

***NB: This English-language document is an unofficial translation of Virtune AB's base prospectus, which is in the Swedish-language, and which was approved by the Swedish Financial Supervisory Authority on 4 April 2025. In the case of any discrepancies between the base prospectus and this English translation, the Swedish-language base prospectus shall prevail.***

The base prospectus was approved by the Financial Supervisory Authority on 4 April 2025 and is valid for a period of twelve months after approval. The obligation to provide supplements to the Base Prospectus in case of new circumstances of importance, material errors or material inaccuracies will not be applicable when the Base Prospectus is no longer valid.



**Virtune AB**

*(Public limited company registered in Sweden)*

Organization number: 559175-2067

LEI: 636700EWO37NE7B7GW19

### **The issuance program for Exchange Traded Products**

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This Base Prospectus (the "**Base Prospectus**") contains information about ETPs (as defined below) to be issued under the issuance program (the "**Program**"). Pursuant to the Base Prospectus, Virtune AB (Publ), reg.no. 559175-2067 (the "**Issuer**" or "**Virtune**") may, from time to time, issue ETPs and apply for such ETPs to be admitted to trading on one or more regulated markets or multilateral trading platforms ("**MTFs**") in Sweden or, after compliance with the relevant notification measures, any other Member State within the European Economic Area ("**EEA**").

The ETPs will be issued in series (each a "**Series**"). Each Series will be subject to the general terms and conditions set forth in this Base Prospectus (the "**General Terms and Conditions**"), which are supplemented, augmented and/or amended by the applicable Final Terms applicable to such Series. In case of deviations between the General Terms and Conditions and the Final Terms, the Final Terms shall apply. The ETPs are not interest-bearing. The value of and any amount to be repaid under the ETPs is strongly affected by the development of the Crypto Assets (as defined below) and, provided that the ETPs are not issued in USD, the USD/SEK exchange rate (or, as the case may be, the USD/EUR exchange rate). As such, an investment in the ETPs is likely to be highly speculative and volatile.

Whether the ETPs constitute a suitable investment for a potential investor must be assessed in the light of each investor's own circumstances. Neither this Base Prospectus nor any marketing material related to the ETPs constitutes (or shall be deemed to constitute) investment advice, financial advice, tax advice or any other type of advice to potential investors. Each investor must make their own judgment as to the suitability of a potential investment in the ETPs and should, with this in mind, consult with their own independent professional adviser.

An investment in the ETPs is only suitable for investors who have sufficient experience and knowledge to be able to assess the risks associated with such an investment and is only suitable for investors who also have investment objectives that are in line with the exposure and other characteristics of the ETPs, and who have sufficient financial means to be able to bear the risks of such investment.

This Base Prospectus has been approved by the Financial Supervisory Authority as the competent authority according to regulation 2017/1129 related to admission to trading on regulated markets or, if so, MTFs in Sweden or, after fulfilling the relevant notification measures, any other Member State within the EEA.

The Base Prospectus is valid for a period of twelve months after approval.

Virtune has not authorized any person to provide any information about the Issuer, any other company in the Group, of which the Issuer is a member (the "**Group**"), or the ETPs, other than such information as is included in this Base Prospectus. If any other information is given by a person other than the Issuer and its representatives, the recipient must assume that all such information has not been approved by the Issuer (or any company within the Issuer's Group) and, the recipient must therefore not rely on such information.

This Base Prospectus may not be distributed to other countries where an offer or admission to trading requires additional prospectuses, translations or registrations with national authorities (or other measures in addition to those required by Swedish law) or which otherwise violates the laws or regulations of such another country. Holders of this Base Prospectus, or any ETPs issued hereunder, must keep informed of (and observe) any restrictions in such jurisdictions and included herein.

The ETPs have not, and will not, be registered under the U.S. Securities Act of 1933, as amended by the U.S. ("**Securities Act**"), or with any securities regulator in any state or other jurisdiction of the U.S. and may include ongoing promissory notes subject to US tax requirements. The ETPs may not be offered, sold or, (in the case of current promissory notes), delivered within the United States or to, or on behalf of or for the benefit of, US persons, except pursuant to offers and sales in offshore transactions occurring outside United States pursuant to the applicable provisions of Rule 903 of Regulation S of the Securities Act or pursuant to another applicable exemption from the registration requirements of the Securities Act.

This Base Prospectus and all General Terms and Conditions (as defined herein) shall be governed by and interpreted in accordance with Swedish law. Any dispute that arises as a result of information contained in this Base Prospectus and/or in the Terms and Conditions must be resolved exclusively by Swedish courts in the Stockholm district court (as first instance).

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## CERTAIN TERMS AND DEFINITIONS

*In this Base Prospectus, unless otherwise specified, references to a "Member State" are references to a Member State of the European Economic Area (EEA), references to "EUR" or "euro" are references to the currency introduced at the start of the third stage of European Economic and Monetary Union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended, references to "SEK" are Swedish kronor and references to "USD" is in US dollars.*

## Overview of the Program

*The following overview of the Program and the ETPs is not intended to be a complete description and is subject to and qualified by the more detailed information contained elsewhere in this Base Prospectus and in the Final Terms of each Series of ETPs. Words and expressions not defined in this overview shall have the meanings given elsewhere in this Base Prospectus.*

### Description of the program

This program, under which the Issuer may issue exchange-traded products (referred to as “ETP” in this Base Prospectus) with Crypto Assets as collateral. The ETPs Underlying can be a crypto asset, several crypto assets or an index where the index components consist of Crypto Assets. Such ETPs may have long or short exposure in relation to the daily performance of the relevant Underlying or the referenced index.

### Parties to the program

**Issuer** ..... Virtune AB (Publ), reg.nr 559175-2067 (the “**Issuer**”, or “**Virtune**”) is a Swedish-registered limited company with its registered office at Kungsgatan 26, 111 35 Stockholm.

**The program**..... In March 2023, the Issuer established a program (the “**Program**”) for the issuance of ETPs. The Final Terms of each Series of ETPs set forth the terms of such Series of ETPs.

**Conditions**  
..... Each Series will be subject to the general terms and conditions contained in this Base Prospectus (the “**General Terms and Conditions**”), as adjusted, supplemented and completed by the applicable Final Terms applicable to such Series (collectively, the “**Terms**”).

**Base Prospectus**..... The Base Prospectus has been approved by the Financial Supervisory Authority as the competent authority according to Regulation (EU) 2017/1129. The Financial Supervisory Authority approves this Base Prospectus only to the extent that it meets the requirements for completeness, comprehensibility and consistency set out in Regulation (EU) 2017/1129 and this approval should not be considered as any kind of support for the issuer referred to in this Base Prospectus. Nor should this approval be considered as any kind of endorsement of the quality of those ETPs referred to in this Base Prospectus and investors should make their own judgment as to whether it is appropriate to invest in these ETPs.

The Base Prospectus permits an offer of ETPs to the public in Sweden and/or an admission to trading of securities on a regulated market in Sweden or a multilateral trading platform in Sweden. The issuer may request that the Financial Supervisory Authority notifies the approval of the Base Prospectus to other EEA Member States in accordance with the Prospectus Regulation for the purpose of making a public offer in such Member States or for the admission to trading of all or some ETPs on a regulated market there, or both. As of the date of this Base Prospectus, the Issuer has asked the Financial Supervisory Authority to notify the approval of the Base Prospectus to the competent authorities in each of the EU member states and Norway.

