

indXX



**INDXX
BITCOIN ADOPTERS
INDEX**



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INTRODUCTION: RETHINKING CORPORATE TREASURY STRATEGY

Satoshi Nakamoto created Bitcoin to function as a peer-to-peer electronic cash system. However, since its launch, it has increasingly gained traction as a treasury reserve asset and become one of the main incumbent digital assets.

Bitcoin's unique attributes as a scarce, decentralized, and highly liquid asset have made it an attractive option for companies that seek to diversify their treasury holdings. These attributes are in line with the goal of many corporations that seek to improve the diversification of their treasury holdings and also hedge against macroeconomic uncertainties.

Companies exploring Bitcoin as a strategic reserve asset, in a sense, have positioned themselves for a digital-first future. Corporate treasury teams, however, must weigh the risks and compliance factors. According to Goldman Sachs¹, 60% of ultra-high-net-worth individuals view Bitcoin as a hedge against inflation, a factor that is driving corporate interest in the incumbent crypto asset. According to a report² by BlackRock, the impact of adding Bitcoin to a traditional 60/40 portfolio at low single-digit percentages had a material positive impact on the Sharpe Ratio.

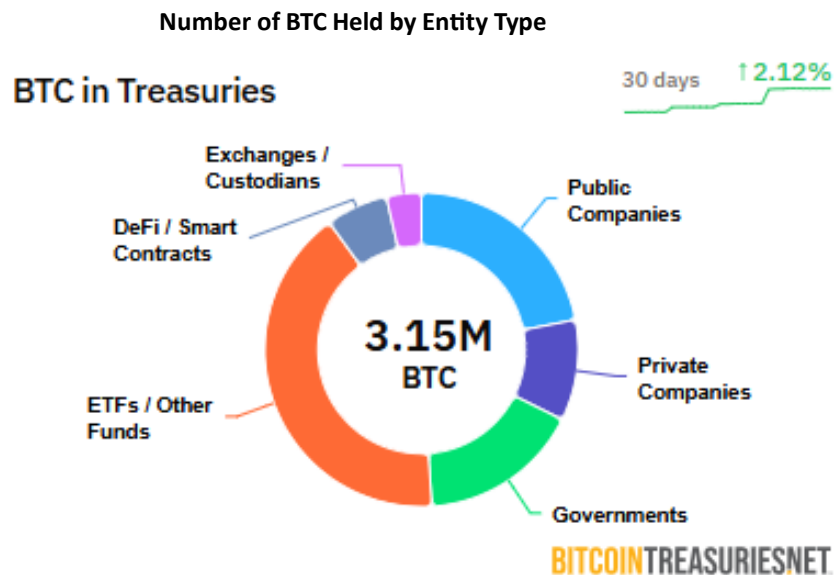
As corporate treasuries look beyond traditional cash management, many are exploring Bitcoin as a strategic tool to reduce reliance on fiat payment rails. While adoption is still in its early stages, momentum is building. According to a recently published [report](#) by Architect Partners, 25% of S&P 500 companies are expected to hold Bitcoin on their balance sheets by 2030.

A SAFE FINANCIAL HAVEN

Research suggests companies adopt Bitcoin as a treasury reserve to hedge against inflation and diversify assets, given bitcoin's fixed supply and low correlation with traditional investments. The main factors that draw investors to the stocks of companies that adopt Bitcoin in their treasuries include indirect Bitcoin exposure, the potential for amplified returns, and the adopters' innovative image. Other factors include impressive stock performance and a clearer regulatory landscape, with the former exemplified by Strategy's (formerly MicroStrategy) shares surging over 3,200% since it adopted Bitcoin in 2020, and the latter crystallized in the EU's MiCA framework, the U.S. SEC's approvals in January 2024 of spot Bitcoin ETFs, and changes in the FASB accounting rules in December 2023 that allowed fair value accounting for Bitcoin, resulting in further financial transparency.

