar variants or terminology. This information is based on data, assumptions and estimates considered reasonable by the Group at the date of this document. The reader's attention is drawn to the fact that these objectives and development paths are not historical data and should not be interpreted as a guarantee that the facts and data stated will occur, that the assumptions will be verified or that the objectives will be achieved. These are objectives which by their nature may not be achieved and the information produced in the document could prove to be incorrect without the Group being under any obligation to update it, subject to applicable regulations, in particular the AMF General Regulation and Regulation (EU) No 596/2014 of April 16, 2014, on Market Abuse ("MAR Regulation").

Note to the reader: The English version of this report is a free translation of the original, which was prepared in French and is available on the company's corporate French website. In the event of any inconsistencies between the original language version of the document in French and this English translation, the French version will take precedence

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I. STATEMENT ON THE FINANCIAL REPORT

I certify, to my knowledge, that the condensed financial statements for the first half-year ended September 30, 2024 have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and financial performance of the Company and of all the companies included in the consolidation, and that the half-yearly activity report appearing on page 4 presents a true and fair view of the significant events that occurred during the first six months of the financial year, their impact on the financial statements, the main related party transactions and describes the main risks and uncertainties for the remaining six months of the financial year.

January 16, 2025
Frédéric Chesnais
Chairman of the Board of Directors and Chief Executive Officer of Crypto Blockchain Industries SA.

II. HALF-YEAR ACTIVITY REPORT

2.1. PRESENTATION OF THE GROUP

CBI: Investment in the entire blockchain value chain

CBI is one of the few companies offering a global investment approach covering the main aspects of blockchain.

CBI's strategy is to position itself in the most promising blockchain segments, mainly video games and, more generally, interactive entertainment. CBI's objective is to grow the value of its portfolio of assets, maximize return on investment and operate with a limited level of fixed costs, focusing on the best opportunities in the industry. CBI uses leveraged financing techniques, while maintaining a focus on collateralization to minimize the level of risk.

Following a meticulous review of projects, CBI is investing in those aspects of blockchain offering the best opportunities for long-term profitability and is focusing on 3 activities:

- **Video Games 3.0**, for example the publishing of 3.0 games such as Brilliantcrypto or the video games owned by subsidiaries OP Productions and Free Reign East.
- Metaverse **3.0**, marketed under the name "AlphaVerse". AlphaVerse works with the main crypto-currencies and CBI tokens (the $CRYS token and the $FAV token), as well as traditional currencies, notably the euro and USD.
- **Investments 3.0**, in the field of blockchain (companies or crypto currencies).

The complementary nature of these activities also enables synergies to be exploited.

The products developed by CBI do not operate solely on blockchain. To offer greater flexibility and maximize the chances of commercial success, CBI also offers payment options in traditional currencies where such an option is technically possible.

Video Games 3.0: A business with a solid short-term outlook

This activity has received considerable support thanks to the investment of Colopl Inc, a Japanese company, and the granting to CBI of exclusive publishing rights for Europe and South America for the Brilliantcrypto game.

Colopl's subsidiary Brilliantcrypto Inc. developed and launched the Brilliantcrypto game on 17 June 2024. Players take on the role of miners searching for precious stones in virtual mines, the value of which in the digital world is guaranteed by the players' gameplay, known as "Proof of Play".

CBI has the rights to Europe and South America for a period of 3 years, with a 50/50 split of sales in this territory. CBI has agreed to a minimum revenue guarantee of five million euros in favour of Brilliantcrypto Inc. over the duration of the contract. The marketing costs included in the contract are in the region of seven million euros.

Metaverse 3.0 "AlphaVerse": Strategy and development of a connected and open virtual world in the medium term

The second line of business is centred on the development of AlphaVerse, a digital world with a meticulous design and a host of features.

AlphaVerse is an open and versatile Web3.0 online platform that offers gaming and interaction experiences, as well as content creation and sharing.

AlphaVerse operates on the traditional side with payments in traditional currencies, and on the blockchain side with the main crypto-currencies as well as the Crystal token ($CRYS), AlphaVerse's crypto-currency, and the $FAV token, Football at AlphaVerse's crypto-currency.

AlphaVerse is organized around a central place, the "Hub", which connects many worlds in the field of games and entertainment.

Some universes are developed by CBI for its own account, others are developed by CBI in association with partners, and others by third parties with a view to being linked to AlphaVerse through the Hub. The Hub was first opened for testing in September 2022, which generated many positive and enriching feedbacks. A new opening is planned for 2025.

Investments 3.0: A long-term vision combined with opportunistic equity investments

The third activity is investment in third-party projects, for example (i) Cornucopias, in which CBI owns 1% of the company and has rights over Cornucopias tokens issued, (ii) the "Karma The Game" project, which is a community game under development, in which CBI plays a consultancy role and as such owns 26.5% of the KTG tokens issued, or (iii) token portfolios acquired as part of consultancy activities. CBI also owns 27.5% of NCX, a start-up developing a truck fleet management platform.

CBI is developing an active policy for building a cryptocurrency portfolio, including cash investments. CBI can also carry out transactions where it receives cryptocurrencies in exchange for cryptocurrencies created by CBI (token swaps) or for providing services and consulting.

2.2. SIGNIFICANT EVENTS OF THE PERIOD

The main events of the period were as follows:

Implementation of a cash agreement with Ker Ventures SARL

On May 27, 2024, the Board of Directors authorized the signature of a cash management agreement providing for the management of funds through a sub-account opened by Ker Ventures SARL and dedicated to CBI. Ker Ventures SARL does not receive any remuneration for the execution of this agreement.

Japanese video game publisher Colopl Inc. acquires a 12.5% stake in CBI and grants CBI exclusive rights to exploit the Web 3.0 game Brilliantcrypto in Europe and South America.

Under an agreement dated May 28, 2024, Colopl Inc. invested €12.5 million in CBI through the acquisition of ordinary shares at a unit price of €0.3486, entitling it to 12.5% of CBI's share capital. The Japanese group Colopl Inc. acquired 35,852,574 CBI shares from CBI. The shares sold were previously loaned interest-free by Ker Ventures SARL to CBI (see below).

On May 28, 2024, CBI also signed an agreement with Brillantcrypto Inc, a subsidiary of Colopl Inc, to publish and distribute the Brilliantcrypto game in Europe and South America.

Under the terms of the agreement, Brilliantcrypto Inc. grants CBI exclusive rights to operate the Brilliantcrypto Web 3.0 game in Europe and South America and CBI provides a range of services including the promotion and marketing of the game, covering all associated costs, for a period of three years. CBI has agreed a minimum revenue guarantee of five million euros to Brilliantcrypto Inc. over this period.

This partnership with the Colopl Inc. group will enable CBI to expand and generate additional revenue. The marketing costs included in the contract are in the region of seven million euros.

Loan agreements between CBI and Ker Ventures SARL to enable CBI to sell 12.5% of its share capital to Colopl.

The 35,852,574 shares transferred by CBI to Colopl were previously loaned interest-free by Ker Ventures to CBI. These loans were the subject of two loan agreements, one for 12,000,000 CBI shares and the other for 23,852,574 CBI shares.

CBI must return the same number of loaned shares to Ker Ventures SARL by December 31, 2025, regardless of share price changes.

Capital increase of 12,000,000 CBI shares to repay the first loan granted by Ker Ventures, SARL.

On September 25, 2024, CBI remitted Ker Ventures SARL 12,000,000 CBI shares in repayment of the first loan of 12,000,000 CBI shares dated May 27, 2024.

Extension to March 31, 2025, of the exercise period for BSA A warrants to acquire CBI shares.

The purpose of this extension is to allow shareholders to benefit from the share price momentum over a longer period. The exercise periods for A warrants and B warrants are now aligned with 31 March 2025.

Signature of a licensing agreement on the "Emoji " properties to develop and publish a game on the blockchain. - with an effective date of 1 August 2024.

On July 31, 2024, CBI entered into a licensing agreement with Emoji Company GmbH to develop a blockchain-based Emoji game. This license is applicable to all PC and mobile devices. This agreement had no impact on September 30, 2024.

Purchase by CBI of 760,021 CBI shares from Melanion Capital

Under an agreement dated September 5, 2024, the Company purchased 760,021 CBI shares from Melanion Capital for €219,874.07 and transferred 19,000,525 warrants to Melanion Capital free of charge. To complete this transaction, CBI purchased 18,556,376 warrants from Ker Ventures SARL for €9,278.19. The shares were received by CBI at the beginning of October 2024.

Amendments to the consultancy contract with Chain Games

On September 17, 2024, the Company entered into an amendment with Chain Games extending the consultancy agreements between the two companies until 31 March 2031. In addition, the license to use the Unity software developed specifically by Chain Games ("SDK") was extended to March 31, 2044. This amendment was valued at €2 million, paid for by the transfer of $CRYS tokens

2.3. REVIEW OF THE FINANCIAL STATEMENTS

2.3.1. Consolidated income statement

In K€	30.09.2024	30.09.2023
Revenue	**2 183,9**	2 352,7
Cost of goods sold	**(122,6)**	(9,9)
GROSS MARGIN	**2 061,3**	2 342,8
Research and development expenses	**(662,7)**	(235,0)
Marketing and selling expenses	**(667,2)**	(988,6)
General and administrative expenses	**(709,3)**	(633,6)
Other operating income (expense)	**(899,9)**	0,2
CURRENT OPERATING INCOME (LOSS)	**(877,7)**	486,0
Other income (expense)	**(260,2)**	(817,1)
OPERATING INCOME (LOSS)	**(1 137,9)**	(331,1)
Cost of debt	**(206,6)**	(62,4)
Other financial income (expense)	**(358,5)**	(330,6)
Income tax	**-**	-
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	**(1 702,9)**	(724,1)
Net income (loss) from discontinued operations	**-**	-
NET INCOME (LOSS)	**(1 702,9)**	(724,1)
Group share	**(1 710,2)**	(746,3)
Minority interests	**7,3**	22,3

Consolidated revenues - Gross margin

On September 30, 2024, CBI recorded consolidated revenues of €2,184K, mainly from sales of tokens, compared with €2,353K for the first half-year of 2023. Sales were virtually unchanged from the prior period last year.

The gross margin remains above 90% of sales for the period, as in the previous financial period, as sales mainly comprise sales of tokens.

Consolidated current operating income

Research and development expenses

Research and development expenses include video games and metaverse development costs. These costs rose significantly over the period compared with the previous period (x2.8), reflecting the increase in non-capitalized external development, consulting costs and the growth in the number of projects.

Traditional video games are fully amortized. As regards the metaverse, the value of the intellectual property rights is recorded as an asset in the balance sheet and has not been amortized on September 30, 2024, with amortization starting when the metaverse is scheduled to open in Beta mode in calendar 2025.

Marketing and sales expenses

Consolidated sales and marketing expenses include advertising, mainly through the launch of online campaigns.

Marketing and sales expenditure totalled €667k for the period, compared with €988k for the previous financial period, a fall of 32%. This change is mainly due to the timing of campaigns, bearing in mind that several major campaigns were launched during the previous financial period.

General and administrative expenses

General and administrative expenses for the period mainly reflect management costs, as well as overheads relating to the listing of the company's shares on the Euronext Growth market. General and administrative expenses amounted to €709k for the year ended December 31 2024 , compared with €633K for the previous period, representing an increase of 11%.