<b>The Crypto Assets .....</b>	The Crypto Assets refer to the crypto assets that are Underlying or the crypto assets that are index components of the applicable Underlying Index. Underlying in the form of Indexes or relevant crypto assets are specified in the final terms of each Series.
<b>Warning regarding termination and additions</b>	This Base Prospectus was approved by the Financial Supervisory Authority on 4 April 2025. The Base Prospectus and is valid for 12 months after approval. The Issuer shall draw up a supplement (each, a " <b>Supplement</b> ") to this Base Prospectus or publish a new Base Prospectus if there is a material new circumstance affecting any content of this Base Prospectus, if a significant new circumstance arises or if the Base Prospectus contains material errors or material inaccuracies, with the inclusion of information that would have been required if it had arisen when this Base Prospectus was drawn up and/or according to Article 23 of the Prospectus Regulation. The obligation to provide supplements to a prospectus in the event of a new circumstance of importance, material error or material inaccuracy does not apply when a prospectus is no longer valid.
<b>Transaction structure .....</b>	ETPs issued under the Program are issued in Series (as defined below). Each Series will be documented by Final Terms. The ETPs are time unlimited without a fixed maturity.  For a description of the creation and redemption processes, as well as a description of the principal parties and Transaction Documents related to the Program, see "Summary of Partners and Structure". It is intended that Authorized Participants will sell ETPs in the secondary market to investors who have directly approached the Authorized Participant(s) for a purchase price agreed between the Authorized Participant and such investors in respect of the ETPs. Investors will also be able to purchase ETPs in the secondary market on a trading venue and any other trading venue where the ETPs are listed and/or admitted to trading. Investors may from time to time sell the ETPs on the secondary market to third parties or to Authorized Participants.
<b>Issuance of series of ETPs ....</b>	ETPs issued under the Program are issued in series (each a " <b>Series</b> "), and each Series may include one or more Tranches (each a " <b>Tranche</b> ") issued on identical terms except for the issue date and the issue price per ETP. The ETPs of each Tranche of a Series which are exchangeable with all other ETPs of that Series. Each Tranche is subject to Final Terms.
<b>Collateral Agent .....</b>	The Law Debenture Trust Corporation plc. or such other Collateral Agent as specified in the applicable Final Terms or, where applicable, any other Collateral Agent appointed in accordance with the Terms.
<b>Custodian .....</b>	Coinbase Custody Trust Company, LLC, or such other Custodian as specified in the applicable Final Terms or, where applicable, any other Custodian appointed in accordance with the Terms.
<b>Administrator .....</b>	Formidium Corp., or such other Administrator as specified in the applicable Final Terms or, where applicable, any other Administrator appointed in accordance with the Terms.
<b>Issuing Agent .....</b>	Nordic Issuing AB, or such other Issuing Agent as specified in the applicable Final Terms or, where applicable, any other Issuing Agent appointed in accordance with the Terms.

**Authorized Participant**..... Flow Traders B.V., Jane Street Financial Limited, DRW Europe B.V., Virtu Financial Ireland Limited, Enigma Securities Limited, or such other Authorized Participant as specified in the applicable Final Terms or, where applicable, any other Authorized Participant appointed in accordance with the Terms.

Except in limited circumstances, the issuance and redemption of ETPs can only take place at the initiative of an Authorized Participant.

**Market Maker** ..... Flow Traders B.V., or any successor or such other Market Maker as specified in the applicable Final Terms.

**Index Calculation Agent**..... Invierno AB, reg. no. 559207-4172, Box 5193, 102 44 Stockholm (Brand name: Vinter), or such other Index Calculation Agent as specified in the applicable Final Terms or, where applicable, any other Index Calculation Agent appointed in accordance with the Terms.

**Index Administrator** ..... Invierno AB, reg. no. 559207-4172, Box 5193, 102 44 Stockholm, or such other Index Administrator as specified in the applicable Final Terms or, where applicable, any other Index Administrator appointed in accordance with the Terms.

Each Index will constitute a reference value covered by Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as reference values in financial instruments and financial contracts or to measure the performance of investment funds and amending Directive 2008 /48/EC and 2014/17/EU and Regulation (EU) No 596/2014 Regulation (“**Benchmark Regulation**”). Each Index will be administered by an administrator included in the register referred to in Article 36 of the Benchmark Regulation.

**Continuous issues and redemptions** ..... ETPs of each Series shall be subject to an ongoing issuance and redemption mechanism, under which additional ETPs of such Series may be issued, and ETPs may be redeemed at the request of Authorized Participants.

**General conditions for the ETPs** ..... Each Series of ETPs will have the terms set forth in the “General Terms and Conditions” section of this Base Prospectus, as supplemented, amended and/or supplemented by the applicable Final Terms.

**Issue price** ..... The issue price of each Tranche of ETPs will be set out in the Final Terms in respect of such Tranche.

**Interest** ..... The ETPs will not accrue interest. Only in cases where explicitly stated in the applicable Final Terms may there be payments at various points during the term of the ETPs, which in such cases will reduce the Redemption Amount upon redemption by excluding any amounts already paid from the calculation of the Redemption Amount.

**Collateral**..... The Underlying or Underlying Components credited to the Collateral Account and other eligible assets denominated in the Underlying or Underlying Components acting as Collateral for the ETPs or other eligible assets under the applicable Final Terms.

Collateral of ETPs, further described in the "Collateral and Summary of collateral Arrangements" section herein, eliminates the credit risk of the Issuer only to the extent that the proceeds from the liquidation or realization of the collateral (minus the costs of realization costs and expenses of the Collateral Agent and any payout) meet investors' requirements. The investor bears, among other things, the following risks: the market risk associated with the collateral leads to insufficient realization proceeds or, in extreme circumstances, the collateral may lose its value entirely, including through theft, hacking, slashing (for ETPs that include staking), or fraud, prior to liquidation takes place or it may not be possible to realize the Collateral. With respect to the payment to the respective investor of the relevant share of the net realization proceeds, each investor shall bear the credit risks associated with each counterparty with respect to the Underlying, Underlying Component or Collateral Counterparty and/or any custodian of the Underlying or Underlying Components (Coinbase Custody Trust Company, LLC ("Coinbase" or the "Custodian") and /or The Law Debenture Trust Corporation plc. ("Law Debenture" or the "Collateral Agent") which carries out the realization of the collateral, as well as the financial intermediaries along the disbursement chain. Payment to Investors may be delayed due to material or legal reasons. To the extent that the calculation of the current the value of ETPs proves to be incorrect, the collateral of the ETPs may be insufficient to meet the investors' claims or may also be too high a collateral in which case the investors may not participate in any such upside.

**Underlying and underlying components .....**

The Underlying or, in the case of ETPs linked to an Index or a Basket, the Underlying Components for each Series of ETPs will be specified in the relevant Final Terms. The Underlying or Underlying Components may only consist of Crypto Assets and/or any fiat currency used as a reference currency in a short exposure to Crypto Assets or a stablecoin whose value is pegged to the relevant fiat currency (as described further below).