WHY THEY ADD BITCOIN TO THEIR TREASURIES

Several prominent companies, including Strategy, Block (formerly Square and the maker of Cash App with BTC ownership of over 8,000), Tesla (BTC ownership over 9000), and Rumble, the Canadian video-sharing company (BTC ownership of nearly 200), have incorporated Bitcoin into their treasury reserves, embracing it as a strategic asset. This trend, which started notably in 2020, reflected a shift driven by economic uncertainty, particularly post-COVID, which prompted governments worldwide to inject over \$10 trillion in stimulus into their respective economies, which contributed to inflationary trends worldwide. Adding confidence to these dynamics has been Bitcoin's fixed supply of 21 million tokens, which acts as a built-in defense against currency debasement, unlike fiat currencies, which can be printed without limit.



Source: BitcoinTreasuries, as of April 9, 2025

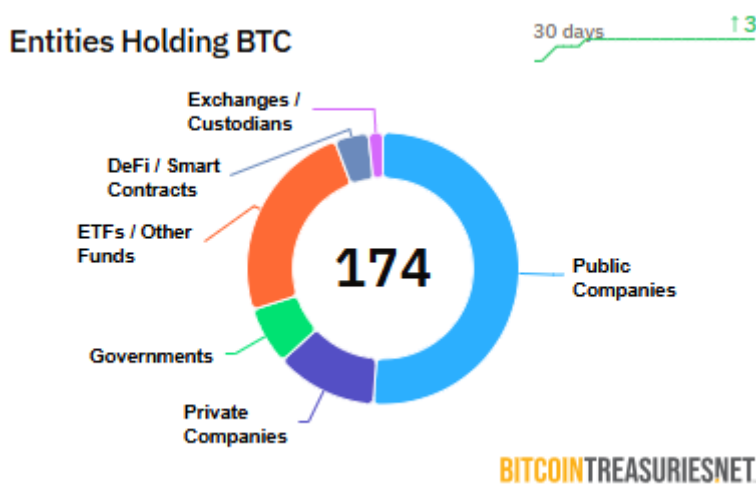
THE RATIONALE FOR INVESTOR INTEREST

Companies adopt Bitcoin to diversify beyond traditional low-risk assets like cash and bonds, especially in low or negative yield environments. Bitcoin's low correlation with stocks and bonds offers portfolio diversification, with potential returns in times of economic volatility³. Moreover, its scarcity protects against rising prices, which acts as a hedge against inflation with historical CPI data showing peaks at 9% in June 2022, stabilizing at 3-4% from Q2 2023⁴.



Investors are drawn to stocks of Bitcoin-holding companies as they offer an indirect exposure to Bitcoin. This helps them avoid the volatility associated with direct ownership of the asset while benefiting from stock market liquidity. Moreover, the potential for amplified returns is significant; if Bitcoin’s price rises, the company’s treasury value increases, boosting stock prices. Companies adopting Bitcoin are seen as innovative, which enhances market perception and attracts investors. Also, adoption by reputable firms like Strategy, which holds over 528,000 BTC, lends credibility to investors and creates momentum.

Number of Corporate Entities Holding BTC



Source: BitcoinTreasuries, as of April 9, 2025

STOCK PERFORMANCE AS INVESTMENT DRIVERS

Strategy exemplifies this trend, with its stock surging over 3,200% since adopting Bitcoin in August 2020, outpacing major indices, such as S&P 500 and Nasdaq 100¹. Michael Saylor's impact on the corporate landscape has expanded in tandem with Strategy's growing Bitcoin portfolio. Today, the company is seen as a model for incorporating cryptocurrency into corporate treasuries. This approach has ignited discussions among traditional investors, challenging conventional views on the role of digital assets in treasury management.

This performance, driven by Bitcoin’s price appreciation, reflects investor enthusiasm, with trading volumes surging and analysts setting new targets. Other adopters like Block and Tesla see their stock price being influenced by their ownership of BTC, with varying data. The correlation between the stock price of adopters and Bitcoin’s price movements underscores investors’ view of these stocks as Bitcoin proxies².

