
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 12, 2024

Exodus Movement, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

15418 Weir St.
#333
Omaha, Nebraska
(Address of Principal Executive Offices)

001-42047
(Commission File Number)

81-3548560
(IRS Employer
Identification No.)

68137
(Zip Code)

Registrant's Telephone Number, Including Area Code: 833 992-2566

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value \$0.000001 per share	EXOD	N/A

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition

On November 12, 2024, Exodus Movement, Inc. (the "Company") issued a press release announcing the Company's financial and operating results for the quarter ended September 30, 2024. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

The information furnished herein pursuant to Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference into any of our filings under the Securities Act of 1933, as amended, or the Exchange Act whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit numbers</u>	<u>Description</u>
99.1	Press release dated November 12, 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EXODUS MOVEMENT, INC.

Date: November 12, 2024

By: /s/ James Gernetzke

James Gernetzke, Chief Financial Officer



November 12, 2024

Exodus Reports Third Quarter 2024 Results
Revenue of \$20.1 million, up 68% year-over-year in Q3

Exodus Movement, Inc. (OTCQX: EXOD), (the “Company” or “Exodus”) the leading self-custodial cryptocurrency software platform, today announced its results for the third quarter ended September 30, 2024.

Third Quarter 2024 Financial Highlights (Unaudited)

<i>In USD millions, except percentages</i>	Q3 2024	Q3 2023	% Change
Revenue	\$20.1	\$12.0	68%
Cost of Revenues	11.3	7.7	46%
Total Operating Expenses ¹	8.8	5.0	78%
General and administrative	8.5	4.6	84%
Loss on digital assets, net ¹	0.4	0.4	-
Loss from Operations	(0.1)	(0.7)	
Operating Margin	<-1%	-6%	
Net Income (Loss)	\$0.8	(\$0.3)	

“In the third quarter, we achieved milestones that significantly expanded our partnership strategy and product innovation,” said JP Richardson, CEO and co-founder of Exodus.

“Our new partnership with Ledger and the expansion of our Magic Eden Wallet to mobile devices will enable us to reach new users. We also launched our Passkeys product for developers, making it easier for decentralized applications to onboard their users with a frictionless wallet experience.

¹ Includes digital assets marked to market under new GAAP guidelines, specifically ASU 2023-08.

By removing the barriers and complexities of owning digital assets, we're helping the everyday consumer take part in the fast growing digital asset market.”

“In Q3, we delivered both high year-over-year revenue growth and profitability, which demonstrates the strength of our business model as well as the growing adoption of the digital asset market,” said James Gernetzke, CFO of Exodus. “We are excited by the early momentum of our partnership strategy that can help drive efficient user acquisition and with our product innovation that we believe will continue to attract new users and decentralized applications to our platform.”

Third Quarter Operational and Other Financial Highlights

Revenue by category

Revenue (\$ millions)	% of 2024		% of 2023	
	Q3 2024	Operating Revenue	Q3 2023	Operating Revenue
Exchange aggregation	\$18.1	90.1%	\$11.2	93.7%
Fiat on/off-boarding	0.9	4.2%	0.6	4.8%
Staking	0.5	2.4%	0.2	1.4%
Consulting	0.3	1.5%	-	-
Other	0.3	1.8%	<0.1	0.1%
Operating Revenues	\$20.1	100.0%	\$12.0	100.0%

- **Exchange provider processed volume** was \$0.96 billion in Q3 2024, up 69% from \$0.57 billion in Q3 2023. Bitcoin, Tether (TRX Network), Tether (ETH Network), and Ethereum were the top assets traded in Q3 2024, at 26%, 17%, 12%, and 12% of volume, respectively.
- **Monthly Active Users** were 1.6 million in Q3 2024, compared to 1.1 million in Q3 2023.
- **Digital assets and cash** were \$194.7 million, including \$120.8 million in bitcoin and ethereum and \$69.8 million in cash and cash equivalents, USDC, and treasury bills as of September 30, 2024.

Q3 2024 Webcast

Exodus will host a webcast of its third quarter 2024 fiscal results beginning at 5:00 PM (Eastern Time) on November 12, 2024. To access the webcast, please use this link. It will also be carried on the Company's website www.exodus.com.

Contact Exodus Customer Support
support@exodus.com

Contact Exodus Investor Relations
investors@exodus.com

About Exodus

Exodus is a financial technology leader empowering individuals and businesses with secure, user-friendly crypto software solutions. Since 2015, Exodus has made digital assets accessible to everyone through its multi-asset crypto wallets prioritizing design and ease of use.