**Types of exposure**

Each Series of ETPs may provide long exposure, leveraged exposure, or short exposure to the relevant Underlying or Underlying Components, in accordance with the description.

**Long exposure**

A long exposure is designed to have a positive impact on the value of a Series of ETPs where the relevant Underlying or Underlying Components increase in value. Conversely, where the Underlying or Underlying Components decrease in value, a long exposure will have a negative impact on the value of the relevant Series of ETPs. A Series of ETPs may provide long exposure without leverage to any Underlying or Underlying Components that are qualified under the Program.

**Short exposure**

A short exposure is designed to have a positive impact on the value of the Series of ETPs where the relevant Underlying or Underlying Components decrease in value. Conversely, when the Underlying or Underlying Components increase in value, a short exposure will have a negative impact on the value of the relevant Series of ETPs. A Series of ETPs may only provide short exposure without leverage to Underlying or Underlying Components in the form of Crypto Assets or fiat currencies, or alternatively, a stablecoin whose value is pegged to the relevant fiat currency, which are qualified under the Program. In the case of short exposure to Crypto Assets, fiat currencies or a

stablecoin whose value is pegged to the relevant fiat currency will act as the reference currency against which the value of the Crypto Asset(s) is measured.

**Leveraged exposure**

A Series of ETPs may provide long exposure with a two times (2x) leverage factor relative to the performance of the Underlying or Underlying Components. The leverage factor is designed to amplify the positive effect of the long exposure if the Underlying or Underlying Components increase in value. The leverage factor will amplify the effect of any change in value on the Underlying or Underlying Components, both positive and negative. No Series of ETPs may provide a higher leverage factor than two times (2x) the performance of the Underlying or Underlying Components. A Series of ETPs may only provide short exposure without leverage to Underlying or Underlying Components in the form of Crypto Assets. Short leveraged exposures are not available under the Program.

**Collateral provided by the Issuer in respect of ETPs .....**

The collateral created for the Collateral for the benefit of the Collateral Agent and for the benefit of Investors in accordance with the Account Security Agreement, the Account Control Agreement and any Additional Security Agreement.

**Redemption.....**

The ETPs are perpetual (“open”) and have no predetermined maturity.

The Issuer has the right to terminate and redeem a Series of ETPs in its entirety, but not in part, at any time, at the Issuer's sole discretion, without the prior consent of the Investors. This will take place on a redemption date specified in a notice of termination published by the Issuer in accordance with the General Terms and Conditions.

Authorized Participants may request the Issuer to terminate and redeem all or part of their ETP holdings by delivering Collateral in the form of Crypto Assets for those ETPs in accordance with the relevant Authorized Participant agreement. Redemption by Authorized Participants will take place by settlement in Crypto Assets (unless the Issuer allows settlement in cash).

At the request of an investor holding ETPs, the Issuer will redeem ETPs held by the investor to the number of ETPs corresponding to the investor's redemption notice (under the applicable Final Terms) and to the Redemption Amount, provided the investor provides written notice of at least 30 or more than 60 days, via the financial intermediary administering the relevant securities account, to the Issuer.

**Redemption amount.....**

Other than with respect to the redemption of ETPs under Condition 5.3 (*Redemption of ETPs upon selection of an Authorized Participant*), which, unless the Issuer permits such redemption to be settled under Condition 5.5 (*Cash Settlement*), settlement shall take place in Crypto Assets, an amount in the settlement currency to be paid by the Issuer to the Investors calculated in accordance with the applicable Final Terms; provided, however, that in the event of an Extraordinary Event under condition 17, the Redemption Amount shall be reduced and may be as low as the minimum denomination of the

Settlement Currency (i.e. US\$0.01, €0.01, SEK 0.01, £0.01 or the equivalent in other settlement currencies). The redemption amount shall not be less than the minimum denomination of the settlement currency (i.e. USD 0.01, €0.01, SEK 0.01, GBP 0.01 or equivalent in other settlement currencies).

**Investor's exposure to the performance of an applicable index.....**

If ETPs are linked to an index, the return on the relevant Series of ETPs will be based on the performance of the corresponding index. This is because the Redemption Amount for each Series is calculated based on the closing price of the Index on the current price determination date.

**Index.....**

The index set out in the Final Terms will apply to the relevant Series of ETPs. The issuer may use one or more indices from different providers with different strategies, giving investors a wider range of investment options to consider.

**In case of Termination Event and bankruptcy .....**

If the Issuer fails to pay any amount due in respect of a Series of ETPs when due and such failure continues for a period of 10 Swedish banking days (a “**Termination Event**”), Investors holding at least 25% of the outstanding ETPs of the relevant Series, may by notice in writing to the Issuer (at its registered office) and the Collateral Agent (at its designated office) (with a copy to the Administrator), declare that all ETPs of such Series shall be due for immediate payment, and where they shall be immediately redeemed without further action or formality. Such redemption must be done by the Issuer in accordance with Condition 21 and otherwise in accordance with Condition 5.

If the Issuer is declared bankrupt within the meaning of the Bankruptcy Act (1987:672), as amended by a court of competent jurisdiction (an “**Insolvency Event**”), all ETPs shall immediately be redeemed without further action or formality in accordance with Condition 21 and otherwise in accordance with Condition 5.

**Execution.....**

In the event of a Terminating Event or Insolvency Event, the Collateral Agent shall, subject to being indemnified and/or secured and/or pre-funded to its satisfaction: (i) in the event of a Terminating Event, if so instructed in writing by Investors representing at least 25% of the ETPs in the relevant Series (which instruction may be combined with the notice in Condition 20.1 and the instruction in Condition 21.1(b)); or (ii) in the event of an Insolvency Event, if so instructed in writing by any Investor which instruction may be combined with the instruction in Condition 21.1 (b)), serve the Issuer with a Notice of Enforcement and subject to what is stated in the Collateral Agent Agreement, whenever at any time and without prior notice, commence such proceedings and/or take such actions, steps or proceedings as it considers appropriate against, or in relation to, the Issuer or any other person to enforce its rights under any of the Transaction Documents.

**Obligations of the Issuer.....**

The ETPs will be obligations exclusively of the Issuer.  
In particular, the ETPs will not be obligations or liabilities of or guaranteed by any of the Authorized Participant, the Collateral Agent, the Issuing Agent, the Index Calculation Agent, or any other collaborator or affiliate of the Issuer, or any direct or indirect shareholder of the Issuer.



The issuer was formed for the purpose of issuing listed and exchange-traded products. If the net proceeds from the realization of the Securities of a particular ETP are less than the aggregate amount payable under such circumstances by the Issuer in respect of the ETPs, the investors in such ETPs may suffer losses.

**Applicable law for the ETPs** The ETPs are governed by, and must be interpreted in accordance with, Swedish law (without reference to the principles of choice of law rules).

In connection with any proceedings regarding the ETPs, the Issuer submits to a Swedish court, with the Stockholm district court as the first instance.

Notwithstanding the foregoing, and for the avoidance of doubt, certain provisions of each of the Security Documents and the Collateral Agent Agreement shall be governed by the laws of the State of New York or the laws of England or the laws of England and Wales, as set forth in each of the foregoing agreements.

