



GEMINI IPO

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Gemini Space Station IPO

Company Background

Gemini, officially *Gemini Space Station, Inc.*, predecessor *Gemini Space Station, LLC* is a global cryptocurrency exchange and custodian founded in 2014 by billionaire twins Tyler and Cameron Winklevoss. It supports over seventy cryptocurrencies and operates in more than sixty countries. Earlier filings valued the company at approximately \$7.1 billion following a \$400 million investment in November 2021.

A. Core Identity

- Gemini operates as a highly regulated, full-reserve cryptocurrency exchange and custodian founded in 2014 by Cameron and Tyler Winklevoss.
- Deeply rooted in security and compliance, Gemini was the first crypto exchange globally to earn SOC 1 & SOC 2 Type 2 certifications, holds PCI DSS accreditation, and adheres to strong ISMS standards.
- The platform supports over seventy cryptocurrencies in more than sixty countries, positioning itself as an accessible, compliant on-ramp to digital assets.

B. Product Suite

1. Trading & Exchange Services

- A full-service crypto trading platform including Gemini ActiveTrader®, which offers sophisticated trading features, charting, and order types for both casual and professional users.
- Offers custodial services meeting high banking standards, with insured hot wallets (up to \$200M coverage) and offline cold storage solutions.
- Facilitates clearance and settlement services through Gemini Clearing, ensuring secure off-exchange trades.

2. Stablecoin & Digital Payments

- Publishes the Gemini Dollar (GUSD), a U.S. dollar pegged stablecoin launched in 2018 and approved by New York regulators.
- Provides digital payments and offers a Gemini Credit Card®, delivering crypto rewards via everyday spending, powered by Mastercard® World Elite.
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3. Institutional & Business Solutions

- Offers tailored crypto services for businesses, trusts, and high-net-worth entities, including staking, secure custody, and infrastructure for diversified digital asset exposure.
- Emphasizes use cases like hedging against inflation, cross-border transactions, and onboarding to new markets with regulatory compliance.

4. Expansion into NFTs

- Acquired Nifty Gateway in 2019 to handle digital collectibles, aiming to extend its platform beyond trading into the broader digital asset ecosystem.

5. Wallets & On-Chain Access

- Launched the Gemini Wallet®, promoting seamless and secure on-chain interactions for users, supported by a user-friendly interface and enhanced security features.
- A new operations centre opened in Scottsdale, Arizona, as part of a broader push to strengthen customer service ahead of its date-targeted IPO.

Strategic Position & Challenges

- **Reputation for Trust:** Gemini brands itself as a "trust-first" exchange, frequently highlighting its regulatory standing and strong security posture.
- **Regulatory Navigation:** Central to its strategy is operating under robust regulatory frameworks, particularly in New York, while launching a Florida-based entity called **Moonbase** to avoid restrictive licensing regimes and expand staking services.
- **IPOs & Capital Strategy:** In 2021, Gemini raised **\$400 million**, valuing the company at **\$7.1 billion**. This capital infusion laid the groundwork for future expansion and product development.
- **Legal Precedent:** Gemini faced regulatory action due to its **Gemini Earn** program in 2023, agreeing to refund over **\$1.1 billion** and pay a \$37 million fine over allegations of unregistered securities offerings.
- **Competitive Pressures:** The platform's share of U.S. trading volume has declined amid competition from giants like Coinbase and Binance.US, though it maintains licensing across 60+ jurisdictions.

Snapshot Summary Table

| Business Aspect | Details |
|----------------------------------|--|
| Founded | 2014 by Cameron & Tyler Winklevoss |
| Core Services | Crypto exchange, custody, stablecoin (GUSD), credit card, staking, wallets |
| Institutional Solutions | Tailored services for businesses, trusts, and high-net-worth investors |
| Security & Compliance | SOC 1 & 2, PCI DSS, ISO standards, NYDFS licenses |
| Global Footprint | Operates in 60+ countries |
| Strategic Initiatives | Moonbase (Florida entity), Gemini Wallet, new operations centre |
| Legal & Regulatory | Earn program settlement; taxed regulatory scrutiny |
| Funding & Valuation | \$400M raised at \$7.1B valuation in 2021 |
| Competitive Landscape | Facing pressure from larger exchanges, yet maintains high trust brand |

Gemini Space Station’s business model is strongly built around compliance, institutional appeal, and security. It blends traditional financial oversight with progressive crypto infrastructure. However, it must navigate rising costs, regulatory complexity, and market competition to remain competitive and profitable.