With self-custodial wallets, Exodus puts customers in full control of their funds, enabling them to swap, buy, and sell crypto. Its business solutions include Passkeys Wallet and XO Swap, industry-leading tools for embedded crypto wallets and swap aggregation.

Exodus is committed to driving the future of accessible and secure finance. Learn more at www.exodus.com or follow us on X at www.x.com/exodus_io.

Disclosure Information

Exodus uses the following as means of disclosing material nonpublic information and for complying with disclosure obligations under Regulation FD: websites exodus.com/investors and exodus.com/blog; press releases; public videos, calls and webcasts; and social media: Twitter (@exodus_io and JP Richardson's feed @jprichardson), Facebook, LinkedIn, and YouTube.

Exodus Movement, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets (Unaudited)
(In thousands, except share and par value)

	September 30, 2024	December 31, 2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 26,547	\$ 11,376
Restricted cash and cash equivalents	83	-
U.S. dollar coin (\$0 and \$500 USDC restricted as of September 30, 2024 and December 31, 2023 respectively)	5	517
Treasury bills	43,200	43,151
Accounts receivable	3,014	3,240
Prepaid expenses	3,232	1,440
Other current assets	771	5
Total current assets	76,852	59,729
OTHER ASSETS		
Fixed assets, net	379	317
Digital assets	124,867	35,010
Software assets, net	7,315	8,051
Other long-term asset	40	-
Indefinite-lived assets	2,096	1,945
Other investments	100	100
Deferred tax assets	-	6,567
Total other assets	134,797	51,990
TOTAL ASSETS	\$ 211,649	\$ 111,719
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 1,600	\$ 1,061
Other current liabilities	7,841	6,485
Total current liabilities	9,441	7,546
LONG-TERM LIABILITIES		
Other long-term liabilities	447	412
Deferred tax liability	10,607	-
Total long-term liabilities	11,054	412
Total liabilities	20,495	7,958
STOCKHOLDERS' EQUITY		
Preferred stock		
\$0.000001 par value, 5,000,000 shares authorized, no shares issued and outstanding	-	-
Class A Common Stock		
\$0.000001 par value, 300,000,000 shares authorized,	-	-
6,484,434 issued and outstanding as of September 30, 2024	-	-
4,320,005 issued and outstanding as of December 31, 2023	-	-
Class B Common Stock		
\$0.000001 par value, 27,500,000 shares authorized,	-	-
20,337,375 issued and outstanding as of September 30, 2024	-	-
21,760,855 issued and outstanding as of December 31, 2023	-	-
ADDITIONAL PAID IN CAPITAL	125,642	122,558
ACCUMULATED OTHER COMPREHENSIVE LOSS	(1,446)	(1,477)
RETAINED EARNINGS (ACCUMULATED DEFICIT)	66,958	(17,320)
Total stockholders' equity	191,154	103,761
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 211,649	\$ 111,719

Exodus Movement, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) (Unaudited)
(In thousands, except per share amounts)

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
OPERATING REVENUES	\$ 20,117	\$ 11,980	\$ 71,485	\$ 37,730
COST OF REVENUES	11,333	7,738	32,804	21,730
GROSS PROFIT	8,784	4,242	38,681	16,000
OPERATING EXPENSES (INCOME)				
General and administrative	8,466	4,598	25,575	14,585
Loss (gain) on digital assets, net	370	357	(39,197)	(285)
Total operating expense (income)	8,836	4,955	(13,622)	14,300
(Loss) income from operations	(52)	(713)	52,303	1,700
OTHER INCOME				
Staking and other income	146	-	701	-
Unrealized (loss) gain on investments	(133)	(171)	(219)	18
Loss on disposal of fixed assets	(36)	-	(36)	-
Interest income	1,026	811	2,668	1,715
Total other income	1,003	640	3,114	1,733
Income (loss) before income taxes	951	(73)	55,417	3,433
INCOME TAX BENEFIT (EXPENSE)	(108)	(178)	(9,393)	(1,042)
NET INCOME (LOSS)	\$ 843	\$ (251)	\$ 46,024	\$ 2,391
OTHER COMPREHENSIVE (LOSS) INCOME				
Foreign currency translation adjustment	(637)	121	31	(129)
COMPREHENSIVE INCOME (LOSS)	\$ 206	\$ (130)	\$ 46,055	\$ 2,262
Net income (loss) per share				
Basic net income (loss) per share of common stock - Class A	\$ 0.03	\$ (0.01)	\$ 1.74	\$ 0.09
Basic net income (loss) per share of common stock - Class B	\$ 0.03	\$ (0.01)	\$ 1.74	\$ 0.09
Diluted net income (loss) per share of common stock - Class A	\$ 0.03	\$ (0.01)	\$ 1.44	\$ 0.08
Diluted net income (loss) per share of common stock - Class B	\$ 0.03	\$ (0.01)	\$ 1.44	\$ 0.08
Weighted average number of shares and share equivalents outstanding				
Weighted average number of shares used in basic computation - Class A	6,396	4,060	5,314	3,804
Weighted average number of shares used in basic computation - Class B	20,337	21,799	21,161	21,799
Weighted average number of shares used in diluted computation - Class A	9,840	4,060	8,733	7,291
Weighted average number of shares used in diluted computation - Class B	22,485	21,799	23,314	23,799