**Listing and admission to trading** ..... Application for admission to trading on a regulated market or other multilateral trading platform of a Series of ETPs may be made if so specified in the applicable Final Terms.

The application may be made to list any Series of ETPs on Nasdaq Stockholm.

**Restrictions on Sale and Transferability** ..... The ETPs are freely transferable, but Holders may be subject to purchase and transferability restrictions in respect of the ETPs as applicable under local law to which the Holder may be subject. Each Holder must ensure compliance with such restrictions at their own expense.

**Type of ETPs** ..... ETPs may be issued in non-document based and dematerialized form and, if required or expressly provided for in the Relevant CSD Rules applicable to the relevant Series, in other form.

**Warning respect forward looking statements** ..... Certain statements in this Base Prospectus may be considered forward-looking statements. Forward-looking statements include statements about the Issuer's plans, goals, strategies, future operations and results and the assumptions underlying these forward-looking statements. When used in this Base Prospectus, the words "anticipates," "estimates," "expects," "believes," "intends," "plans," "aims," "seeks," "may," "will," "should" and all similar expressions generally are forward-looking statements. The issuer has based such forward-looking statements on its current view with respect to future events and financial results. Although the Issuer believes that the expectations, estimates and forecasts reflected in its forward-looking statements are reasonable as of the date of this Base Prospectus, if one or more of the risks or uncertainties arise, including those identified in the section entitled "Risk Factors" or which The Issuer has otherwise identified in this Base Prospectus, or if any of the Issuer's underlying assumptions prove to be incomplete or incorrect, events relating to the Issuer and the Issuer's actual results may differ materially from those expected, estimated or predicted. Without prejudice to the requirements of applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking, after the date of this Base Prospectus, to disseminate any updates or revisions to the forward-looking statements contained

herein to reflect any change in expectations thereof or any change in events, conditions or circumstances upon which such forward-looking statement is based.

**No recommendation .....** Neither this Base Prospectus nor any other information provided in connection with the ETPs (i) shall be used as a basis for any credit assessment or other evaluation or (ii) shall be regarded as a recommendation by the Issuer that any recipient of this Base Prospectus (or other information which provided in connection with the Program) should purchase all ETPs. Any investor considering purchasing ETPs should make his or her own independent inquiries regarding the financial condition and business performance of the Issuer and his or her own assessment of their creditworthiness.

**No STS notification .....** Although the Issuer is established as a company to primarily issue ETPs secured by the Securities as described in this Base Prospectus, no notification has been sent or is intended to be communicated to ESMA in connection with "Simple, Transparent and Standardised" (STS) criteria set out in the Securitization Regulation (EU) 2017/2402.

**Admission to trading.....** The issuer confirms that the assets provided as collateral for each issuance have characteristics that enable them to generate funds to make the payments on the ETPs that are to be made.

Application for admission to trading on a regulated market or other multilateral trading platform of ETPs may be made if so specified in the applicable Final Terms.

## RISK FACTORS

*This section describes and discusses risk factors that are material to Virtune, which includes risks related to Virtune's business and industry, risks related to Virtune ETPs and risks related to crypto assets.*

*The issuer's assessment of the materiality of each risk factor is based on the probability that the risk will materialize and the expected negative extent of the risk if it were to materialize. The description of the risk factors is based on available information and estimates made on the date of this Base Prospectus. The risk factors are presented in categories where the most significant risk factors in a category is presented first under such category. As a risk factor can be categorized in more than one category, such risk factor is displayed only once and in the most relevant category for such risk factor. The issuer has assessed the risks based on two criteria, (i) the probability that the risk will occur and (ii) the extent of the negative effect that the occurrence of the risk may have. In order to clearly and concretely convey the assessment of the materiality of the risk based on the two criteria, the risk factors are described on a qualitative scale with the designations low, medium and high.*

*Certain terms used in this section are defined in the General Terms and Conditions and/or the Final Terms. Investors should read the Base Prospectus in its entirety.*

### **Risk factors attributable to Virtune's operations and industry**

#### **Virtune operates in an industry with strong market volatility**

Crypto assets are a volatile asset class and are not based on any security in, for example, physical format that guarantees its value. The value is also not supported by, for example, a debt that must be repaid or a current and predictable income. Hence, the valuation of crypto assets is distinguished from, for example, the valuation of a share. Market volatility reflects the degree of instability and expected instability of crypto assets and thus the ETPs.

The Issuer's income and liquidity is based on the ETPs' management fees and in the event of major market changes regarding the Underlying Crypto Assets, the conditions for the conduct of the Issuer's business and its financial capacity can quickly change and deteriorate. If market changes mean that the demand for crypto assets decreases sharply or if the Underlying Crypto Assets are exposed to technical errors or coding errors and the value of these drops permanently, this may mean that Virtune will not be able to continue executing its business plan with a positive operating result or that the conditions for conducting business no longer exist.

Risk level: high.

#### **The issuer operates in an industry subject to increased regulation**

Virtune, in its capacity as an Issuer, operates in an industry subject to increased regulation, which means that the Issuer must comply with applicable laws, regulations, and market practices. The legal status of crypto assets varies significantly between different countries, with some jurisdictions still lacking definitions of what type of asset class crypto assets belong to. Additionally, some countries have banned specific crypto assets or all crypto assets entirely.

In Europe, the MiCA regulation has begun to apply, which is expected to clarify the regulatory framework for crypto assets and impose higher requirements on businesses within the crypto market that fall under MiCA. If the Issuer fails to comply with applicable rules and regulations, it could result in financial sanctions such as fees, fines, and/or penalties, as well as significant negative publicity, which could have a materially adverse effect on the business, the Issuer's operating results, and

financial position. New laws, regulatory decisions, or changes in the application or interpretation of existing legislation, regulations, or public authority decisions applicable to the Issuer's business, the ETPs, and/or the underlying crypto assets could negatively impact the Issuer's operations or an investment in the ETPs.

Even if the Issuer keeps up-to-date on current regulations to continuously adapt its operations to the regulatory frameworks, these adjustments may incur significant costs that the Issuer currently cannot foresee. Virtune is also dependent on its Authorized Offerors supporting the Underlying Crypto Assets. Should Authorized Offerors stop supporting the Underlying Crypto Assets, it could mean that Virtune is unable to issue further securities, which in turn could affect Virtune's financial results and creditworthiness. Virtune is also exposed to indirect risk as several of the Issuer's partners conduct operations that are subject to, or in the future may be subject to, extensive regulation, see the risk factor "Virtune is dependent on functioning collaborations with external actors to conduct its operations" for more information.

Risk level: high.

### **Virtune operates in a growing and competitive industry**

At the date of the Base Prospectus, there is a relatively high competition in Sweden and Europe according to the Issuer. While the Issuer has been able to demonstrate a strong growth under a relatively short time period, there are a number of major players that have taken larger market shares regarding ETPs related to crypto assets around Europe. The crypto market is in constant change where new companies are continuously formed that want to take market shares of the growing industry<sup>1</sup>. If existing players expand their offensive position in the market at the same time as new competitors arise, this may lead to aggressive price reductions in the market, which may mean that Virtune, as a newer player in the market, cannot maintain its profitability or offer sufficiently attractive products on the market.