IPO Launch Date: What We Know

- August 15, 2025: Gemini publicly submitted its S-1 registration statement to the SEC for a proposed IPO of Class A common stock.
- The company intends to list on the Nasdaq Global Select Market under the ticker “GEMI.”

Financial Highlights from the Filing

- In the first half of 2025, Gemini reported a net loss of \$282.5 million on \$68.6 million in revenue, marking a significant downturn compared to the first half of 2024, when it lost \$41.4 million on \$74.3 million in revenue.

- The company plans to use IPO proceeds for general corporate purposes—including paying down third-party debt and aims to tap into strengthening investor interest in digital assets, especially amid new U.S. stablecoin regulation under the **GENIUS Act**.

Why Gemini’s Revenue Declined

Gemini’s revenue slipped from \$74.3 million in the first half of 2024 to approximately \$68.6 million in the same period of 2025, a decline of roughly 8-10%. While revenues fell, Gemini’s costs rose during the same period. For H1 2025, the company reported an operating loss of about \$113.5 million, up from just under \$85 million the previous year with total operating expenses hitting \$182 million, up from roughly \$159 million. Partly due to Regulatory & Structural Changes, Gemini is undergoing strategic changes to handle regulatory constraints by separating operations between Gemini Trust (New York) and a new Florida-based entity, Moonbase. This overhaul may have temporarily disrupted service delivery or user migration, dampening revenue.

Summary Table

| Key Factor | Explanation |
|------------------------------------|--|
| Reduced trading volumes | H1 2025 revenue dropped ~8–10% from the previous year. |
| Rising operating costs | Major increases in tech, marketing, and admin expenses. |
| Regulatory restructuring | Shift to dual-entity model (Moonbase) may have interrupted operations. |
| Tight liquidity + high debt | Lower cash reserves and heavy liabilities limited growth investments. |

Market Position & Context

- If successful, Gemini would become the **third publicly listed cryptocurrency exchange in the U.S.**, following **Coinbase** and **Bullish**.
- The move comes amidst a revived U.S. IPO market and increased investor confidence in crypto firms, fostered by regulatory clarity, institutional adoption, and integration of crypto firms into mainstream finance—e.g., Coinbase joining the S&P 500.

Summary Table

| Topic | Details |
|--|---|
| Company | Gemini (Gemini Space Station, Inc.), founded in 2014 by Winklevoss twins |
| IPO Filings | Confidential filing in June 2025; public S-1 filing on August 15, 2025 |
| Listing Details | Will list on Nasdaq under ticker GEMI |
| Underwriters | Goldman Sachs, Citigroup (lead), plus an extensive syndicate |
| Financial Performance (H1 2025) | Net loss: \$282.5M; Revenue: \$68.6M |
| IPO Purpose | Fund general corporate needs and pay debt |
| Market Context | Third crypto exchange IPO in U.S.; wave of crypto IPOs and regulatory tailwinds |

Comparing Gemini vs. Coinbase & Bullish

Coinbase

- Went public via direct listing in April 2021, with a reference price of \$250 /share and a closing first-day price around \$328, valuing the company at ~\$47 billion.
- As of 2025, Coinbase remains the largest U.S. crypto exchange, accounting for approximately 49% of spot trading volume. Its revenue base has diversified: while transaction fees once dominated, subscription and services now make up about 44% of Q2 2025 revenue.

Bullish

- Listed on the NYSE on August 13, 2025, as BLSH. The offering was priced at \$37/share and raised about \$1.1 billion, valuing the firm initially around \$5.4 billion.

- Shares opened at about \$90, peaked near \$118, and closed in the low \$90s—delivering an intraday gain of 85–150%. Trading volatility was high, signaling strong investor appetite.
- Bullish's strategy—focused on institutional clients, backed by names like Peter Thiel, and bolstered by ~\$2 billion in crypto holdings—has set it apart from more retail-oriented exchanges like Coinbase.

Gemini's Position

- If Gemini lists, it will become the third public U.S. crypto exchange after Coinbase and Bullish.
- Unlike Coinbase's early dominance and Bullish's strong institutional debut, Gemini brings to the table a wider consumer base and a mature platform (launched in 2014).
- Its competitive edge may lie in its brand trust, custody services, and innovation—but it will need to overcome the recent earnings slump to attract investor confidence.

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