In late 2024, Rumble, Stone Ridge Holdings Group, and Semler Scientific—all considered recent adopters—announced plans to allocate Bitcoin into their respective treasuries, citing the asset’s long-term potential as an inflation hedge. The combined total number of bitcoins owned by Rumble, Stone Ridge (BTC ownership of 10,000³), and Semler Scientific (BTC ownership of 3,192⁵) is 13,380 BTC⁶.

REGULATORY DRIVERS

Regulatory developments have further facilitated adoption of Bitcoin both in retail and in the institutional space. The EU’s MiCA framework⁷, effective from 2024, and the U.S. SEC’s January 2024 approval of spot Bitcoin ETFs provided much-needed clarity to the market that reduced, perceived risks associated with bitcoin⁸. In December 2023, the Financial Accounting Standards Board (FASB) issued an Accounting Standards Update⁹, requiring companies to measure certain crypto assets, including Bitcoin, at fair value, with changes in fair value recorded in net income.

Another major shift in crypto regulation took place in January 2025 with the rescission of SAB 121 by the SEC, as a result of which banks are allowed to custody crypto¹⁰. Previously, SAB 121 had imposed prohibitively high capital requirements for banks and regulated broker-dealers to custody crypto. Its repeal opened the door for institutional players to enter the space more freely, giving banks, asset managers, and other entities better access to custody solutions and the broader crypto economy.

KEY APPROACHES TO ADDING BTC TO CORPORATE TREASURIES

Adopters are pursuing multiple avenues to incorporate Bitcoin into their treasury strategies. Strategy has pursued an aggressive approach by raising over 7 billion through convertible bonds to fund its Bitcoin acquisitions, allowing investors the option to convert the bonds into Strategy shares. Other companies like Block have adopted a more measured strategy by reinvesting 10% of their Bitcoin product profits directly into purchasing more Bitcoin. For organizations seeking exposure with potentially lower operational complexity, Bitcoin ETPs in Europe and ETFs in the U.S. offer regulated investment vehicles.

And when it comes to small and medium enterprises (SMEs)—thanks to bitcoin and DeFi instruments—they are now able to overcome many of the challenges posed to them in TradFi, especially for many of them that find applying for credit time-consuming and resource-intensive, not to mention the prohibitive collateral terms required by a bank.

THE INDXX BITCOIN ADOPTERS INDEX:

INDEX DESCRIPTION

The Bitcoin Adopters Index is designed to track the performance of the companies that have incorporated Bitcoin as a treasury reserve asset.

The index has a base date of December xx, xxxx with an initial value of 1000.

The index is currently available in the following versions:

- Price Return
- Total Return
- Net Total Return

INVESTABILITY PARAMETERS

Initial Universe

To be eligible for inclusion in the Initial Universe, securities must have:

- Their country of listing either in a Developed or in an Emerging market. Developed and Emerging markets are defined by Indxx in its 'Country Classification and Investability Requirements' document.
- A minimum total market capitalization of \$200 million.
- A 6-month average daily turnover greater than or equal to \$1 million.
- The security must have traded on 90% of the eligible trading days in the last 6 months. In case a security does not have a trading history of 6 months (only IPOs), such a security must have started trading at least 3 months before the start of the Reconstitution/Rebalancing Process and should have traded on 90% of the eligible trading days for the past 3 months.

Free Float

All securities must have a minimum free float equivalent to 10% of shares outstanding.

Maximum Price

Securities trading at a price of \$10,000 or above are ineligible for inclusion in the index. This rule is not applicable for existing constituents. Existing constituents shall remain in the initial universe irrespective of their stock price.

Security Type

The following security types are eligible for inclusion:

- **Common Stock**
- **ADR**
- **GDR**



Share Classes

If multiple share classes exist for a company, the following preference order is followed:

- The existing share class/listing in the portfolio is retained if it satisfies all the eligibility criteria of the index.
- The most liquid share class/listing is considered for inclusion

SECURITY SELECTION PROCESS

Based on extensive research, Indxx has defined 'Bitcoin Adopters' as being comprised of companies that have, through public filings and corporate documentation such as, but not limited to, Annual Reports, Semi-Annual Reports, 10Ks, and 10Qs, and have reported the ownership of at least 100 Bitcoin as a corporate treasury asset.