Other operating income and expenses

Other operating income and expenses include the prorata share of the guaranteed minimum due to Brilliantcrypto I under the Brilliantcrypto game publishing contract, i.e. €850K.

Consolidated Current Operating Income

Consolidated current operating income was €878k for the year, compared with €486k for the previous period. Excluding the minimum guarantee of €850k, operating profit before non-recurring items was close to breakeven.

Operating Income and consolidated Net Income

On September 30, 2024, other operating expenses corresponded to non-recurring accruals. Consolidated operating income was €1,138k for the period, compared with €331k for the previous period.

The cost of financial debt reflects interest paid on Ker Ventures current account advances, while other financial income and expenses mainly reflect changes in the price of crypto currencies over the period.

Consolidated net income (group share) came to €1,710k for the period, compared with €746k for the previous period, the change being mainly due to the provision for the guaranteed minimum to be paid to Brilliant Crypto under the Brilliantcrypto game publishing contract.

Consolidated minority interests represent the amount attributable to the 22.73% owners of OP Productions, LLC and Free Reign East, LLC, and were negligible over the period.

2.3.2. Consolidated balance sheet

ASSETS (in K€)	30.09.2024	31.03.2024
Goodwill	4 085,1	4 085,1
Intangible assets	12 953,1	11 849,9
Property, plant and equipment	19,2	19,3
Rights of use relating to leases	1 578,5	1 710,1
Non-current financial assets	3 398,8	3 686,8
Non-current assets	**22 034,7**	**21 351,1**
Inventories	2 684,3	2 767,6
Trade receivables	2 996,4	1 134,5
Current financial assets	8 077,9	39,6
Current tax assets	74,1	74,1
Other current assets	3 472,5	2 517,8
Cash and cash equivalents	156,5	234,7
Current assets	**17 461,7**	**6 768,4**
Total assets	**39 496,4**	**28 119,4**

EQUITY & LIABILITIES (in K€)	30.09.2024	31.03.2024
Capital stock	26 275,7	25 070,6
Share premium	10 044,7	7 064,4
Consolidated reserves	(9 833,1)	(17 824,0)
Net income (loss) Group share	(1 710,2)	(475,1)
Shareholders' equity	**24 777,1**	**13 835,9**
Minority interests	255,0	258,4
Total equity	**25 032,1**	**14 094,3**
Provisions for non-current contingencies and losses	50,0	172,4
Non-current financial liabilities	-	6 680,7
Long term lease liabilities	1 392,7	1 521,0
Other non-current liabilities	628,2	3 296,7
Non-current liabilities	**2 070,9**	**11 670,9**
Provisions for current contingencies and losses	50,0	-
Current financial liabilities	4 907,4	-
Short term lease liabilities	254,7	250,9
Trade payables	5 937,5	1 577,4
Other current liabilities	1 243,8	525,9
Current liabilities	**12 393,4**	**2 354,2**
Total equity and liabilities	**39 496,4**	**28 119,4**

Goodwill

Goodwill represents goodwill arising on the consolidation of subsidiaries OP Productions and Free Reign East.

Intangible fixed assets

Amounts invested in the development of games and the metaverse are capitalized and amortized from the time they are brought into service. In the case of the metaverse, the value of the intellectual property rights is recorded as an asset on the balance sheet and has not been amortized as at September 30 2024. This amortization will begin when the metaverse is commissioned in Beta mode in calendar 2025.

Non-current financial assets

Financial assets comprise shares in non-consolidated companies, investments in associates, derivatives not qualifying as hedges, deposits and loans, marketable securities, cash and cash equivalents and trade receivables.

Financial assets have a maturity of 12 months or more. Financial assets with a maturity of less than 12 months are classified as "current financial assets".

Inventories of Tokens and NFTs

On September 30, 2024, the inventory stood at €2,684k, compared with €2,768k at 31 March 2024. CBI's portfolio of $CHAIN and $COPI tokens held up well.

Trade receivables and related accounts

On September 30, 2024, Trade receivables and related accounts amounted to €2,996k and corresponded to various receivables on NFTs and other rights.

Other current assets

On September 30, 2024, Other Current Assets amounted to €3,473k and corresponded mainly to prepaid expenses on various consulting contracts. These expenses have been paid and are being amortized over the respective terms of each contract.

Current financial assets

On September 30, 2024, immediately available current financial assets, which cannot be frozen even for a short period, amounted to €8,078k. These consist of financial investments under the cash management agreement with Ker Ventures SARL.

Cash and cash equivalents

On September 30, 2024, cash and cash equivalents amounted to €157k. Added to current financial assets, cash and cash equivalents totalled €8,234k. This amount corresponds to immediately available funds, with no commitment to maintain or freeze them.

Consolidated shareholders' equity

Consolidated shareholders' equity, Group share, amounted to €24,828k On September 30 2024 compared with €13,836k at 31 March 2024.

Long-term rental debt

Long-Term Rental Liabilities correspond to the long-term portion of future lease payments restated in accordance with IFRS 16.

Current financial liabilities

Current financial liabilities correspond to current account advances granted by Ker Ventures SARL.

Short-term rental debt

Short-term lease liabilities correspond to the short-term portion of the restatement of future lease payments in accordance with IFRS 16.

Trade payables

Trade payables correspond to amounts still to be paid to third parties for token deliveries, amounts to be paid to football clubs when rights are used and supplier invoices received from development studios.

Other current liabilities

Other current liabilities include the €850k minimum guarantee payable to Brilliantcrypto, and various other debts.

2.4. SIGNIFICANT EVENTS AFTER SEPTEMBER 30, 2024

CBI announced on December 2, 2024, its intention to strengthen its investments in cryptocurrencies by allocating part of its available cash to the purchase of the top 25 cryptocurrencies, excluding "stablecoins" and "meme" coins. This move is a continuation of its strategic investments in blockchain applications and aims to offer investors increased exposure to this fast-growing sector. To date, CBI has built up its portfolio through the creation and sale of its own tokens ($CRYS, $FAV, $LIGHTS) and through exchanges with third parties. The value of the cryptocurrency portfolio was €2,684k at September 30 2024.

On 24 December 2024, CBI announced the implementation of a share buyback program with a maximum price per share of €0.50 and a maximum amount of €1 million, until 31 March 2025. This strategy is motivated in particular by the valuation of the $CHAIN and $COPI token portfolios and enables CBI to return to shareholders part of the performance achieved to date.

There are no other significant events after September 30, 2024.

2.5. INFORMATION ON RISKS AND UNCERTAINTIES FOR THE NEXT SIX MONTHS

The Company has carried out a review of the risks that could have a material adverse effect on the Company and/or the Group, its business, its financial position, its results, its prospects or its ability to achieve its objectives. At the date of approval of this Document, the Company is not aware of any significant risks other than those presented in this section.

Investors are invited to consider all the information contained in this Document, including the risk factors specific to the Company and its subsidiaries ("the Group") described in this section, before deciding to acquire or subscribe for shares in the Company.

Investors should note, however, that the list of risks and uncertainties described below is not exhaustive. Other risks and uncertainties that are unknown or that the Company does not consider likely to have a material adverse effect on the Group, its business, financial position, results or prospects at the date of approval of this Document may exist or may become important factors that could have a material adverse effect on the Group, its business, financial position, results, development or prospects.

These risks are classified into 3 categories, with no hierarchy between them:

- Financial risks
- Risks relating to the Group's business and organization
- Legal risks

Within each category, the most significant risks based on the Company's assessment are presented first, taking into account their negative impact on the Company and the Group and the likelihood of their occurrence at the date of filing the Document.

RISK SUMMARY TABLE

Type of risk	Degree of risk criticality
Financial risks	
Equity investment risk	high
Risk associated with new business sectors	high
Liquidity and going concern risks	low
Foreign exchange risk	moderate
Credit risk	low
Risk related to tax regulations	low
Inflation risk	moderate
Risk associated with deposits on platforms	low
Risks relating to the Group's business and organisation	
Risk associated with the blockchain business model	moderate
Risks associated with the life and success of blockchain-based products	high
Risks associated with competition in the sector	high
Risk related to the departure of key personnel	high
Hiring needs risk	moderate
Board risk and potential conflicts of interest	moderate
Customer dependence risk	low
Supplier dependency risk	moderate
Risk of dependence on a limited number of games and delayed release of key games	high
New technology risk	high
Legal risks	
Litigation risk	moderate
Risk relating to the Group's regulatory environment	moderate
Data security risk	moderate
Intellectual property risk	high

2.5.1 Financial risks

2.5.1.1 Equity investment risk

A) Nature of the risk and link with its activity

As part of the development of its metaverse, the Group may receive unlisted securities and/or digital securities (NFT, tokens, etc.) as remuneration for a brand license, token services and/or games. This method of remuneration is the one most frequently used by players in the ecosystem in which the company operates. Given their lack of liquidity, these securities and/or tokens are more difficult to value and trade than traditional securities. These securities and/or tokens are also more sensitive to significant and rapid variations, as these companies and projects are generally start-ups operating in high-growth businesses and are usually in the fund-raising phase. The risk of default or loss of value of these securities and/or tokens is therefore higher, given their characteristics.

B) Risk management and monitoring measures

When each license is negotiated, the Company analyses changes in market values over varying periods and the development potential of the start-up behind the project. All securities are monitored daily and reported on a regular basis in order to analyze variations and fluctuations in these securities that could have an immediate financial impact.

The Company has assessed this risk as *high*.

2.5.1.2 Risk associated with new business sectors

A) Nature of the risk and link with its activity

The Group is continuing to expand into new activities, in particular blockchain projects and crypto currencies. The development of these new sectors requires special analysis of revenue potential, and the contractual risk assumed, and there is a risk that, during the start-up phase, these Company projections may not be as accurate as desired.

More generally, the realization of projects and their operating budgets and financing plans remain fundamentally subject to uncertainty, and failure to realize the underlying assumptions could have a significant impact on the value of the Company's assets and liabilities.

B) Risk management and monitoring measures

As far as possible, the Group seeks to develop through co-investments and partnerships in order to accelerate the acquisition of expertise and share the risks involved, but also through direct operations, i.e. companies in which the Group is the operator and takes responsibility for operations, rather than being a passive investor.

Nevertheless, the Company assumes a higher level of risk, as it needs to acquire new skills and build strong positions in these new sectors, which could lead to greater losses in the early stages of an investment.

The Company has assessed this risk as high.

2.5.1.3 Liquidity and going concern risk

A) Nature of the risk and link with its activity

Liquidity risḱ corresponds to the risk that the Group may not be able to meet cash requirements based on its available short-term resources.

B) Risk management and monitoring measures

The Group has carried out a review of its liquidity risk based on business forecasts drawn up for its three business lines: Video Games 3.0, Metaverse 3.0 "AlphaVerse" and Investments 3.0. This review includes an analysis of the economic outlook, forecast cash flows, financial commitments and available resources. On the basis of these factors, the timing of which is uncertain, the Group considers that it has the necessary resources to meet its obligations and continue its business over the next twelve months, and to be in a position to meet its deadlines.

The Company has assessed this risk as low.