Risk level: high.

### **The issuer operates a relatively newly established business with limited personnel resources**

The Issuer is a relatively new player on the market and thus is dependent to maintain and continuously grow its assets under management. As Virtune intends to continue to improve brand and product awareness, customer experience, infrastructure and continue its geographical expansion, the Issuer is expected to continue to incur significant costs, including planned investments to hire and train personnel, further develop the Issuer's IT infrastructure and expand the product portfolio, and thus there is a risk that the Issuer incur future operating losses. These efforts may be more expensive than Virtune currently anticipates. From time to time, the Issuer may also make other significant investments that may negatively affect the Issuer's profitability and operating profit, either temporarily or over a longer period of time. Furthermore, unfavorable external developments regarding the underlying crypto assets and, consequently, the ETPs—whether unforeseeable or beyond Virtune's control—could hinder the Issuer's ability to continue its business plan while maintaining profitability. However, during the last quarter of 2024, Virtune reached a milestone by achieving profitability for the first time. Combined with the

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<sup>1</sup> <https://www.coindesk.com/business/2023/03/22/european-crypto-startups-raised-record-57b-in-vc-funding-in-2022/>

successful raising of new venture capital in early 2024, this means that the Issuer currently has a relatively strong financial position. However, if Virtune fails to attract new assets under management to the ETPs and/or experiences significant outflows of existing managed assets, it could make it more difficult for the Issuer to continue operating.

Risk level: medium.

#### **The Issuer is dependent on its key personnel and to recruit and retain qualified employees**

At the time of the renewal the Base Prospectus, the Issuer has a few employees. The different roles at the Issuer are responsible for different segments within the product chain and to some extent different roles are linked to the same people. Virtune's future success therefore depends, among other things, on these key people and its ability to attract and retain qualified personnel and senior executives. Against the background of the increased use and acceptance of crypto assets in society, Virtune competes with many other employers for competent people. Virtune may need to invest significant effort, including but not limited to salaries and warrants, to attract such employees and retain existing key personnel. Virtune's ability to attract qualified personnel is dependent on factors such as brand strength, employment conditions and location. There is also a risk that competitors try to recruit Virtune's employees. This can lead to loss of personnel as well as increased personnel costs for Virtune if competitors and other employers offer higher compensation and Virtune thus has to raise its existing compensation levels. Loss of key personnel or an increase in the remuneration of existing employees may have a negative impact on Virtune's operations and future growth as well as entail increased costs.

Risk level: medium.

#### **Virtune is exposed to credit risk**

Investors in the Issuer's ETPs are exposed to the credit risks associated with the Issuer and the Custodian. The issuer's ability to fulfil its obligations under the Terms determines an investor's ability to receive payment. Correspondingly, Virtune's ability to fulfil its payment obligations is dependent on the Custodian's ability to fulfil its obligations under the Custodian Agreement and its ability to fulfil its obligations as a Custodian. The ETPs are neither direct nor indirect obligations of any other party, which means that the Issuer's creditworthiness can affect the market value of the ETPs. In the event that the Issuer becomes insolvent or goes bankrupt, it may happen that investors do not receive full payment of the amount that according to the Terms must be paid by the Issuer, regardless of the Collateral in the form of Underlying Crypto Assets. In addition to direct credit risks, investors are thereby also indirectly exposed to the credit risks the Issuer is exposed to. For example, losses or inability to obtain delivery of Crypto Assets that the Issuer posts as Collateral may affect investors. If the Issuer becomes insolvent, the Collateral may prove insufficient to meet the investors' claims (please see the risk factor "The Issuer's Insolvency Risk" below).

Risk level: medium.

#### **Liquidity risk**

It is possible that the Issuer may experience a shortage of liquid funds, which may result in challenges in meeting its financial obligations under the ETPs or otherwise. If there is a lack of liquid funds, especially if the Collateral in the form of Underlying

Crypto Assets cannot be realized for a specific Series of ETPs, it may result in the Issuer being unable to fulfil its payment obligations, either in whole or in part, on time or at all. This may have negative consequences for the Issuer's financial stability and reputation.

Risk level: low.

### **Virtune's business primarily consists of issuing ETPs and managing Underlying Crypto Assets**

The Issuer is a company with the sole purpose of issuing ETPs and managing the Underlying Crypto Assets that constitute Collateral for the ETPs. Virtune continuously incurs costs to have its existing and upcoming ETPs admitted to trading and to continue its business operations. These costs are primarily covered by the management fee, which is dependent on the amount of capital (AUM) invested in those ETPs. There is a risk that Virtune may not be able to maintain such levels, which in turn will affect Virtune's profitability. The business is dependent on capital allocated to the ETPs receiving a critical volume of capital that covers the running costs of the business. If Virtune fails to maintain the capital allocated to the ETPs over time or if the AUM invested in the ETPs falls drastically, the Issuer may be forced to cease operations as an issuer or ultimately end up insolvent.

Risk level: low.

### **The Issuer's insolvency risk**

Investors in the ETPs are exposed to the risk that the Issuer's financial position may deteriorate, which could lead to a partial loss of their invested capital if the Issuer becomes insolvent. The Issuer is obligated to provide Collateral in the form of Crypto Assets equivalent to 100% of the Issuer's obligations towards investors in the ETPs. Thus, the ETPs are the Issuer's secured and non-subordinated obligations and have the same priority as all other current and future secured and non-subordinated obligations of the Issuer. The Collateral in the form of Crypto Assets reduces the credit risk, but it only covers investors' claims to the extent that the realization of the Securities covers the obligations and any remaining payment demands are unsecured obligations. However, there is a risk that the realization of the Collateral will not yield sufficient revenues or that the Collateral may lose its entire value before such realization occurs (please see the risk factor "Realization of the Collateral in the form of Underlying Crypto Assets" below). An insolvency scenario for the Issuer could also lead to the Collateral being realized at a different time than investors may have expected, which could occur under unfavourable market conditions and thus lead to increased loss for investors despite the presence of the Collateral.

Risk level: low.

### **Virtune is dependent on functioning collaborations with external actors to conduct its business**

The Issuer has entered into agreements with, and the Issuer's operations are dependent on the Issuer having a well-functioning collaboration with, a number of external actors, primarily Custodian, Issuing Agent, Market Maker, Authorized Participant, Index Calculation Agent, Administrator, Index Administrator and a third party liquidity guarantee with purpose of allowing the Issuer to borrow crypto assets in order to reduce the risk associated with lock up periods in relation to staking. Virtune is exposed to risks, including credit risk, reputational risk and liquidation risk, as a result of one of its contractual parties not

fulfilling their respective obligations, which, if such risks materialize, could have a significant negative effect on Virtune's operations and financial position. The industry in which Virtune operates has historically been volatile and, compared to other more traditional industries such as commodities, is largely unregulated. However, the market for crypto assets is subject to extensive regulation. There is thus a risk that one of the above contractual parties, as a result of strongly changed market behaviour or for regulatory reasons, implements changes to the terms to worse terms for the Issuer or to terms that the Issuer cannot accept, or that they completely terminate the cooperation with the Issuer. If such a situation materializes, there is a risk that the Issuer will not be able to find new partners within a reasonable time or on reasonable terms, which may lead to increased costs for the Issuer and difficulties for investors to call for the redemption of the investor's ETPs. If the Issuer does not find adequate new cooperation partners, the Issuer may be temporarily or permanently forced to cease operations.