Companies are further classified as Primary or Secondary as follows:

Part	Description
Primary	Companies that are not involved in operations related to the Bitcoin network or generate less than 50% revenue from bitcoin mining or bitcoin mining related activities.
Secondary	Companies that generate at least 50% revenue from Bitcoin mining or any other activity related to it will be considered as Secondary Companies. These companies are also referred to as Bitcoin Network Operators.



INDEX CONSTITUENTS



Indxx Bitcoin Adopters Index

S.No	Ticker	ISIN	SEDOL	Entity_Name	Company_Mcap_USD Million	ADTV_6M_USD Million	Primary/secondary	Weights (V8)
1	MSTR-US	US5949724083	2974329	MicroStrategy, Inc.	84,123.58	6,096.94	Primary	20.00%
2	TSLA-US	US88160R1014	B616C79	Tesla, Inc.	1,301,402.83	25,905.75	Primary	20.00%
3	ADE-DE	DE000A1TNV91	BBCR986	Bitcoin Group SE	259.83	2.37	Primary	2.44%
4	XYZ-US	US8522341036	BYNZGK1	Block, Inc.	56,291.33	551.78	Primary	4.50%
5	434-HK	KYG127751058	BGCBFM9	Boyaa Interactive International Ltd.	415.52	5.12	Primary	2.63%
6	COIN-US	US19260Q1076	BMC9P69	Coinbase Global, Inc.	72,479.42	2,592.39	Primary	4.50%
7	EXOD-US	US30209R1068	BNZJKK2	Exodus Movement, Inc.	1,312.67	1.30	Primary	1.86%
8	GLXY-CA	KYG370921069	BD5H1G9	Galaxy Digital Holdings Ltd.	6,725.55	14.34	Primary	4.50%
9	3350-JP	JP3481200008	B03BJ91	Metaplanet, Inc.	1,153.05	53.92	Primary	4.50%
10	3659-JP	JP3758190007	B63QM77	NEXON Co., Ltd.	10,769.41	43.46	Primary	4.50%
11	SMLR-US	US81684M1045	BJ36RP1	Semler Scientific, Inc.	498.63	24.05	Primary	3.26%
12	AKER-NO	NO0010234552	B02R4D9	Aker ASA	3,999.36	1.83	Primary	4.50%
13	KULR-US	US50125G1094	BG88XJ7	KULR Technology Group, Inc.	497.70	38.80	Primary	0.76%
14	3825-JP	JP3974900007	B1GD708	Remixpoint, Inc.	550.45	14.48	Primary	0.75%
15	JAS-TH	TH0418G10Z03	BYSXD2	Jasmine International Public Co. Ltd.	498.77	3.53	Primary	0.33%
16	ARLP-US	US01877R1086	2478650	Alliance Resource Partners LP	3,675.38	8.21	Primary	4.27%
17	MELI-US	US58733R1023	B23X1H3	MercadoLibre, Inc.	97,449.99	723.35	Primary	4.50%
18	NTHOLE-TR	TRANTHOL91Q6	B03MWH3	Net Holding AS	617.74	2.58	Primary	0.61%
19	112040-KR	KR7112040001	B4Y8TB1	Wemade Co., Ltd.	927.28	8.22	Primary	0.42%
20	MARA-US	US5657881067	BLR7B52	MARA Holdings, Inc.	6,224.27	948.69	Secondary	2.50%
21	RIOT-US	US7672921050	BD9F675	Riot Platforms, Inc.	4,085.85	291.60	Secondary	2.50%
22	HUT-US	US44812J1043	BQQ8816	Hut 8 Corp.	2,043.04	115.01	Secondary	2.50%
23	CLSK-US	US18452B2097	BJDRX78	CleanSpark, Inc.	2,931.62	343.44	Secondary	2.50%
24	HIVE-US	CA4339211035	BM9HHF9	HIVE Digital Technologies Ltd.	380.00	21.32	Secondary	0.15%
25	CIFR-US	US17253J1060	BMZ8604	Cipher Mining, Inc.	1,992.93	53.08	Secondary	0.26%
26	CAN-US	US1347481020	BL4P246	Canaan, Inc.	583.85	24.19	Secondary	0.15%
27	BITF-US	CA09173B1076	BK9Z566	Bitfarms Ltd. (Canada)	692.43	64.55	Secondary	0.15%
28	CANG-US	US1375861036	BFNQYH4	Cango, Inc.	504.29	1.99	Secondary	0.15%
29	BTBT-US	KYG1144A1058	BMH6DN8	Bit Digital, Inc.	483.55	55.91	Secondary	0.15%
30	BTDR-US	KYG114481008	BNTCCT0	Bitdeer Technologies Group	3,565.09	82.93	Secondary	0.15%