2.5.1.4 Foreign exchange risk

A) Nature of the risk and link with its activity

The Company's income and expenditure are balanced by currency zone, i.e. income and expenditure in US dollars and euros are roughly equivalent. In terms of exposure, an unfavorable change in the euro/dollar rate would not have a significant impact on the overall currency position. For this reason, the Group has not implemented a currency hedging policy for its commercial transactions.

Currency risks relating to the financing of subsidiaries are centralized by the Company on behalf of the Group. The Group has not implemented a currency hedging policy for these amounts, given their low value.

Regarding the gross value of assets, certain underlying items are generally expressed in US dollars. A significant change in the value of the US dollar could have an impact on the book value (and not the cash value) of these assets.

B) Risk management and monitoring measures

Risk management is carried out by the Company on behalf of the Group in the context of the financial markets and in accordance with procedures established by management. Foreign exchange transactions are carried out in accordance with local laws and access to financial markets. Subsidiaries may contract directly with local banks under the supervision of their main shareholder and in accordance with the Company's procedures and policies.

The Company has assessed this risk as moderate.

2.5.1.5 Credit risk

A) Nature of the risk and link with its activity

The Group is essentially an investment company and has no debt to financial investors or banks, apart from the controlling shareholder Ker Ventures.

B) Risk management and monitoring measures

As Ker Ventures is a controlling and long-term shareholder, the Company is confident in its ability to negotiate amendments in the event of difficulties in executing the contractual terms initially agreed.

The Company has assessed this risk as low.

2.5.1.6 Risk related to tax regulations

. A) Nature of the risk and link with its

The Company operates in stable countries, with tax regulations that are not subject to wide fluctuations or changes in a short space of time.

B) Risk management and monitoring measures

The Group constantly monitors all tax developments likely to have an impact on its business and ensures that the classification of this risk remains appropriate.

The Company has assessed this risk as low.

2.5.1.7 Inflation risk

. A) Nature of the risk and link with its

The acceleration in the rise in the prices of energy and certain raw materials has resulted in an annual inflation rate that reached 4.3% in September 2023 in the Eurozone, a rate reduced to 1.7% in September 2024 (Source: Eurostat). These rates therefore remain volatile. The main areas of expenditure for affected by this risk are payroll and the cost of external service providers. The Company should be able to pass on these cost increases in the pricing of its services, but it cannot be fully sure of this.

B) Risk management and monitoring measures

The Group constantly monitors changes in inflation rates, given their volatility.

The Company has assessed this risk as moderate.

2.5.1.8 Risk associated with deposits on exchange platforms

. A) Nature of the risk and link with its

The Group has decided to draw the public's attention to the risk of trading platforms going bankrupt. It has become apparent that the solvency of some platforms is very weak, or even non-existent, as illustrated by the bankruptcy of the FTX platform.

B) Risk management and monitoring measures

The Company does not make any significant deposits of cryptos on exchange platforms held by third parties.

The Company has assessed this risk as low.

2.5.2 Risks relating to the Group's business and organisation

2.5.2.1 Risk associated with the blockchain business model

A) Nature of the risk and link with its activity

The blockchain business model is new, highly uncertain and will take many years to become stable.

The Company's business model is to invest in games, both offline and online, and to earn revenue by selling microtransactions and certain in-game assets, such as land, buildings and avatar customization. The main factor of uncertainty is the fluctuation in the price of in-game assets, which can vary widely over short periods.

B) Risk management and monitoring measures

To mitigate this risk, the Company carries out panels with test users before launching a mass marketing phase.

The Company has assessed this risk as moderate.

2.5.2.2 Risk associated with the lifespan and success of blockchain-based products

A) Nature of the risk and link with its activity

The main risks intrinsic to the blockchain business concern the lifespan of a given blockchain game or application and the evolution of technologies. Internally, the Group needs to be able to manage multiple projects in parallel. Furthermore, in a highly competitive market, the Group's financial position and prospects depend on its ability to successfully develop games or applications that can meet user expectations and achieve commercial success. The commercial success of applications depends on public reaction, which is not always predictable.

B) Risk management and monitoring measures

Over and above all the technical resources deployed to optimize the quality of each application launched, the Group seeks to protect itself against this risk by offering a balanced and diversified range of applications combining different economic sectors.

The Company has assessed this risk as high.

2.5.2.3 Competition risk

A) Nature of the risk and link with its activity

Although competitive dynamics vary by game product and platform, the global games market remains extremely competitive. The industry is growing at a rapid pace and is constantly evolving, creating threats and opportunities for established players and new entrants alike.

This remains true for blockchain-based games and blockchain-based applications.

Changes in technology, consumer habits and demographics are forcing companies to constantly reinvent themselves in order to remain relevant and secure their market position. What's more, blockchain is a new industry, with significant prospects for growth and innovation, which is both an opportunity and a risk. Competition is widespread and includes major players such as Facebook, Ubisoft, and investment funds such as Andreessen Horowitz. Because of the low barriers to entry, the competition also includes a myriad of small developers.

B) Risk management and monitoring measures

The Company is developing its own metaverse (Metaverse 3.0 business). To mitigate the high risk associated with this project, the Company is also building on existing games by developing sequels to these games or by publishing third-party games (Video Games 3.0 business) and is selecting its investments carefully (Investments 3.0 business).

The Company has assessed this risk as high.

2.5.2.4 Risk related to the departure of key personnel

A) Nature of the risk and link with its activity

The Company's success depends to a large extent on the commitment and expertise of its management team and the heads of the operating entities.

If key personnel leave, the Group could face difficulties in replacing them and its activities could be slowed down. Similarly, its financial situation, results or ability to achieve its objectives could be affected.

The Group does not have a key personnel or directors' liability insurance policy. More generally, the Group has no specific insurance policy and reassesses its current needs in the light of short-term business development.

B) Risk management and monitoring measures

The team has strong expertise and, in addition, the Group's CEO, Frédéric Chesnais, is the Group's main shareholder. This basically eliminates the risk of a key executive leaving the Company, especially as Frédéric Chesnais is the Company's main shareholder with a substantial part of his assets invested in the Company and as such less likely to resign.

However, it is impossible to protect against something that is beyond the Company's control.

The Company has assessed this risk as high,

2.5.2.5 Recruitment risk

A) Nature of the risk and link with its activity

The Group's success is largely due to the performance of its technical teams and their management. Like most of its competitors, the Group is finding it difficult to recruit staff with specialized and experienced technical skills. The success of its growth strategy will depend on its ability to attract and retain talent.

B) Risk management and monitoring measures

The Company is diversifying its geographical locations, and in particular locating its development teams in places where there is a large pool of qualified resources.

The Company has assessed this risk as moderate.

2.5.2.6 Risk relating to the Company's Board of Directors and potential conflicts of interest

A) Nature of the risk and link with its activity

The Chief Executive Officer or members of the Board of Directors may devote their time to other activities, which may lead to potential conflicts of interest in determining how much time to devote to the Company's business, which could have a negative impact on the Company's ability to carry out its strategy.

Although Frédéric Chesnais has undertaken to devote a significant part of his working time to the Company's business and to the performance of his duties as Chief Executive Officer, none of the Chief Executive Officers or members of the Board of Directors is required to devote all of his time to the Company's business, which could create a conflict of interest when allocating their time between the Company's operations and their other commitments.

The Company may also be involved in one or more companies and/or corporations that have direct relationships with entities that may be affiliated with members of the Board of Directors or the CEO. This may also give rise to potential conflicts of interest.

B) Risk management and monitoring measures

Directors meet regularly and communicate openly, and are obliged to declare activities that compete with those of the company and in which they have a position of control or dominant influence.

The Company has assessed this risk as moderate.

2.5.2.7 Customer dependence risk

A) Nature of the risk and link with its activity

The departure of a major customer could have a significant impact on the Company.

B) Risk management and monitoring measures

The Company's objective is to develop a broad and highly diversified customer base, mainly made up of individual players. No single player is expected to account for more than $2,000 in revenues. Consequently, for this business with individual players, the departure of a single player is not significant.

Transactions with industrial partners (Investments 3.0) may involve significant amounts, and the completion of a transaction may have an impact on the financial situation. To mitigate this risk, the Group is accelerating the development of its Video Games 3.0 and Metaverse 3.0 businesses.

The Company has assessed this risk as low.

2.5.2.8 Supplier dependence risk

A) Nature of the risk and link with its activity

A supplier could refuse to deliver the main terms of a contract, for example refuse to deliver the source code for an application for which it has been contractually retained or be significantly behind schedule without the Company being able to intervene in the development cycle.

B) Risk management and monitoring measures

The Company signs contracts providing for the transfer of developed code as and when developments are made. It has also set up a team of independent developers with a wide range of skills who can take the place of a defaulting third party in a large number of situations.

The Company has assessed this risk as moderate.

2.5.2.9 Risk of dependence on a limited number of games and delayed release of key games

A) Nature of the risk and link with its activity

Although the Group pays particular attention to the quality of its games, it is nevertheless exposed to a risk of dependency due to the fact that it releases a small number of games, which account for a large proportion of its sales.

In addition, the Group's determination to give fresh impetus to its publishing plan depends in part on the release of a limited number of "key" franchises.

The Group mainly outsources its development projects to independent developers under contract, who may not be able to release the game on the planned date or who may have to suspend production. In addition, the Group may not be able to find suitable developers for certain games, or their level of skill may be insufficient to achieve the quality necessary for a game's success. The developer may also encounter financial difficulties, change key members of its team or any other difficulty that could cause significant delays or the abandonment of a game.
Although the Group pays particular attention to the choice of its external developers and the rigour of their production processes, the risk of delayed or even cancelled game releases cannot be totally eliminated. The delayed release or abandonment of major games could have a significant negative impact on the Group's financial situation.

B) Risk management and monitoring measures

In order to reduce these risks, the Group aims to increase in-house technical expertise by hiring key personnel in the fields of technology, graphics and executive production, while applying strict criteria to the selection procedure for external development studios.

The Company has assessed this risk as high.

2.5.2.10 Risk related to new technologies

A) Nature of the risk and link with its activity

The Group's strategy, focused on crypto-currencies and blockchain-based applications, involves significant development of new applications. If the Group is unable to generate the revenue and/or gross margins envisaged in the budget for these applications, the Group's financial position, revenue and operating profit will suffer. The Group's efforts to increase revenues from applications may not be successful or, even if they are, the time required to generate significant revenues may be longer than anticipated. The risks inherent in these applications are due to the changing nature of the technologies. For this reason, it is difficult for the Group to forecast sales accurately.

In addition, the direct nature of sales considerably increases competition; it also makes it more difficult to promote the Group's applications. Some of our competitors may have more resources to invest in the development and publication of these applications, making competition fiercer.

This can also lead to a reduction in marketing opportunities, making it more difficult to coordinate marketing efforts.

Finally, the Group operates in the field of blockchain, and its wallets are all vulnerable to piracy. Even though the Group keeps its tokens in wallets that are not connected to the Internet, the Group regularly connects its wallets to platforms to collect income paid in tokens, and when these connections are made, the integrity of the wallets may be compromised.

B) Risk management and monitoring measures

For the Group's success, management believes that the Company must invest in as many carefully selected applications as possible and succeed in monetizing them, while significantly increasing the number of users of the Group's applications.

