

August 4, 2023

Company Name	Ticker Symbol	Price		Enterprise Value (\$M)	Valuation Multiples		Exp. Rev Growth Rate 2022 - 2023E	Price Change				
		Current Price	% Within 52 Week Range		EV / LTM Revenue	EV / 2023E Revenue		1 Week	1 Month	Jan 2, 2023	Since Coinbase Direct Listing	Since Inception
Marquee Crypto Assets												
Bitcoin	BTC	\$28,990.00	89%	\$563,668	--	--	--	-1%	-1%	75%	-54%	--
Ethereum	ETH	1,827.00	76%	219,553	--	--	--	-2%	-4%	12%	-25%	--
DeFi Index (a)	DPI	76.60	36%	43	--	--	--	-4%	5%	33%	-84%	--
Crypto Investment Platforms												
Coinbase	COIN	\$86.76	67%	\$18,433	6.8	6.6	-8%	-8%	11%	158%	-74%	-75%
Galaxy Digital (b)	GLXY	4.56	29%	1,593	3.5	13.2	-4%	-4%	-5%	53%	-87%	385%
Coinshares (b)	CNSRF	4.84	103%	348	5.7	3.5	8%	8%	-5%	35%	-58%	-54%
Bakkt	BKKT	1.49	15%	331	6.1	4.6	32%	-9%	12%	28%	-89%	-84%
Bitcoin Depot	BTM	3.79	105%	235	0.4	0.3	-5%	-5%	--	--	--	2%
Bitcoin Network Operators												
Marathon	MARA	\$15.87	76%	\$3,108	26.6	9.2	187%	-5%	2%	367%	-63%	-70%
Riot	RIOT	17.13	80%	2,784	11.0	7.7	40%	-7%	26%	408%	-66%	534%
Core Scientific	CORZQ	0.93	26%	1,297	0.7	1.3	22%	-6%	9%	1229%	--%	-91%
Bitdeer	BTDR	9.39	47%	886	2.7	--	--	-8%	-16%	10%	--%	10%
Cipher Mining	CIFR	3.48	63%	837	107.3	8.1	1221%	-1%	0%	444%	-67%	-65%
TeraWulf	WULF	2.61	59%	631	14.1	--	--	-24%	19%	268%	-73%	-74%
Hut 8	HUT	3.11	62%	486	3.2	3.2	-45%	-11%	316%	279%	-53%	18%
Bitfarms	BITF	1.57	61%	439	8.3	--	--	-12%	-5%	265%	-64%	66%
Canaan	CAN	2.77	37%	413	--	1.3	-49%	-9%	22%	43%	-80%	-69%
Hive	HIVE	4.69	54%	373	2.7	2.7	-25%	-12%	-9%	207%	-73%	230%
Northern Data	NB2	19.26	50%	364	--	1.3	-45%	-8%	-20%	240%	-84%	1%
Argo	ARBK	1.32	15%	131	1.4	1.9	29%	-9%	-16%	14%	--%	-16%
Crypto Influenced												
Block	SQ	\$63.44	29%	\$37,413	2.1	1.9	14%	-19%	-8%	-2%	-75%	394%
Microstrategy	MSTR	376.62	71%	5,383	10.8	10.6	2%	-13%	0%	160%	-49%	261%
Robinhood	HOOD	11.24	65%	4,808	3.5	2.6	38%	-12%	5%	39%	--%	-70%
Architect Crypto Public Company Index (c)												
Price		\$24.62						\$27.35	\$23.16	\$11.79	\$100.00	
% Change								-10.0%	6.3%	108.9%	-75.4%	

(a) DeFi Pulse Index (includes top 14 DeFi tokens)

(b) Due to disproportionate cash balances, we are displaying market cap as a substitute for enterprise value

(c) Architect Crypto Public Company Index is a price weighted average across the three sector subsectors in the crypto public companies snapshot. A discount to Microstrategy's share price of 85% has been added to dilute effect on index.

PERSPECTIVES

by Todd White

Coinbase released their Q2 shareholder letter yesterday and held their earnings call after markets closed, emphasizing three areas - operating efficiency, product development, and leadership in seeking U.S. regulatory clarity.

The first two highlight efforts taken across the industry to reduce costs and increase cash flows, and to use lean times to build infrastructure for the next likely non-speculative phase of crypto: "The next 10 years in crypto," CEO Brian Armstrong stated on the call, "will be primarily about non-trading use cases". Coinbase has bragging points on both fronts, showing strong cash flows and a second consecutive quarter of positive "adjusted" EBITDA (adjustments include backing one-time items such as severance costs following 30% staffing costs, and stock-based comp expenses magnified by recent stock performance), while also launching new platforms such as their derivatives exchange outside the US and Base, and their on-chain layer 2 solution.

But the third is a mantle uniquely thrust upon them and which they have embraced, most recently with a motion to dismiss the SEC's action filed this morning. And in addition to the high-profile court battle, Coinbase has launched a "stand with crypto" NFT campaign to promote and evince solidarity within the industry, and has continued advocacy in Congress and elsewhere for clear and sensible rules. The legal case seemed more clear after the *Ripple* ruling, but on Monday Judge Rakoff, also of the S.D.N.Y, muddied the waters with an order denying summary judgment in the SEC action against Terraform Labs, and explicitly rejecting the *Ripple* ruling's attention to the manner of sale, instead focusing on a "reasonable investor" standard that does not distinguish the identity of a seller.

It's difficult to predict where this will all land, but \$COIN seems prepared to take the high road. Throughout last night's remarks, their tone was of a market leader championing the industry as well as their company. Each reference to Base also mentioned other Layer 2s such as Lightning and Optimism. This clearly implies that the success of Coinbase and its initiatives is inextricable from that of the industry in general. And on the legal front, CLO Paul Grewal even states that clarity itself is the goal, regardless of any particular outcome in their specific motion or case.

It's tough to imagine celebrating a loss in court. Let's hope they don't need to.