Virtune is particularly dependent on the security of Custodian in order to access and trade the Underlying Crypto Assets. If the Custodian suffers an operational outage, it could mean that the Issuer temporarily lacks access to the Underlying Crypto Assets and thus cannot handle, for example, rebalancing or redemption of ETPs, which in turn could lead to an ETP not being able to follow the relevant Index or ETPs cannot be redeemed at the desired time.

Risk level: low.

#### **Risks related to the Issuer's operational activities**

Operational risks mainly consist of the risk of insufficient internal procedures and errors caused by people or computer systems. Virtune has implemented internal rules and guidelines regarding e.g. acquisition and sale of Underlying Crypto Assets, handling of the Collateral in the form of Crypto Assets when issuing new ETPs, staking, lending and how its Underlying Crypto Assets can and must be stored. The issuer is registered as a financial institution with the Financial Supervisory Authority and must therefore comply with the rules that apply to financial institutions, for example rules regarding measures against money laundering and financing of serious crime. In the event of violations or other non-compliance with the Issuer's internal rules and guidelines for hedging, trading on the secondary market and/or storage of the Crypto Assets, or if an attack from the outside takes place on Virtune's premises, computer or storage systems, the Issuer may suffer significant financial losses and significant reputational damage, which limits Virtune's ability to attract new business. This may mean that existing investors end their investment in Virtune's ETPs earlier and to a greater extent than can be predicted. This, in turn, could mean that Virtune's managed capital in the ETPs is greatly reduced, which thus leads to reduced revenue for Virtune.

The Issuer's infrastructure is designed to achieve the highest possible operational and cyber security and the Issuer applies the systems that are considered the best according to industry standards. A targeted and powerful hacker attack against the Issuer with the aim of corrupting historical data could, however, cause damage to the Issuer, mainly regarding temporary downtime in the infrastructure, which could create a lack of communication with partners and suppliers as well as deviations in the handling of data.

Risk level: low.

**The Issuer may be negatively affected by new directives or decisions from the Financial Supervisory Authority or**

**other regulatory authorities.**

The European Securities and Markets Authority (ESMA) can make decisions and implement changes in practices that affect the Swedish Financial Supervisory Authority (Finansinspektionen) and its regulations, which, in turn, may impact the Issuer's ability to continue executing its business plan. While Virtune, as the Issuer, does not fall under the MiCA regulation, the way supervisory authorities interpret MiCA could still affect the Issuer's operations, given that the Underlying assets are Crypto Assets. For example, if Finansinspektionen were to ban a specific crypto asset that constitutes the Underlying Crypto Asset of one of Virtune's ETPs, the Issuer could be forced to delist the relevant ETP. The risk for investors in such a situation is that the Collateral would need to be liquidated at a potentially unfavorable market valuation, which could result in investors receiving back less—or significantly less—than their original investment, thereby incurring a loss.

Risk level: low.

**Risk factors related to the ETPs**

**The ETPs lack capital protection**

The ETPs issued under this Base Prospectus do not provide any capital protection for amounts payable under the terms of the ETPs. This poses a risk for investors, as part or all of the invested amount may be lost due to market risk associated with investing in the ETPs. Upon investor redemption of ETPs, the Redemption Amount is calculated based on the entitlement to the Collateral in the form of Crypto Assets and the reference value price of the relevant Crypto Asset at the time of redemption. If the ETPs provide a long exposure (i.e., the relevant ETPs are designed to benefit from an increase in the price of the relevant Index, the Underlying, or the Underlying Component through a 1:1 exposure) and the relevant price instead declines, this would have a materially negative effect on the market value of such ETPs, resulting in investor losses. Conversely, if the ETPs provide a short exposure (i.e., the relevant ETPs are designed to benefit from a decline in the price of the relevant Index, the Underlying, or the Underlying Component) and the relevant price instead rises, this would also have a materially negative effect on the market value of the ETPs, leading to investor losses. Depending on the performance of the relevant Index, Underlying, or Underlying Components, investors may suffer a loss of up to their entire investment.

Risk level: high.

**The risk of an Extraordinary Event occurring**

Condition 17 of the General Terms and Conditions states that if there is a fraud, theft, cyber-attack, change of rules or any other similar event (each, an “**Extraordinary Event**”) affecting any Underlying or Underlying Component (including those used as Collateral), the Issuer will inform Investors in accordance with Condition 16, and the Redemption Amount of the affected ETPs will be reduced accordingly, possibly to the smallest denomination of the Settlement Currency. Therefore, investors risk an Extraordinary Event occurring and potentially losing part or all of their investment. The risk of an Extraordinary Event is higher for this type of investment compared to other asset classes, and it is difficult to mitigate. Insuring against an Extraordinary Event is currently not practical and very difficult to achieve. Should the risk occur, it will have a



negative impact on the value of the ETPs and the returns from the ETPs.

Risk level: medium.

### **Currency risks**

The ETPs will be traded in EUR or SEK (or where applicable, another currency) and thus track the value of the Underlying Crypto Assets in those currencies. The Underlying Crypto Assets will be traded in USD. The consequence of this is that the relevant exchange rate between USD and the relevant currency at any given time will be a factor that affects the price of the ETPs in addition to the current valuation of the Underlying Crypto Assets. In case of sharp exchange rate changes, an investor may lose part of his investment even though the Underlying Crypto Assets have not decreased in value or even increased in value.

Risk level: medium.

### **Risks related to the secondary market**

The pricing of the ETPs in the secondary market is based on customary methods and market mechanisms, including the expectations of the capital market, analysts, or investors regarding Virtune and its creditworthiness, for which the Market Maker(s) bear the primary responsibility to quote buy and sell prices that correlate with the Underlying Crypto Assets. Depending on supply, demand and volatility, the price of the ETPs may therefore temporarily deviate from how the ETPs should objectively be priced in correlation to the valuation of the Underlying Crypto Asset(s) or Underlying Index. Historically, crypto assets have had a strong volatility, which in turn affects supply and demand, hence it is likely that scenarios may also arise in the future where the price of the ETPs is affected by these factors. Investors in need of liquid assets may also need to sell their ETPs at a lower rate than similar products in the market, due to the supply and demand conditions of the ETP in question at a specific time.

Virtune will also use Indices as Underlying in some of its ETPs, which in turn are regulated by the EU's Benchmark Regulation. The price of such ETPs will thus be determined on the basis of the Underlying Crypto Assets, whereby the price of the respective Crypto Asset is taken from the Index. In case of tracking failure against Index i.e.. that Virtune cannot read the Index and thus price the ETP correctly or carry out a correct rebalancing of the Underlying Crypto Assets based on the Index, it may temporarily affect the price of the ETP negatively.

Risk level: medium.

### **Risks Related to Basket and Index ETPs**

The purpose of the Issuer's Basket- or Index related ETPs is to create diversification and broader exposure to multiple crypto assets. In the crypto market, it is common for volatility to increase as the total market value of a given crypto asset decreases. Even though the purpose of an Index- or Basket. related ETP is to provide diversification and risk distribution, it may result in higher volatility compared to a Single Asset ETP.