In the case of wallets, if an abnormal situation is detected, the Company transfers the tokens from compromised wallets to other wallets and records a provision in the income statement to cover probable losses.

The Company has assessed this risk as high.

2.5.3 Legal risks

2.5.3.1 Litigation risks

A) Nature of the risk and link with its activity

In the normal course of business, Group companies may become involved in a number of legal, arbitration, administrative and tax proceedings. If claims are made against the Group by one or more of its co-contractors, regulatory authorities and/or any other interested parties, such claims, whatever their basis, may harm the Group's business, operating results and prospects.

B) Risk management and monitoring measures

The Company ensures that it complies with the contractual terms applicable to it. Disputes are managed by various Group departments, in collaboration with law firms.

The Company has assessed this risk as moderate.

2.5.3.2 Risk relating to the Group's regulatory environment

A) Nature of the risk and link with its activity

The Group must comply with a number of national and international regulations, notably on financial market information, the content of applications and the protection of consumer rights. Failure to comply with these regulations can have a negative impact on sales and customer loyalty. The Group must also keep a close eye on changes in French and European regulations governing digital assets. The Group is keeping a close eye on the application of the MICA regulation of 23 May 2023.

B) Risk management and monitoring measures

The Company ensures that it complies with applicable regulations. In particular, the Company relies on a team of external lawyers to keep the company up to date with the regulations applicable in the European Union, its main area of activity.

The Company has assessed this risk as moderate.

2.5.3.3 Data security risk

A) Nature of the risk and link with its activity

Legislation and regulations relating to the confidentiality and security of personal data are constantly evolving, and if the Group does not comply, or gives the impression that it does not comply, its business could suffer.

The Group is subject to the laws of France, the United States and other countries concerning the confidentiality and security of the personal data that the Group collects from its users; these laws are constantly evolving and will remain so for some time. The US government, in particular the Federal Trade Commission and the Department of Commerce, has announced that it is examining the need for greater regulation of the collection of information about consumer behaviour on the Internet, and the European Union has instituted the GDPR policy. Various governments and consumer groups are also calling for new regulations and changes in industry practices. If the Group fails to comply with laws and regulations relating to the confidentiality of personal data, or if its practices in this respect were to be deemed suspect by consumers, even if these suspicions were unfounded, this could damage the Group's reputation, and operating income could suffer.

There is a risk that these laws may be interpreted and applied inconsistently from one state, country or region to another, and that such interpretation may not reflect the Company's current practices. The Company may have to incur additional expenses and change its business practices in order to comply with these various obligations, for example data storage in certain States in the United States. Finally, if the Group were unable to protect its users' confidential information sufficiently, users could lose confidence in its services, which could adversely affect the Group's business.

B) Risk management and monitoring measures

The Company ensures that it complies with the regulations applicable to it. In particular, the Company relies on a team of external lawyers to keep it up to date with the regulations applicable in the European Union, its main area of activity.

The Company limits the collection of data to what is strictly necessary and does not transfer this data to third parties.

The Group has assessed this risk as high.

2.5.3.4 Intellectual property risk

A) Nature of the risk and link with its activity

A significant part of the Group's business is based on the development of applications and the acquisition and/or sale of licences. The Group may be exposed to infringement or unfair competition litigation.

B) Risk management and monitoring measures

The Group uses procedures to formalise and obtain legal and technical approval for all stages in the production and marketing of its products. Specialist lawyers manage, supervise and acquire intellectual property rights for the Group. The Group also works with law firms recognised for their expertise in this field and uses intellectual property monitoring services.

The Company has assessed this risk as high.

2.6. MAIN TRANSACTIONS WITH RELATED PARTIES

The main transactions with related parties are as follows:

Frédéric Chesnais' employment contract

This transaction, which comes into effect in 2021, is described in the Remuneration section of this Half-Year Report.

Services in setting up and developing strategy, marketing and organisation with Ker Ventures LLC

This transaction, which comes into effect in 2021, is described in the Remuneration section of this Half-Year Report.

Commercial lease with société civile FCP

This transaction, in force since 2021, covers a commercial lease for premises located in Neuilly sur Seine (92200), with société civile FCP, for a monthly rent excluding charges of €25,000 with effect from 1 November 2021. The rent is reviewed on 1st November each year, in accordance with the contractual provisions. It currently stands at 27,716.40 euros per month excluding charges and tax.

CBI share loan agreements with Ker Ventures SARL

In May 2024, CBI sold 35,852,574 CBI shares to Colopl Inc, a Japanese company, for €12.5 million. These shares had previously been loaned interest-free by Ker Ventures to CBI. These loans were the subject of two loan agreements, one for 12,000,000 CBI shares and the other for 23,852,574 CBI shares. CBI must return the same number of loaned shares to Ker Ventures, SARL by 31 December 2025 at the latest, regardless of changes in the CBI share price.

On 25 September 2024, CBI carried out a capital increase of 12,000,000 new shares in favor of Ker Ventures SARL in order to repay the first loan agreement.

Publishing and distribution contract with COLOPL

COLOPL is a Japanese video game publisher, listed on the Tokyo Stock Exchange with a market capitalization of over 400 million euros, and which has notably developed the Web 3.0 game Brilliantcrypto. The agreement grants CBI exclusive distribution rights for the Brilliant Crypto game in Europe and South America. Under the three-year agreement, CBI and COLOPL will share net revenues generated in Europe and South America on a 50/50 basis, with CBI bearing the marketing costs of distributing the game. The agreement provides for guaranteed minimum payments by CBI: €1.7 million on 1April 2025; €1.6 million on 1 April 2026; and €1.7 million on 1April 2027.

Cash agreement with Ker Ventures SARL

On 27 May 2024, the Board of Directors authorised the signature of a cash management agreement providing for the management of funds through a sub-account opened by Ker Ventures SARL dedicated to CBI. Ker Ventures SARL does not receive any remuneration for the execution of this agreement.

III. CONSOLIDATED INTERIM FINANCIAL STATEMENTS

3.1. CONSOLIDATED INCOME STATEMENT

In K€		30.09.2024	30.09.2023
Revenue	*Note 1*	2 183,9	2 352,7
Cost of goods sold	*Note 1*	(122,6)	(9,9)
GROSS MARGIN	Note 1	2 061,3	2 342,8
Research and development expenses	*Note 2*	(662,7)	(235,0)
Marketing and selling expenses	*Note 2*	(667,2)	(988,6)
General and administrative expenses	*Note 2*	(709,3)	(633,6)
Other operating income (expense)	*Note 2*	(899,9)	0,2
CURRENT OPERATING INCOME (LOSS)		(877,7)	486,0
Other income (expense)	*Note 4*	(260,2)	(817,1)
OPERATING INCOME (LOSS)		(1 137,9)	(331,1)
Cost of debt	*Note 4*	(206,6)	(62,4)
Other financial income (expense)	*Note 4*	(358,5)	(330,6)
Income tax		-	-
NET INCOME (LOSS) FROM CONTINUING OPERATIONS		(1 702,9)	(724,1)
Net income (loss) from discontinued operations		-	-
NET INCOME (LOSS)		(1 702,9)	(724,1)
Group share	*Note 4*	(1 710,2)	(746,3)
Minority interests	*Note 4*	7,3	22,3
Basic earnings per share (in euro)		(0,0068)	(0,0030)
Diluted earnings per share (in euro)		(0,0065)	(0,0030)

3.2. STATEMENT OF COMPREHENSIVE INCOME

In K€	30.09.2024	30.09.2023
CONSOLIDATED NET INCOME	(1 702,9)	(724,1)
Translation adjustments	(0,3)	-
Restatements IFRS 9	(287,0)	(5 503,5)
COMPREHENSIVE INCOME	(1 990,3)	(6 227,5)
Group share	(1 988,5)	(6 249,8)
Minority interests	(1,8)	22,3

3.3. CONSOLIDATED BALANCE SHEET

ASSETS (in K€)		30.09.2024	31.03.2024
Goodwill	Note 5	4 085,1	4 085,1
Intangible assets	Note 6	12 953,1	11 849,9
Property, plant and equipment	-	19,2	19,3
Rights of use relating to leases	Note 7	1 578,5	1 710,1
Non-current financial assets	Note 8	3 398,8	3 686,8
Non-current assets		**22 034,7**	21 351,1
Inventories	Note 9	2 684,3	2 767,6
Trade receivables	Note 10	2 996,4	1 134,5
Current financial assets	Note 11	8 077,9	39,6
Current tax assets	-	74,1	74,1
Other current assets	Note 12	3 472,5	2 517,8
Cash and cash equivalents	Note 13	156,5	234,7
Current assets		**17 461,7**	6 768,4
Total assets		**39 496,4**	28 119,4

EQUITY & LIABILITIES (in K€)		30.09.2024	31.03.2024
Capital stock		26 275,7	25 070,6
Share premium		10 044,7	7 064,4
Consolidated reserves		(9 833,1)	(17 824,0)
Net income (loss) Group share		(1 710,2)	(475,1)
Shareholders' equity	Note 14	**24 777,1**	13 835,9
Minority interests		255,0	258,4
Total equity		**25 032,1**	14 094,3
Provisions for non-current contingencies and losses	Note 15	50,0	172,4
Non-current financial liabilities	Note 16	-	6 680,7
Long term lease liabilities	Note 17	1 392,7	1 521,0
Other non-current liabilities	Note 19	628,2	3 296,7
Non-current liabilities		**2 070,9**	11 670,9
Provisions for current contingencies and losses	Note 15	50,0	-
Current financial liabilities	Note 16	4 907,4	-
Short term lease liabilities	Note 17	254,7	250,9
Trade payables	Note 18	5 937,5	1 577,4
Other current liabilities	Note 19	1 243,8	525,9
Current liabilities		**12 393,4**	2 354,2
Total equity and liabilities		**39 496,4**	28 119,4

The accompanying notes form an integral part of the financial statements for the 6 months ended September 30, 2024.