WEIGHTING

The index is weighted based on Free-float market capitalization (FFMCAP), which is the total market value of a company's shares that are publicly available for trading minus those held by insiders, promoters, or the government.

RECONSTITUTION AND REBALANCING RULES

The index follows the quarterly reconstitution and rebalancing schedule. The reconstituted portfolio becomes effective at the close of the last trading day of March, June, September, and December each year. This day is called the 'Reconstitution Effective Day'.

The security selection and portfolio creation process start at the close of the nearest Friday falling at least one month before the Effective Day, called the 'Selection Day.' The selection list is created based on the data of the Selection Day. Weights are calculated at the close of the seventh trading day prior (six trading days prior) to the Reconstitution Effective Day. Index Shares are frozen using weights as of this day.

CORPORATE ACTIONS

The corporate action guidebook is presented in the *Announcements* section of our website, under "Index Documents"

WHY THE INDXX BITCOIN ADOPTERS INDEX MATTERS FOR ETF PROVIDERS

■ **Indirect Bitcoin Exposure**

ETF providers can include stocks of Bitcoin-holding companies to offer investors exposure to Bitcoin without directly holding the asset, which appeals to more conservative or regulated portfolios.

■ **Lower Volatility Alternative**

These stocks provide a more stable, regulated, and liquid investment vehicle compared to holding spot Bitcoin, helping ETF providers attract a wider investor base.

■ **Amplified Returns Potential**

Bitcoin's price appreciation can enhance the value of corporate treasuries, potentially boosting the stock performance of those companies.

■ **Market Demand & Interest**

Rising investor demand for Bitcoin-adjacent equity plays (like Strategy) makes these stocks attractive components for thematic ETFs.

■ **Diversification Strategy**

It allows ETF providers to blend traditional equity fundamentals with crypto market exposure, creating hybrid products for diversified investor interest.

■ **Validation of Crypto Integration**

As more reputable firms adopt Bitcoin for treasury management, it validates the asset class—a narrative that ETF providers can leverage to legitimize their crypto-linked offerings.

■ **Correlation with Bitcoin's Performance**

These stocks tend to track Bitcoin's price movements, making them useful tools for ETF providers that want crypto-related performance without direct crypto holdings.

The adoption of Bitcoin as a treasury reserve asset, driven by economic uncertainty, inflation hedging, and regulatory clarity, is reshaping corporate finance. Investor interest, fueled by indirect exposure, amplified returns, and validation, underscores Bitcoin's mainstream integration. Embracing it in treasury fits within corporate mandates to preserve and grow shareholder value. Bitcoin is not just a hedge, but a high-integrity reserve asset that can protect book value and improve capital deployment, preserving purchasing power, which is a core objective of corporate capital strategy. Bitcoin's durable monetary properties protect shareholder capital from hidden losses in the form of monetary dilution. This trend today, exemplified by Strategy's stellar performance, highlights Bitcoin's growing role, with potential for further adoption shaping both crypto and equity markets.

Disclaimer: *This report is for informational purposes only and does not constitute financial advice. Investment decisions should be based on individual circumstances and consultation with a qualified financial advisor.*

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