

SharpLink Reports \$103M Loss, Ethereum Holdings Steady

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SharpLink, a major holder of Ethereum and supporter of Ether adoption, reported a \$103 million net loss for the second quarter ending June 30, 2025, a sharp reversal from a \$12 million gain in the same period last year.

The company's revenue for Q2 totaled \$1.4 million, down 30% from the previous year. Gross profit declined by 50%, totaling \$0.3 million. This report marks the first since

SharpLink announced a strategic shift toward Ethereum-focused operations in May.

Executives attributed the bulk of the \$87.8 million losses to a non-cash impairment on LSE holdings, a tokenized form of staked ETH that allows holders to earn incentives while using their tokens. Additional costs included stock-based compensation tied to a \$16.4 million consultancy deal with blockchain infrastructure firm Consensys.

SharpLink's stock responded sharply to the report, closing at \$19.85 per share with a 15% intraday decline, lowering its market capitalization to \$2.7 billion. Despite this, the company remains a significant player in the crypto market, holding 728,804 ETH tokens valued at approximately \$3.23 billion at the time of reporting. Notably, the company made its largest single purchase of 129,700 ETH on August 15, signaling continued confidence in the cryptocurrency.

Over the last quarter, SharpLink raised \$2.6 billion through PIPE, ATM, and Registered Direct Offerings, reflecting strong market engagement despite the Q2 setback. Analysts note that corporate treasuries' ongoing interest in Ethereum indicates a belief in its long-term growth potential.

At the time of reporting, Ethereum traded at \$4,434, down 4.43%, with a market capitalization decrease of roughly 4% to \$535.28 billion. After reaching an all-time high above \$4,800, traders locked in profits, contributing to a short-term dip below the \$4,500 support level. Despite these fluctuations, Ethereum has surged 80.42% over the past 90 days, demonstrating resilient demand among institutional investors.

Market analysts suggest that Ethereum could surpass \$5,000 within the current quarter and potentially reach between \$7,000 and \$8,000 by year-end, though these projections remain uncertain, emphasizing the token's appeal as a long-term investment. SharpLink's large holdings reinforce this outlook, signaling confidence in Ethereum's future even amid quarterly losses.