3.4. CHANGES IN SHAREHOLDERS' EQUITY

Amounts in K€	Capital	Share premium	Treasury shares	Consolidated reserves	Shareholders equity	Minority interests	Total equity
At March 31, 2023	25,1	7,1	(4 092,0)	(6 601,6)	(10 661,4)	211,4	(10 450,0)
Net income (loss) for the period	-	-	-	(475,1)	(475,1)	45,8	**(429,3)**
Translation adjustments	-	-	-	(11,9)	(11,9)	-	**(11,9)**
IFRS 9 Restatement	-	-	-	(9 530,1)	(9 530,1)	-	**(9 530,1)**
Comprehensive income				(10 017,1)	(10 017,1)	45,8	(9 971,3)
Capital increase	0,1	(53,5)	-	-	(53,3)	-	**(53,3)**
Treasury shares transactions	-	-	638,6	-	638,6	-	**638,6**
IFRS 2 Share-based Payments	-	-	1 772,8	-	1 772,8	-	**1 772,8**
Others changes	-	-	-	0,1	0,1	1,2	**1,4**
At March 31, 2024	25,2	(46,4)	(1 680,5)	(16 618,6)	(18 320,3)	258,4	(18 061,8)
Net income (loss) for the period	-	-	-	(1 710,2)	(1 710,2)	7,3	**(1 702,9)**
Translation adjustments	-	-	-	8,8	8,8	(9,1)	**(0,3)**
IFRS 9 Restatement	-	-	-	(287,0)	(287,0)	-	**(287,0)**
Comprehensive income				(1 988,5)	(1 988,5)	(1,8)	(1 990,3)
Capital increase	1 205,1	2 980,3	-	-	4 185,5	-	**4 185,5**
Treasury shares transactions	-	-	503,3	(112,1)	391,2	-	**391,2**
IFRS 2 Share-based Payments	-	-	8 377,1	-	8 377,1	-	**8 377,1**
Others changes	-	-	(24,1)	-	(24,1)	(1,6)	**(25,7)**
At Septemmber 30, 2024	1 230,4	2 933,9	7 175,8	(18 719,1)	(7 379,1)	255,0	(7 124,1)

3.5. CONSOLIDATED CASH FLOW STATEMENT

(K€)	30.09.2024	30.09.2023
Net income (loss) for the year	(1 702,9)	(724,1)
Non cash expenses and revenue	-	-
Charges to (reversals of) depreciation, amortization and provisions	63,6	121,7
Other computed expenses	115,0	-
Other non cash items	(721,3)	-
Cost of debt	206,6	-
Income taxes (deferred and current)	-	-
CASH FLOW BEFORE NET COST OF DEBT AND TAXES	(2 039,1)	(602,4)
Income taxes paid	-	-
Changes in working capital	-	-
Inventories	-	1 173,5
Trade receivables	0,9	(2 304,9)
Trade payables	(25,0)	2 240,2
Other current & non current assets and liabilities	(312,2)	410,5
NET CASH USED IN OPERATING ACTIVITIES	(2 375,5)	916,9
Purchases of / additions to :	-	-
Intangible assets	(214,7)	(3 427,4)
Property, Plant & equipment	(3,4)	(5,6)
Non current financials assets	-	-
Disposals / repayments of :	-	-
Intangible assets	-	-
Property, Plant & equipment	-	-
Non current financials assets	-	-
NET CASH USED IN INVESTING ACTIVITIES	(218,1)	(3 433,0)
Net funds raised from :	-	-
Share issues	1,7	0,1
Loans	-	-
Changes in treasury shares	12 891,2	130,4
Net funds disbursed for :	-	-
Interest and other financial charges	(206,6)	5,6
Debt repayment	(124,5)	(120,9)
Placement trésorerie	(8 077,9)	-
Changes in loans or other financial items	(1 962,2)	2 371,6
Other cash flows from financing activities	-	151,2
NET CASH PROVIDED (USED IN) BY FINANCING ACTIVITIES	2 521,6	2 538,0
Impact of changes in exchange rates	(6,3)	(0,6)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(78,2)	21,2

(K€)	30.09.2024	30.09.2023
Net opening cash balance	234,7	450,9
Net closing cash balance	156,5	472,1
NET CHANGE IN CASH AND CASH EQUIVALENTS	(78,2)	21,2

IV. NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4.1. GENERAL NOTES

4.1.1 GENERAL INFORMATION

Crypto Blockchain Industries, SA ("CBI" or the "Company") is a company incorporated under the laws of France and registered with the Paris Trade and Companies Registry under number 894 283 126. Its registered office is located at 38 rue de Berri 75008 Paris.

The financial year runs from [1]April to 31 March.

CBI's consolidated financial statements include the Company and its subsidiaries (together referred to as the "Group"). This note forms an integral part of the Group's IFRS consolidated financial statements for the six months ended September 30. All amounts are expressed in thousands of euros unless otherwise stated.

4.1.2 PRESENTATION OF THE GROUP

CBI: Investment in the entire blockchain value chain

CBI is one of the few companies offering a global investment approach covering the main aspects of blockchain.

CBI's strategy is to position itself in the most promising blockchain segments, mainly video games and, more generally, interactive entertainment. CBI's objective is to grow the value of its portfolio of assets, maximize return on investment and operate with a limited level of fixed costs, focusing on the best opportunities in the industry. CBI uses leveraged financing techniques, while maintaining a focus on collateralization to minimize the level of risk.

Therefore, after a diligent review of projects, CBI is investing in those aspects of blockchain offering the best opportunities for long-term profitability and is focusing on 3 activities:

- **Video Games 3.0**, for example the publishing of 3.0 games such as Brilliantcrypto or the video games owned by subsidiaries OP Productions and Free Reign East.
- The **Metaverse 3.0**, marketed under the name "AlphaVerse". AlphaVerse works with the main crypto-currencies and CBI tokens (the $CRYS token and the $FAV token), as well as traditional currencies, notably the euro and USD.
- **Investments 3.0**, in the field of blockchain (companies or crypto currencies).

The complementary nature of these activities also enables synergies to be exploited.

The products developed by CBI do not operate solely on blockchain. To offer greater flexibility and maximize the chances of commercial success, CBI also offers payment options in traditional currencies where such an option is technically possible.

<u>Video Games 3.0: A business with a solid short-term outlook</u>

This activity has received considerable support thanks to the investment of Colopl Inc, a Japanese company, and the granting to CBI of exclusive publishing rights for Europe and South America for the Brilliantcrypto game.

Colopl subsidiary Brilliantcrypto Inc. developed and launched the Brilliantcrypto game on 17 June 2024. Players take on the role of miners searching for precious stones in virtual mines, the value of which in the digital world is guaranteed by the players' gameplay, known as "Proof of Play".

CBI has the rights to Europe and South America for a period of 3 years, with a 50/50 split of sales in this territory. CBI has agreed to a minimum revenue guarantee of five million euros in favour of Brilliantcrypto Inc. over the duration of the contract. The marketing costs included in the contract are in the region of seven million euros.

Métaverse 3.0 "AlphaVerse": Strategy and development of a connected and open virtual world in the medium term

The second line of business is centered on the development of AlphaVerse, a digital world with a diligent design and a host of features.

AlphaVerse is an open and versatile Web3.0 online platform that offers gaming and interaction experiences, as well as content creation and sharing.

AlphaVerse operates on the traditional side with payments in traditional currencies, and on the blockchain side with the main crypto-currencies as well as the Crystal token ($CRYS), AlphaVerse's crypto-currency, and the $FAV token, Football at AlphaVerse's crypto-currency.

AlphaVerse is organized around a central place, the "Hub", which connects many worlds in the field of games and entertainment.

Some universes are developed by CBI for its own account, others are developed by CBI in association with partners, and others by third parties with a view to being linked to AlphaVerse through the Hub. The Hub was first opened for testing in September 2022, which generated many positive and enriching feedbacks. A new opening is planned for 2025.

Investments 3.0: A long-term vision combined with opportunistic equity investments

The third activity is investment in third-party projects, for example (i) Cornucopias, in which CBI owns 1% of the company and has rights over Cornucopias tokens issued, (ii) the "Karma The Game" project, or (iii) portfolios of tokens acquired as part of consulting activities. CBI also owns 27.5% of NCX, a start-up developing a truck fleet management platform.

CBI is developing an active policy for building a cryptocurrency portfolio, including cash investments. CBI can also carry out transactions where it receives cryptocurrencies in exchange for cryptocurrencies created by CBI (token swaps) or for providing services and consulting

4.1.3 HIGHLIGHTS OF THE PERIOD

The key events of the period were as follows:

Implementation of a cash agreement with Ker Ventures SARL

On May 2024 27, the Board of Directors authorized the signature of a cash management agreement providing for the management of funds through a sub-account opened by Ker Ventures SARL and dedicated to CBI. Ker Ventures SARL does not receive any remuneration for the execution of this agreement.

Japanese video game publisher Colopl Inc. acquires a 12.5% stake in CBI and grants CBI exclusive rights to exploit the Web 3.0 game Brilliantcrypto in Europe and South America.

Under an agreement dated May 28, 2024, Colopl Inc. invested €12.5 million in CBI through the acquisition of ordinary shares at a unit price of €0.3486, entitling it to 12.5% of CBI's share capital. The Japanese group Colopl Inc. acquired 35,852,574 CBI shares from CBI. The shares sold were previously loaned interest-free by Ker Ventures SARL to CBI (see below).

On May 28, 2024, CBI also signed an agreement with Brillantcrypto Inc, a subsidiary of Colopl Inc, to publish and distribute the Brilliantcrypto game in Europe and South America.

Under the terms of the agreement, Brilliantcrypto Inc. grants CBI exclusive rights to operate the Brilliantcrypto Web 3.0 game in Europe and South America and CBI provides a range of services including the promotion and marketing of the game, assuming all associated costs, for a period of three years. CBI has agreed a minimum revenue guarantee of five million euros to Brilliantcrypto Inc. over this period.

This partnership with the Colopl Inc. group will enable CBI to expand and generate additional revenue. The marketing costs included in the contract are in the region of seven million euros.

Loan agreements between CBI and Ker Ventures SARL to enable CBI to sell 12.5% of its share capital to Colopl.

The 35,852,574 shares transferred by CBI to Colopl were previously loaned interest-free by Ker Ventures to CBI. These loans were the subject of two loan agreements, one for 12,000,000 CBI shares and the other for 23,852,574 CBI shares.

CBI must return the same number of loaned shares to Ker Ventures SARL by December 31, 2025, regardless of share price changes.

Capital increase of 12,000,000 CBI shares to repay the first loan granted by Ker Ventures, SARL.

On September 25, 2024, CBI remitted Ker Ventures SARL 12,000,000 CBI shares in repayment of the first loan of 12,000,000 CBI shares dated 27 May 2024.

Extension to March 31, 2025 of the exercise period for BSA A warrants to acquire CBI shares.

The purpose of this extension is to allow shareholders to benefit from the share price momentum over a longer period. The exercise periods for A warrants and B warrants are now aligned with 31 March 2025.

Signing of a licensing agreement on the "emoji" properties to develop and publish a game on the blockchain.

On July 31, 2024, CBI entered into a licensing agreement with Emoji Company GmbH to develop a blockchain-based Emoji game. This license is applicable to all PC and mobile devices. This agreement had no impact at September 30 2024.

Purchase by CBI of 760,021 CBI shares from Melanion Capital

Under an agreement dated September 5, 2024, the Company purchased 760,021 CBI shares from Melanion Capital for €219,874.07 and transferred 19,000,525 warrants to Melanion Capital free of charge. To complete this transaction, CBI purchased 18,556,376 warrants from Ker Ventures SARL for €9,278.19. The shares were received by CBI at the beginning of October 2024.

Amendments to the consultancy contract with Chain Games

On September 17, 2024, the Company entered into an amendment with Chain Games extending the consultancy agreements between the two companies until March 31, 2031. In addition, the license to use the Unity software developed specifically by Chain Games ("SDK") was extended to 31 March 2044. This amendment was valued at €2 million, paid for by the transfer of $CRYS tokens

4.1.4 ACCOUNTING PRINCIPLES

ACCOUNTING STANDARDS

The Group's condensed consolidated financial statements for the six months ending September 30, 2024, have been approved by the Board of Directors of Crypto Blockchain Industries SA. They have been prepared in accordance with IAS 34 "Interim Financial Reporting" and on the basis of IFRS and the interpretations published by the International Accounting Standards Board (IASB), as adopted by the European Union and mandatory from January 1, 2024.

These condensed consolidated interim financial statements therefore do not include all the information required for a full set of financial statements prepared in accordance with IFRS, and should be read in conjunction with the Group's latest consolidated financial statements for the year ended March 31 2024 prepared in accordance with IFRS.