There is also a risk that an individual Crypto Asset may be affected by negative events causing a price drop, which could lead to a negative price development for the Index- or Basket related ETP, even if the other Crypto Assets experience positive value growth. The purpose of an Index is to establish a rules-based methodology that governs how the Underlying Crypto Assets are managed, but there is no guarantee that the Issuer will be able to fully track the Index. This may result in discrepancies between the ETP's performance and the Index it is intended to follow (so-called tracking error).

While an Index aims to ensure reliable pricing, there are no guarantees that the index calculation will reduce speculative or manipulative price trends in the underlying components. If this risk materializes, slashing will have a negative impact on the value and returns of the affected ETPs. If the Index provides leveraged exposure to the relevant Crypto Assets it references, the effect of any negative or positive price changes will be magnified compared to the effect of such changes on an otherwise identical Index without leverage. Potential investors should note that such leverage entails.

Risk level: medium.

### **Short, Long, and/or Leverage Risk**

The liquidity amount and market value of each ETP will be affected by the type of exposure provided under the relevant Final Terms. If the ETPs provide long exposure (i.e., they are designed to benefit from an increase in the price of the relevant Index, the Underlying, or the Underlying Component) and the relevant price instead remains unchanged or decreases, this would have a significant negative effect on the market value of such ETPs, and investors would incur losses.

Conversely, if the ETPs provide short exposure (i.e., they are designed to benefit from a decrease in the price of the relevant Index, the Underlying, or the Underlying Component) and the relevant price instead remains unchanged or rises, this would have a significant negative effect on the market value of the ETPs, resulting in losses for investors.

For ETPs with leveraged exposure, the leverage will further amplify this risk.

Risk level: medium

### **Risks Related to Investment in Daily Leveraged Products**

#### *Amplified Losses*

Leveraged ETPs aim to achieve a return that is a multiple of the daily return of the Crypto Assets referenced by the relevant Index or pricing source (excluding the effects of any applicable fees and/or adjustments) ("Leveraged ETPs"). Leveraged ETPs will amplify losses in market environments that are adverse to their objectives, compared to similar exchange-traded products that do not have leveraged exposure. Investing in Leveraged ETPs is not the same as having a 1x long or short

exposure to the underlying Crypto Assets in the relevant Index. Leveraged ETPs are designed to match the daily percentage change in the value of the underlying Crypto Assets referenced by the relevant Index, multiplied by a leverage factor included in the Index (excluding the effects of any applicable fees and/or adjustments). Therefore, the long-term return of holding Leveraged ETPs will not be the same as the expected return of holding the underlying Crypto Assets multiplied by the leverage factor.

For example, Leveraged ETPs may reference Indices that seek to provide exposure reflecting twice (2x) the daily percentage change in the value of the underlying assets (excluding the effects of any applicable fees and/or adjustments). If the value of the underlying assets increases by 1% on a given day, the value of the index and consequently the value of the relevant ETP would increase by 2% on that day (excluding the effects of any applicable fees and/or adjustments). The opposite effect would occur if the value of the underlying assets decreases by 1% on a given day. In this case, the value of the index and consequently the value of the relevant ETP would decrease by 2% on that day (excluding the effects of any applicable fees and/or adjustments). Leveraged ETPs may also reference indices that attempt to provide, for example, an exposure reflecting minus twice (-2x) the daily percentage change in the value of the underlying assets (excluding the effects of any applicable fees and/or adjustments). If the value of the underlying assets decreases by 1% on a given day, the value of the index and consequently the value per product would increase by 2% on that day (excluding the effects of any applicable fees and/or adjustments). The opposite effect would occur if the value of the underlying assets increases by 1% on a given day. In this case, the value of the index and consequently the value of the product would decrease by 2% on that day (excluding the effects of any applicable fees and/or adjustments).

Investing in an ETP that references a leveraged index or pricing source is more risky than investing in an ETP that provides exposure to an index without leverage or a pricing source, as all losses incurred by an investor will be amplified through the use of leverage, and investors may incur significant losses in a very short time. For example, in an extreme case, the value of the underlying assets may decrease by more than 50% on a given day. If this happened, an Index that provides twice (2x) daily exposure to the returns of such underlying assets (in the absence of an intraday reset of the relevant index – see "Large Market Movements Within the Day and Overnight" below) would fall to zero because the Index would provide twice the exposure to the 50% daily decrease in the value of the underlying assets (i.e., the index would fall in value by 100% on that given day). Consequently, the value of the products tracking such an index could lose all of their value. Such a scenario could result in a total loss of an investor's initial investment. The value of the underlying assets may also increase by more than 50% on a given day. If this occurred, an index that provides minus two times (-2x) daily exposure to the returns of such underlying assets (in the absence of an intraday reset of the relevant index – see "Large Market Movements Within the Day and Overnight" below) would fall to zero because the Index would provide minus two times exposure to the 50% daily increase in the value of the underlying assets (i.e., the index would fall in value by 100% on that given day). Consequently, the value of the ETPs tracking such an Index could lose all of their value. Such a scenario could result in a total loss of an investor's initial investment. Both of the scenarios above could occur over a very short time.

### *Daily Leverage and Long-Term Effect*

Due to the daily investment objective of Leveraged ETPs, the return of a Leveraged ETP over holding periods longer than one day is likely to differ from the leveraged return of the relevant underlying assets referenced by the applicable Index or pricing source, and this difference will become more negative as the holding period increases in length. Long and short Leveraged ETPs are designed to track the daily percentage movement in the value of the relevant underlying assets multiplied by a certain leverage factor (e.g., two times (2x) or minus two times (-2x), depending on the case). The return from holding Leveraged ETPs for more than one day is not the same as the stated multiples of the return for the underlying assets that constitute the relevant index or pricing source for more than one day. Consequently, an investment in long and short Leveraged ETPs may provide a lower or higher return than if investors had bought on a “leveraged” basis or “shorted” or “sold short” the underlying assets that constitute the relevant Index. Similarly, the return from holding ETPs that reference short indices is not the same as the return from selling multiples of the underlying assets that constitute the relevant index and buying back those underlying assets at a later time (known in the market as ‘shorting’ or ‘selling short’).

The return on Leveraged ETPs over a period longer than one day is the result of the returns for each day compounded over all the days in the investment period. As a result of the daily leverage exposure of Leveraged ETPs, over periods longer than one day (excluding the effects of any applicable fees and/or adjustments), the redemption value of a Leveraged ETP will fall even if the change in the value of the relevant underlying assets is unchanged over that period (i.e., has a return of zero or close to zero).