Exodus Movement, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows (Unaudited)
(In thousands)

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 46,024	\$ 2,391
Adjustments to reconcile net income to		
Net cash (used in) provided by operating activities		
Depreciation and amortization	3,862	3,353
Deferred tax expense	6,752	-
Gain on digital assets, net	(39,197)	(285)
Staking and other income	(701)	-
Unrealized loss on investments	219	(18)
Loss on disposal of assets	36	-
Stock based compensation	5,252	4,682
Accrued interest income	(1,824)	(889)
Other operating activities settled in digital assets and USDC ⁽¹⁾	(23,774)	(9,614)
Change in operating assets and liabilities:		
Accounts receivable	(89)	-
Prepaid expenses	(1,610)	1,460
Other current assets	(765)	16
Other long-term asset	(40)	-
Accounts payable	549	708
Other current liabilities	(1,532)	1,118
Other long-term liabilities	35	-
Net cash (used in) provided by operating activities	(6,803)	2,922
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of domain names	(151)	-
Purchases of fixed assets	(228)	(25)
Purchase of treasury bills	(73,262)	(69,273)
Redemption of treasury bills	74,819	58,795
Purchases of digital assets	(2,534)	-
Disposal of digital assets held	26,097	-
Net cash provided by (used in) investing activities	24,741	(10,503)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repurchase of shares to pay employee withholding taxes	(2,684)	(515)
Exercise of stock options	-	1
Net cash used in financing activities	(2,684)	(514)
Change in cash and cash equivalents, and restricted cash and cash equivalents	15,254	(8,095)
Cash and cash equivalents, and restricted cash and cash equivalents		
Beginning of period	11,376	20,494
End of period	26,630	12,399
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Non-cash issuance of stock	\$ 10	\$ 20
Non-cash capitalized software costs settled in digital assets (including stock based compensation of \$506 and \$713 respectively)	\$ (2,959)	\$ (3,930)
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for income taxes	\$ (4,300)	\$ (918)

Forward-Looking Statements

This press release contains “forward-looking statements” as that term is defined by the federal securities laws. All forward-looking statements are based upon our current expectations and various assumptions and apply only as of the date made. Our expectations, beliefs, and projections are expressed in good faith, and we believe there is a reasonable basis for them. However, there can be no assurance that our expectations, beliefs and projections will be achieved. Forward-looking statements are generally identified by the words “may,” “will,” “could,” “would,” “should,” “expect,” “intend,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “project,” “potential,” “continue,” “ongoing,” “forecast,” as well as variations of such words or similar

expressions. Forward-looking statements in this document include, but are not limited to, quotations from management regarding confidence in our products, services, business trajectory and plans, and certain business metrics.

Forward-looking statements include statements concerning:

- our business plans and strategy;
- projected profitability, performance or cash flows;
- future capital expenditures;
- our growth strategy, including our ability to grow organically and through mergers and acquisitions (“M&A”);
- anticipated financing needs;
- business trends;
- our capital allocation strategy;
- liquidity and capital management; and
- other information that is not historical information.

There are a number of risks, uncertainties and other important factors that could cause our actual results to differ materially from those expressed or implied by our forward-looking statements, including those set forth in “Item 1. Business” and “Item 1A. Risk Factors” of Amendment No. 4 to our Registration Statement on Form 10 filed with the Securities and Exchange Commission (the “SEC”) on October 10, 2024 (the “Form 10”), as well as in our other reports filed with the SEC from time to time. All forward-looking statements are expressly qualified in their entirety by such cautionary statements. Readers are cautioned not to place undue reliance on such forward-looking statements. Except as required by law, we undertake no obligation to update or revise any forward-looking statements that have been made to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events.