The purpose of the explanatory notes included in these condensed interim consolidated financial statements is to explain significant events and transactions in order to understand changes in the Group's financial position and performance since the last consolidated financial statements.

In preparing the financial statements for the year ended September 30, 2024, the Group has applied the same accounting standards, interpretations and policies as those used in its financial statements for the year ended March 31, 2024, with the exception of those standards and interpretations that come into force on April 1, 2024.

The Group's financial statements are presented in thousands of euros to one decimal place, unless otherwise indicated. In some cases, rounding to the nearest thousand euros may result in immaterial differences in the totals and subtotals of the tables.

USE OF ESTIMATES AND SIGNIFICANT ACCOUNTING JUDGEMENTS

The preparation of consolidated financial statements in accordance with IFRS requires the Group to make certain estimates and assumptions that it believes to be reasonable and realistic. These estimates and assumptions affect the amount of assets and liabilities, shareholders' equity, net income and the amount of contingent assets and liabilities, as presented at the balance sheet date

Estimates may be revised if the circumstances on which they were based change or if new information becomes available. Actual results may differ from these estimates and assumptions.

The estimates and assumptions made on the basis of the information available at the balance sheet date relate in particular to :

- Intangible assets, assumptions on development costs based on forecast net resources ;
- Rights of use relating to leases, assumptions used to recognize the right of use of a leased asset, valuation of the lease liability, determination of the discount rate, the term of a contract and the amortization period;
- Certain financial instruments: fair value method
- Stocks: valuation of crypto-currencies held;
- Provisions for risks.

The realization of projects, as well as their operating budgets and financing plans, remain fundamentally subject to uncertainties, and failure to realize the underlying assumptions may have a significant impact on the value of assets and liabilities.

GROUP CONSOLIDATION SCOPE

Companies controlled by the Group, i.e. where the Group has the power to make financial and operating decisions, are fully consolidated.

These companies are as follows:

Companies	Closing date	Pays	% control		% interest	
			30/09/2024	31/03/2024	30/09/2024	31/03/2024
Subsidiairies in activity						
OP Productions LLC	31-déc	United States	77,27	77,27	77,27	77,27
Free Reign East LLC	31-déc	United States	77,27	77,27	77,27	77,27
Subsidiairies without activity						
CBI Lithuania UAB	31-déc	Lithuania	100,00	100,00	100,00	100,00

NCX, which is 27.50%-owned, is not consolidated as it does not meet the consolidation criteria. NCX is considered a strategic asset.

CBI also holds a 50% stake in BAA, LLC, a company incorporated in the State of Delaware (USA). This company has no activity and its subscribed capital of USD 10,000 has not been called up. It is not included in the table of consolidated subsidiaries.

TRANSACTIONS IN FOREIGN CURRENCIES

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate prevailing at the transaction date. At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the balance sheet date. All differences are recognized in profit or loss for the period, with the exception of differences on borrowings in foreign currencies that constitute a hedge of the net investment in a foreign entity. These are charged directly to equity until the net investment is disposed of.

The exchange rates used for the 1st half-year are as follows:

	30-Sep-24		31-Mar-24		30-Sep-23	
	Closing rate	Average rate	Closing rate	Average rate	Closing rate	Average rate
USD	**1,1196**	**1,0878**	1,0811	1,0855	1,0594	1,0883

APPLICATION OF THE GOING CONCERN PRINCIPLE

Shareholders' equity, Group share, amounted to €24,777k On September 30, 2024, compared with €13,836k on September 30, 2023.

Net cash and cash equivalents, defined as cash and cash equivalents plus current financial assets less current financial liabilities, amounted to €3,327k On September 30, 2024, compared with €274k at 31 March 2024.

(K€)	30.09.2024	31.03.2024
Cash and cash equivalents	**156,5**	234,7
Current financial assets	**8 077,9**	39,6
Current financial liabilities	**(4 907,4)**	-
Net cash	**3 327,0**	274,3

The Company has reviewed its liquidity risk on the basis of quarterly forecasts covering a 12-month period from the date of this document. These forecasts, the timing of which may be uncertain, have been drawn up without recourse to external financing. On the basis of these assumptions, the Company considers that it has the resources to meet its obligations, to continue its business and to be in a position to meet its 3-month and 12-month debt repayments.

4.2. NOTES TO THE INCOME STATEMENT AND BALANCE SHEET

NOTE 1: SALES AND GROSS MARGIN

On September 30, 2024, CBI generated consolidated sales of €2,184k, mainly from sales of tokens, compared with €2,353k for the previous financial period. Sales were virtually unchanged from the prior period last year.

(K€)	30.09.2024	30.09.2023
Video games	**81,5**	146,8
AlphaVerse	**-**	955,8
Token sales	**2 102,4**	1 250,1
REVENUE	**2 183,9**	2 352,7

On September 30, 2024, the gross margin remained above 90% of sales for the period, as in the previous financial period, as sales mainly comprise sales of tokens.

(K€)	30.09.2024	30.09.2023
Revenue	**2 183,9**	2 352,7
Cost of goods sold	**(122,6)**	(9,9)
GROSS MARGIN	**2 061,3**	2 342,8

NOTE 2: CURRENT OPERATING EXPENSES

For purposes of comparison with other companies in the sector, CBI presents its income statement by function.

(K€)	30.09.2024	30.09.2023
Research and development expenses	**(662,7)**	(235,0)
Marketing and selling expenses	**(667,2)**	(988,6)
General and administrative expenses	**(709,3)**	(633,6)
Other operating income (expense)	**(899,9)**	0,2
CURRENT OPERATING EXPENSES	**(2 939,0)**	(1 856,9)

Research and development expenses

Research and development expenses include video games and metaverse development costs. These costs rose significantly over the period compared with the previous period (x2.8), reflecting the increase in non-capitalized external development, consulting costs and the growth in the number of projects.

Traditional video games are fully amortized. As regards the metaverse, the value of the intellectual property rights is recorded as an asset in the balance sheet and has not been amortized on September 30, 2024, with amortization starting when the metaverse is scheduled to open in Beta mode in calendar 2025.

Marketing and sales expenses

Consolidated sales and marketing expenses include advertising, mainly through the launch of online campaigns.

Marketing and sales expenses totalled €667K for the period, compared with €988k for the previous financial period, a fall of 32%. This change is mainly due to the timing of campaign launches, bearing in mind that several significant campaigns were launched during the previous financial period.

General and administrative expenses

General and administrative expenses for the period mainly reflect management costs, as well as overheads relating to the listing of the company's shares on the Euronext Growth market. General and administrative expenses amounted to €709k for the year ended 31 December 2024 , compared with €633k for the previous period, representing an increase of 11%.

Other operating income and expenses

Other operating income and expenses include the prorata share of the guaranteed minimum due to Brilliantcrypto I under the Brilliantcrypto game publishing contract, i.e. €850K.

NOTE 3: CURRENT OPERATING INCOME

Consolidated operating profit before non-recurring items was €878k for the year, compared with €486k for the previous period. Excluding the minimum guarantee of €850k, operating profit before non-recurring items was close to breakeven.

NOTE 4: OPERATING INCOME AND NET INCOME

(K€)	30.09.2024	30.09.2023
CURRENT OPERATING INCOME (LOSS)	**(877,7)**	486,0
Other income (expense)	**(260,2)**	(817,1)
OPERATING INCOME (LOSS)	**(1 137,9)**	(331,1)
Cost of debt	**(206,6)**	(62,4)
Other financial income (expense)	**(358,5)**	(330,6)
NET INCOME (LOSS)	**(1 702,9)**	(724,1)
Group share	**(1 710,2)**	(746,3)
Minority interests	**7,3**	22,3

On September 30, 2024, other operating expenses corresponded to non-recurring accruals.

On September 30, 2023, other operating expenses corresponded to financial expenses linked to changes in the price of crypto currencies over the first half of the 2023-2024 financial year.

Consolidated operating profit was €1,138k for the period, compared with €331k for the previous period.

The cost of financial debt reflects interest paid on Ker Ventures current account advances, while other financial income and expenses mainly reflect changes in the price of crypto currencies over the period.

Consolidated net profit (group share) came to €1,710k for the period, compared with €746k for the previous period, the change being mainly due to the provision for the guaranteed minimum to be paid to Brilliant Crypto under the Brilliantcrypto game publishing contract.

Consolidated minority interests represent the amount attributable to the 22.73% owners of OP Productions, LLC and Free Reign East, LLC, and were negligible over the period.

NOTE 5: GOODWILL

Business combinations are accounted for using the purchase method at the acquisition date, which is the date on which control is transferred to the Group in accordance with IFRS 3. IFRS 3 requires the purchase price to be allocated by measuring the fair value of the assets and liabilities acquired within 12 months of the acquisition date. The Group measures goodwill at the acquisition date as follows: the fair value of the consideration transferred, plus the fair value of the identifiable assets acquired and liabilities assumed, if any.

The consideration transferred comprises the purchase price of 77.27% of the shares of OP Productions LLC and Free Reign East LLC. The difference between the consideration transferred and the net assets of each of the 2 companies is presented as goodwill. Goodwill amounted to €4,085k.

In accordance with IAS 36 "Impairment of Assets", goodwill is tested for impairment annually or whenever there is an indication that it may be impaired. This test was carried out during the period and did not reveal any impairment requiring a write-down. The assumptions used for impairment testing are based on discounted cash flows, calculated using five-year business plans and a discount rate that reflects the specific risks of the cash-generating unit (CGU) concerned."

NOTE 6: INTANGIBLE ASSETS

Changes in intangible assets during the first half were as follows:

Gross value (K€)	Video games	AlphaVerse developments	Licenses & IP	Softwares and others	Total
March 31, 2024	**4 153,6**	**8 155,1**	**3 615,5**	**82,1**	**16 006,2**
Acquisitions		1 214,7			1 214,7
Cessions/sorties				(75,4)	(75,4)
Ecart de conversion	(142,8)		(35,0)		(177,8)
September 30, 2024	**4 010,7**	**9 369,8**	**3 580,5**	**6,7**	**16 967,8**

During the period, AlphaVerse's developments increased by €1.2 million, broken down as follows:

- 1 million for the extension of the Unity SDK license granted by Chain Games, which is essential to the operation of the AlphaVerse world;
- 214k for developer costs incurred in developing the AlphaVerse world.

These research and development costs and the licenses acquired for the development of the AlphaVerse world will not be amortized until this world is commissioned in Beta mode in 2025.

Amortization (K€)	Video games	AlphaVerse developments	Licenses & IP	Softwares and others	Total
March 31, 2024	**(4 153,6)**	**-**	**-**	**(2,8)**	**(4 156,4)**
Amortissements				(1,1)	(1,1)
Cessions/sorties					-
Ecart de conversion	142,8				142,8
September 30, 2024	**(4 010,7)**	**-**	**-**	**(4,0)**	**(4 014,7)**

Net value (K€)	Video games	AlphaVerse developments	Licenses & IP	Softwares and others	Total
March 31, 2024	**-**	**8 155,1**	**3 615,5**	**79,2**	**11 849,8**
September 30, 2024	**-**	**9 369,8**	**3 580,5**	**2,8**	**12 953,1**

NOTE 7: RIGHTS OF USE RELATING TO LEASES

The application of IFRS 16 on leases results in the recognition of a right of use on the lease of the Neuilly-sur-Seine offices.

On September 30, 2024, it breaks down as follows:

(K€)	30.09.2024	31.03.2024
Rights of use relating to leases gross value	**2 367,8**	2 367,8
Rights of use relating to leases amortization	**(789,3)**	(657,7)
Rights of use relating to leases	**1 578,5**	**1 710,1**

Rights of use are amortized over the contractual period used to calculate the related lease liability.

NOTE 8: NON-CURRENT FINANCIAL ASSETS

Financial assets are initially measured at fair value, plus transaction costs directly related to the acquisition in the case of a financial asset not measured at fair value through the income statement.

The acquisition costs of financial assets measured at fair value through profit or loss are recognized in the income statement. The Company considers 3 categories of assets:

- Financial assets measured at amortized cost,
- Financial assets measured at fair value through other comprehensive income (FVOCI),
- Financial assets measured at fair value through profit or loss.

This classification depends on the economic model for holding the asset as defined by the Group and the characteristics of the contractual cash flows of the financial instruments.

Non-current financial assets measured at amortized cost

Financial assets are measured at amortized cost when they are not designated at fair value through profit or loss, are held for the purpose of collecting contractual cash flows and give rise to cash flows corresponding solely to the repayment of principal and interest payments ("SPPI" criterion). Amortized cost can only be applied to debt instruments, including loans, receivables and deposits. In most cases, it corresponds to the nominal value less any impairment losses.

On September 30, 2024, the Company's non-current financial assets measured at amortized cost consist mainly of the office lease guarantee.

Non-current financial assets measured at fair value through other comprehensive income (OCI)

This category includes debt and equity instruments.

Debt instruments are measured at fair value by OCI if they are not designated at fair value through profit or loss and if they are held for the purpose of receiving contractual cash flows and for sale and give rise to cash flows corresponding solely to the repayment of principal and interest payments ("SPPI" criterion). Interest income, foreign exchange gains and losses and impairment losses are recognized in the income statement. Changes in fair value are recorded in OCI. On derecognition, cumulative changes in fair value under OCI are reclassified to the income statement.

Equity instruments that are not held for trading may be measured at fair value by OCI. The Group may make this irrevocable choice on an investment-by-investment basis. Dividends are then recognized in the income statement unless they clearly represent the recovery of part of the cost of the investment. Changes in fair value are recognized in OCI and are never reclassified to profit or loss.

One of the Group's strategic priorities is to invest in traditional businesses and develop them using blockchain technology. Holdings in NCX, Cornucopias and Golive Entertainment Holding fall into this category of strategic investments. Consequently, charges to and reversals of provisions for impairment in the value of these investments are recorded in other comprehensive income.

On September 30, 2024, non-current financial assets measured at fair value through other comprehensive income included investments in NCX for €12,161.6k, Cornucopias for €913.0k and Golive Entertainment Holding for €56.2k. During the period, an impairment loss of €287.0k was recognized on the Cornucopias shares, giving rise to a loss in other comprehensive income.

Financial assets at fair value through profit or loss

All assets not classified as at amortized cost or fair value through profit or loss are measured at fair value through profit or loss. Net gains and losses, including interest or dividends received, are recognized in profit or loss.

On September 30, 2024, non-current assets were as follows:

(K€)	30.09.2024	31.03.2024
Fair value through OCI - Gross values	13 140,8	13 140,8
Fair value through OCI - Depreciation	(9 817,1)	(9 530,1)
Financial assets measured at fair value through OCI	**3 323,7**	3 610,7
Financial assets measured at fair value through profit or loss	**-**	-
Financial assets measured at amortized cost	**75,1**	**75,1**
Actifs financiers non courants	**3 398,8**	3 685,8

NOTE 9: INVENTORIES

On September 30, 2024, inventories consisted exclusively of digital tokens (crypto assets) held as part of the Company's operating activity. In accordance with IFRS, and in the absence of specific provisions on crypto-assets, these digital tokens are treated in accordance with the general principles of IAS 2 - Inventories

The inventory of digital tokens is initially recognized at acquisition cost, in accordance with the principles of IAS 2. The Company has decided to apply paragraph 3(b) of IAS 2, which allows certain activities to measure their inventories at fair value less costs to sell (FVTPL), so the digital tokens are revalued at the balance sheet date at the market price. This approach reflects the current value of the cryptocurrencies held in the portfolio at the balance sheet date. If the fair value (market price) of a cryptocurrency is less than its acquisition price, an impairment loss is recognized in the income statement. Conversely, unrealized gains resulting from revaluation above cost are also recognized in the income statement, in line with business models that include the acquisition of digital tokens primarily with a view to selling them in the near future and generating a profit from price fluctuations.

(K€)	30.09.2024	31.03.2024
Inventory of digital assets	**2 684,3**	2 767,6
Inventories	**2 684,3**	2 767,6

NOTE 10: TRADE RECEIVABLES

Trade receivables are recorded at fair value, which generally corresponds to their nominal value. Provisions are made for doubtful debts based on the risk of non-recovery.

In accordance with IFRS 9, the Group uses the simplified impairment model for trade receivables based on an analysis of expected losses over the life of the receivable. After analyzing the probabilitý of default by creditors, certain trade receivables may be subject to impairment.

Under IFRS 9, value adjustments for expected credit losses correspond either to expected credit losses for the twelve months following the balance sheet date, or to expected credit losses for the entire life of the financial asset.

The measurement of expected credit losses for the total life of the financial asset applies if the credit risk of a financial asset at the balance sheet date has increased significantly since its initial recognition. Otherwise, the valuation is based on expected credit losses for the next twelve months. The difference between the carrying amount and the recoverable amount is recognized in recurring operating income. Impairment losses may be reversed if the asset recovers its initial value in the future. An impairment loss is considered definitive when the receivable is itself considered definitively irrecoverable and written off.

(K€)	30.09.2024	31.03.2024
Trade receivables gross value	**2 986,3**	1 134,5
Provisions for impairment in value	**-**	-
Receivables invoices to be established	**10,0**	-
Trade receivables net value	**2 996,4**	1 134,5

NOTE 11: CURRENT FINANCIAL ASSETS

On September 30, 2024, current financial assets available for immediate use, without being blocked even for a short period, amounted to €8,078k. These are financial investments under the Group cash management agreement.

NOTE 12: OTHER CURRENT ASSETS

Other current assets mainly comprise recoverable VAT receivables, prepaid expenses on consultancy contracts spread over the duration of the contracts and various other current receivables.

On September 30, 2024, Other Current Assets break down as follows:

(K€)	30.09.2024	31.03.2024
Receivables from employees	0,2	(10,2)
Prepaid and recoverable taxes	261,0	140,3
Prepaid expenses	2 878,1	2 143,1
Other debtors	333,2	244,7
Other current assets	**3 472,5**	2 517,8

NOTE 13: CASH AND CASH EQUIVALENTS

On September 30, 2024, cash and cash equivalents totalled €157k. Added to current financial assets, total cash and cash equivalents amounted to €8,234k. This amount corresponds to immediately available funds, with no commitment to maintain or freeze them.

NOTE 14: SHAREHOLDERS' EQUITY

The table below details movements in the Group's share capital over the past six months.

	30.09.2024	31.03.2024
Shares outstanding at the begining of the period	**250 705 948**	250 704 483
Capital increase	**12 000 000**	
Exercise of Stock Warrants	**51 428**	1 465
Shares outstanding at the the end of the period	**262 757 376**	250 705 948

12 million new shares were issued to Ker Ventures SARL in September 2024 to enable partial repayment of the loan granted by Ker Ventures SARL in May 2024 when Colopl acquired a stake in CBI.

On September 30, 2024, the Company's subscribed and fully paid-up capital amounted to €26,275,737.60, divided into 262,757,376 ordinary shares with a par value of €0.10, and CBI held 966,346 of its own shares.

The Company's shares have been listed on Euronext Growth Paris since 26 October 2021 (ISIN: FR0014007LW0). The mnemonic is ALCBI.

To the best of the Companý s knowledge, On September 30, 2024 the breakdown of shareholders holding more than 2% of the capital and voting rights is as follows, on a non-diluted and a diluted basis:

September 30, 2024	Number of Shares Outstanding		Number of Shares on a Fully Diluted Basis	
	Number of shares	%	Number of shares	%
Ker Ventures SARL	192 818 679	73,38%	201 274 211	73,80%
Frédéric Chesnais	12 500 000	4,76%	12 500 000	4,58%
Colopl	35 852 574	13,64%	35 852 574	13,15%
Infinity Reality Entertainment Inc.	5 706 714	2,17%	5 706 714	2,09%
Treasury shares	966 346	0,37%	1 029 769	0,38%
Public	14 913 063	5,68%	16 371 463	6,00%
Total	**262 757 376**	**100,00%**	**272 734 732**	**100,00%**

On September 30, 2024, there were 248,296,750 BSA A warrants outstanding entitling holders to acquire 4,965,935 new shares at a price of €0.40 per share and 250,571,050 BSA B warrants entitling holders to acquire 5,011,421 new shares at a price of €0.60 per share. The maturity date of the A and B warrants is March 31, 2025.

To the best of the Company's knowledge, breakdown of voting rights in the Company at September 30 2024 is as shown in the table below.

Ownership	September 30, 2024					
	Number of shares	%	Theoretical voting rights	%	Exercisable voting rights	%
Ker Ventures SARL	192 818 679	73,38%	192 818 679	73,38%	192 818 679	73,65%
Frédéric Chesnais	12 500 000	4,76%	12 500 000	4,76%	12 500 000	4,77%
Colopl	35 852 574	13,64%	35 852 574	13,64%	35 852 574	13,70%
Infinity Reality Entertainment Inc.	5 706 714	2,17%	5 706 714	2,17%	5 706 714	2,18%
Treasury shares	966 346	0,37%	966 346	0,37%	0	0,00%
Public	14 913 063	5,68%	14 913 063	5,68%	14 913 063	5,70%
Total	**262 757 376**	**100,00%**	**262 757 376**	**100,00%**	**261 791 030**	**100,00%**

To the best of the Companý s knowledge, as On September 30, 2024, there are no other shareholders who own directly, indirectly or jointly 2% or more of the issued share capital or voting rights of the Company.

NOTE 15: PROVISIONS FOR CONTINGENCES AND LOSSES

In the normal course of business, Group companies may become involved in several legal, arbitration, administrative and tax proceedings.

On September 30, 2024, current and non-current provisions for liabilities and charges were as follows:

(K€)	30.09.2024	31.03.2024
Provisions for contingencies	-	122,4
Litigations	**50,0**	50,0
Non current provisions	**50,0**	**172,4**
Litigations	**50,0**	-
Current provisions	**50,0**	**-**
Provisions for non-current & current contingencies and losses	**100,0**	**172,4**

On March 31, 2024, a provision for risk of €172.4k had been recognized in respect of a loan granted by the Company which had not been repaid when due. This provision was reversed on September 30, 2024, and replenished by means of a provision for impairment of the underlying asset on the balance sheet.

NOTE 16: FINANCIAL LIABILITIES

On September 30, 2024, the Company's financial debt had been reduced, consisting of shareholder loans totalling €4.9M, of which €4M will be repaid in October 2024.

(K€)	30.09.2024	31.03.2024
Shareholder's loan	-	6 680,7
Non-current financial liabilities	-	6 680,7
Shareholder's loan	**4 907,4**	-
Current financial liabilities	**4 907,4**	-
Financial liabilities	**4 907,4**	**6 680,7**

Shareholder loans are remunerated at the tax-deductible rate.

NOTE 17: LEASE LIABILITIES

The Group follows the principle of IFRS 16 - Leases. Under this standard, all leases are recognized in the lessee's balance sheet, with a liability being recognized corresponding to the sum of future lease payments discounted at a rate of 3%. Lease liabilities mature follows:

(K€)	30.09.2024	31.03.2024
Lease liabilities between 1 and 5 years	**1 392,7**	1 372,3
Lease liabilities after 5 years	-	148,7
Non current lease liabilities	**1 392,7**	**1 521,0**
Dettes locatives à mois d'un an	**254,7**	250,9
Current lease liabilities	**254,7**	**250,9**
Lease liabilities	**1 647,4**	1 771,9

NOTE 18: TRADE PAYABLES

Trade payables include amounts owed to third parties for the delivery of tokens, amounts owed to football clubs for the use of rights and amounts owed to development studios.

On September 30, 2024, trade payables break down as follows:

(K€)	30.09.2024	31.03.2024
Trade payables	**4 050,1**	1 366,3
Trade payables accrued invoices	**1 887,4**	211,1
Trade payables	**5 937,5**	1 577,4

On September 30, 2024, trade payables amount to €4,050.1K, representing an increase of €2,683K compared to March 31, 2024. This variation is primarily due to two main factors: first, a reclassification of €1,292K in liabilities previously recorded as other non-current liabilities as of March 31, 2024, which are now recognized as current trade payables; second, the inclusion of a €2 million liability related to the Chain Games contract concluded in September 2024.

On September 30, 2024, "trade payables accrued invoices" amount to €1,887.4K, reflecting an increase compared to March 31, 2024. This increase results from the reclassification of an amount of €2,004.7K, previously recorded as other non-current liabilities as of March 31, 2024

NOTE 19: OTHER NON-CURRENT AND CURRENT LIABILITIES

On September 30, 2024, Other non-current and current liabilities break down as follows:

(K€)	30.09.2024	31.03.2024
Creditors - Due in more than one year	628,2	3 296,7
Other non-current liabilities	**628,2**	3 296,7
Employee liabilities	22,0	189,0
Social liabilities	82,9	49,6
Tax liabilities	12,3	7,0
Guaranteed minimum Brilliant Crypto	850,0	-
Creditors - Due in less than one yea	276,6	280,3
Other current liabilities	**1 243,8**	525,9

On September 30, 2024, other non-current liabilities decreased by €2,668.5K due to the reclassification of this amount to current trade payables.

Current other liabilities include, in particular, the pro-rata share of the guaranteed minimum owed to Brilliantcrypto under the publishing agreement for the game Brilliantcrypto, amounting to €850K

NOTE 20: OFF-BALANCE SHEET COMMITMENTS GIVEN AND RECEIVED

Commitments given

On September 30, 2024, the Commitments Given consist of 50 million $FAV tokens, created by the Company, which remain pending transfer to the Chain Games consultant.

Commitments received

On September 30, 2024, there were no Commitments Received.

4.3. OTHER INFORMATION

4.3.1 SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

CBI announced on December 2, 2024, its intention to strengthen its investments in cryptocurrencies by allocating part of its available cash to the purchase of the top 25 cryptocurrencies, excluding "stablecoins" and "meme" coins. This move is a continuation of its strategic investments in blockchain applications and aims to offer investors increased exposure to this fast-growing sector. To date, CBI has built up its portfolio through the creation and sale of its own tokens ($CRYS, $FAV, $LIGHTS) and through exchanges with third parties. The value of the cryptocurrency portfolio was €2,684k at September 30 2024.

On December 24, 2024, CBI announced the activation of a share buyback plan for a maximum price per share of €0.50 and a maximum amount of €1 million, until 31 March 2025. This strategy is motivated in particular by the valuation of the $CHAIN and $COPI token portfolios and enables CBI to return to shareholders part of the performance achieved to date.

There are no other significant events after September 30, 2024.

4.3.2 TRANSACTIONS WITH RELATED PARTIES

The main transactions with related parties are as follows:

Frédéric Chesnais' employment contract

This transaction, which comes into effect in 2021, is described in Section 4.3.3. Remuneration of Executives and Directors" of this Half-Yearly Report.

Services in setting up and developing strategy, marketing and organisation with Ker Ventures LLC

This transaction, which comes into effect in 2021, is described in Section 4.3.3. Remuneration of Executives and Directors" of this Half-Yearly Report.

Commercial lease with société civile FCP

This transaction, in force since 2021, covers a commercial lease, for premises located in Neuilly sur Seine (92200), with société civile FCP, for a monthly rent excluding charges of €25,000 with effect from 1 November 2021. The rent is reviewed on 1st November each year, in accordance with the contractual provisions. It currently stands at 27,716.40 euros per month excluding charges and tax.

CBI share loan agreements with Ker Ventures SARL

In May 2024, CBI sold 35,852,574 CBI shares to Colopl Inc, a Japanese company, for €12.5 million. These shares had previously been loaned interest-free by Ker Ventures to CBI. These loans were the subject of two loan agreements, one for 12,000,000 CBI shares and the other for 23,852,574 CBI shares. CBI must return the same number of loaned shares to Ker Ventures, SARL no later than 31 December 2025, regardless of changes in the CBI share price.

On September 25, 2024, CBI carried out a capital increase of 12,000,000 new shares in favour of Ker Ventures SARL in order to repay the first loan agreement.

Publishing and distribution contract with COLOPL

COLOPL is a Japanese video game publisher, listed on the Tokyo Stock Exchange with a market capitalization of over 400 million euros, and which has notably developed the Web 3.0 game Brilliantcrypto. The agreement grants CBI exclusive distribution rights for the Brilliant Crypto game in Europe and South America. Under the three-year agreement, CBI and COLOPL will share net revenues generated in Europe and South America on a 50/50 basis, with CBI bearing the marketing costs of distributing the game. The agreement provides for guaranteed minimum payments by CBI: €1.7 million on April 1, 2025; €1.6 million on April 1,2026; and €1.7 million on April 1,2027.

Cash agreement with Ker Ventures SARL

On May 27, 2024, the Board of Directors authorized the signature of a cash management agreement which provides for the management of funds through a sub-account opened by Ker Ventures SARL dedicated to CBI. Ker Ventures SARL does not receive any remuneration for the execution of this agreement.

4.3.3 COMPENSATION OF OFFICERS AND DIRECTORS

The Company's corporate officers are its directors, and the Chief Executive Officer is the only director to hold an executive position.

At its meeting on September 26, 2024, the General Meeting approved the principles and criteria for determining, allocating and granting the fixed and variable components of the total remuneration package and benefits of any kind to be granted to the Company's corporate officers in accordance with Article L.22-10-26 of the French Commercial Code.

Frédéric Chesnais compensation

Fixed annual compensation

Frédéric Chesnais receives a fixed monthly salary of twenty-five thousand euros. However, as Mr. Frédéric Chesnais is a consultant, the Company pays him the full cost that would be borne by the Company if he were an employee, and Mr. Frédéric Chesnais is responsible for all social protection, pension schemes and/or social security contributions. The gross amount thus paid by the Company is forty-two thousand euros, and this amount is paid either to Mr. Frédéric Chesnais and/or to an entity that Mr. Frédéric Chesnais controls, depending on Mr. Frédéric Chesnais' location and/or place of work. A monthly salary of €2,100 gross is also paid in respect of his duties as Managing Director in France.

Variable compensation / Options

The Board of Directors has decided, in accordance with the recommendation of the Nomination and Compensation Committee, to allocate to the management team a deferred interest pool of 20% for each investment generated by the Company with a minimum rate of return of 10%. Mr. Frédéric Chesnais is allocated 40% of this pool, with the remainder allocated to the investment team and the Board of Directors. The members of this management team are selected from time to time by the Remuneration and Nomination Committee. The allocation between the members of this management team is decided by the Board of Directors, on the recommendation of the Remuneration and Nomination Committee. No allocations were made during the period.

The Board of Directors also decided, on the recommendation of the Nominations and Compensation Committee, to allocate a discretionary annual bonus that could represent (barring exceptional circumstances) between 0% and 100% of the fixed annual remuneration paid, incorporating the following elements: level of sales, EBITDA margin, cash generated, share price performance, growth in recurring net earnings per share, which makes it possible to take into account all the other elements of the income statement, as well as various objective criteria linked to the business, in addition to the return on investment allocated under the previous paragraph. No allocation was made during the year.

In addition, under the authority delegated to it by the General Meeting, the Board of Directors reserves the right to grant stock options under a stock option plan. No stock options were granted during the year.

Finally, if the Company creates a crypto-currency, fifteen percent (15%) will be reserved for the remuneration of the management team, including eight percent (8%) for the Chief Executive Officer. The share of FAV tokens was allocated during the financial year when they were created, for a value equal to their creation cost.

Compensation due in respect of directorships

See the next paragraph.

Directors' compensation

For the financial year ending 31 March 2025, the Board of Directors has set, subject to approval by the General Meeting deliberating on the accounts for the financial year ending March 31, 2025, compensation for each director of 26,000 euros.

In the event of the creation of a crypto currency by the Company, five per cent (5.0%) will be reserved for the compensation of the Directors, of which two per cent (2.0%) for the Chairman of the Board and one and a half per cent (1.5%) for each Director. In addition, 5.0% of the deferred interest pool is allocated to the directors in the same proportion.

This compensation policy was approved by the Board of Directors on October10 2024 for the financial year 2024-2025

4.3.4 Headcount for the 2024-2025 financial year

On September 30, 2024, the Company had 8 employees responsible for business development, sales and marketing, as well as central management, finance and legal functions.

IT development and the production of creative marketing elements (banners, posters, etc.) are carried out by external consultants based in the United States (executive production and technology), Colombia (development) and Serbia (creation of marketing tools).

The number of these consultants varies very regularly, depending on the degree of progress of their work. The average number is estimated at 3 for executive production and technology, 30 to 35 for development and 2 for marketing.

Each of these consultants has signed a contract with the Company, which retains complete control over their activities and benefits from a full transfer of all intellectual property created by these consultants.

V. STATUTORY AUDITORS' REPORT

Statutory Auditors' Review Report on the Condensed Half-yearly Financial Information for the period from April 1, 2024, to September 30, 2024.

This is a free translation into English of the statutory auditors' review report on the Condensed half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your General assembly and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code ("code monétaire et financier") we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of CRYPTO BLOCKCHAIN INDUSTRIES, for the period from April 1, 2024, to September 30, 2024,

- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of directors.

Our role is to express a conclusion on these financial statements based on our revie

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-year consolidated financial statement.

Lyon and Paris, January 16, 2025

A4 Partners
Statutory Auditor
Marc LUCCIONI
Partner

RSM Rhône Alpes
Statutory Auditor
Ratana LYVONG
Partner