### *Price Volatility*

Price volatility can result in long-term returns that differ significantly from the total changes in the value of the underlying assets. For example, long leveraged Indices (and the corresponding ETPs referencing such Indices) may provide exposure equal to twice (2x) the daily percentage change in the value of the underlying assets. But over periods longer than one day, it is possible for an Index (and the corresponding ETPs referencing such an Index) to provide a return that is significantly less than twice (2x) the percentage change in the value of the underlying asset(s) over such a longer period. This tends to be the case when volatility in the value of the underlying assets increases, or the magnitude of the accumulated changes in the value of the underlying assets decreases (whether positive or negative) over such a longer period. Consequently, leveraged long and short products are only suitable for investors who understand the economic risk of investing in a security that provides daily leverage, the impact that price volatility can have on their investment, and who are willing and able to monitor their investment on a frequent basis. Short leveraged indices (and the corresponding ETPs tracking such Indices) may provide exposure equal to minus twice (-2x) the daily percentage change in the value of the underlying assets. But over periods longer than one day, it is possible for an index (and the corresponding ETPs referencing such an index) to provide a return that is significantly less than minus two times (-2x) the percentage change in the value of the underlying assets over such a longer period. This tends to be the case when volatility in the value of the underlying assets increases, or the magnitude of the accumulated changes in the value of the underlying assets decreases (whether positive or negative) over such a longer period. These examples do not

take into account the additional impact that fees and/or adjustments will have on an investment in an ETP and assume further that none of the days referred to are a non-business day or a day on which an adjustment event has occurred.

The indices (and the value of the corresponding ETPs referencing such Indices) will be affected by changes in the value of the underlying assets included in the relevant Index. Such movements will be exacerbated as the Indices may provide long or short daily leveraged exposure to the returns of the underlying assets included therein. The value of the underlying assets may fluctuate significantly and may be influenced by many factors including, but not limited to, market and economic conditions, sector, geographic region, and political events. Fluctuations in the value of the underlying assets included in an Index will cause the value of the Indices (and the value of the ETP referencing such Indices) to fluctuate.

Investors should note that the effect of an Index providing long or short daily leveraged exposure to the return of an underlying asset or assets may result in significant losses over long periods.

#### *Large Market Movements Within the Day and Overnight*

In the event of significant movements in the value of one or more underlying assets referenced by an Index during the course of a scheduled valuation day, an intraday reset may be triggered for such an Index. An intraday reset is designed as a stop-loss mechanism to limit (to some extent) the loss in value of an Index during periods of extreme market movement by providing a new base level to determine the movement in the value of one or more underlying assets. The effect of an intraday reset is that, for the remainder of that day, the Index will provide the relevant long or short leveraged exposure based on changes in the value of those underlying assets, measured from the time the intraday reset occurred (or approximately that time). If an intraday reset occurs, for the reasons described above, the Index (and corresponding ETPs that reference such an Index) will not provide leveraged exposure to the movement in the value of the underlying asset(s) for the rest of that day. If the value of the underlying asset(s) declines sharply for leveraged ETPs with long exposure, or rises for ETPs with short exposure, during the day—causing an intraday reset in the corresponding Index—but then subsequently recovers, the Index may still suffer significant losses following the reset. As a result, the relevant Index would remain at a lower level for the rest of the day, leading to a lower base level for calculating the movement in the value of the underlying assets. Consequently, an investor's losses may still be substantial when an intraday reset occurs. The specific trigger levels for intraday resets will vary between different Indices. An intraday reset will not occur in response to overnight movements in the value of the underlying asset(s) (i.e., from market close one day to market open the following day). Therefore, in the event of a significant overnight movement in the value of the underlying asset(s) referenced by an Index, the value of the corresponding ETPs may decline. In such a scenario, investors holding these ETPs could lose all or part of their investment.

#### **Realization of the Collateral in the form of Underlying Crypto Assets**

If the Issuer suffers a Termination Event or becomes insolvent and the Collateral Agent takes control of the Collateral Account

in accordance with the Collateral Agent Agreement, the Account Security Agreement and the Account Control Agreement as well as any Additional Security Agreements, there is a risk that the value of the Collateral will not be sufficient to cover all Redemption Amounts to be paid to Investors in the respective Series. This is because the value of the Collateral can change significantly between the date of the last valuation and the date the Collateral Agent takes control, especially given the volatility of the crypto market. The Collateral is also denominated in Crypto Assets, which means that its value may decrease due to exchange rate fluctuations and there is no guarantee that the Collateral in the form of Crypto Assets can be sold at the same price at which they were valued. In addition, there may be costs to convert the Collateral into the relevant Settlement Currency. The Issuer may hold the Collateral with Custodians or third parties, which may result in further delays in the realization of the Collateral. If the amount received from the Collateral is not sufficient to cover the Collateral Agent's fees and expenses and the Issuer's payment obligations to investors, Investors may suffer significant losses.

Risk level: low.

### **Virtune's lending of Underlying Crypto Assets may result in a lack of liquidity**

Virtune may enter into lending agreements which mean that the Issuer lends a share of the Underlying Crypto Assets belonging to the ETPs to third parties, which in such case will appear in the Final Terms for the relevant Series of ETPs. If Virtune enters into such a lending agreement, the Underlying Crypto Assets that are lent will be replaced by a futures contract as collateral. In order to minimize the risk and the indirect credit exposure for the investor and the Issuer, Virtune will require the third party to provide acceptable collateral assets, for example, crypto assets, the market value of which corresponds to at least 100 percent of the market value of the Crypto Assets that Virtune has lent. The lending will take place during a certain period. There is a risk that the third party to whom Virtune has lent the Underlying Crypto Assets fails to return the Crypto Assets upon the Issuer's request or alternatively upon the loan's due date. If this happens at the same time as the Crypto Assets drop in value, it may, due to lead times regarding Virtune's realization of pledged Collateral, lead to Virtune temporarily having insufficient liquidity to be able to execute the redemption of ETPs at the request of investors.

Risk level: low.

### **Limitations in the commitments of the Market Maker(s)**

Virtune and its Market Maker(s) have entered into agreements that define the Market Maker(s)' obligations and limitation of liability. The Market Maker(s) have a responsibility to set buy and sell rates based on the marketplace's regulations. The agreement between the parties and the marketplace's regulations mean that the Market Maker(s) must set purchase and sale prices under normal market conditions and with a limit of maximum spread. The commitments of the Market Maker(s) are thus limited to the commitments and the market conditions that apply in the respective marketplace. Thus, investors may be exposed to the risk of not being able to dispose of their ETPs at the price, to the extent and/or at the time that the investor expected, which could result in loss. In the event that the Market Maker temporarily does not quote buy and sell prices, market orders may be matched against other investors' limit orders, which could mean that a market order may be executed at a lower or higher price than would have been the case if the Market Maker had quoted buy and sell prices. Should the risk occur, it will have a negative impact on the value of the ETPs and the returns from the ETPs.

Risk level: low.

### **Risks related to slashing**

Some crypto assets that are built on a proof-of-stake protocol, such as Ethereum and Polkadot, can be used for staking. This is a consensus algorithm, which means that the crypto assets contribute to validating transactions. The risk with staking is so-called slashing. Slashing is a mechanism built into proof-of-stake protocols in order to punish incorrect behaviour on the blockchain and thus create a more secure blockchain. The cause of slashing is usually double signing or downtime<sup>2</sup>. Each individual crypto asset used for staking is connected to a validation node that is built and intended for staking to a specific crypto asset. Slashing is something that happens to a particular validation node. In the event of slashing, only the crypto assets connected to the slashed validation node will be penalized. Thus, the risk is spread across all of the crypto assets used for staking. The punishment in case of slashing is that the holder of the crypto assets loses a percentage of the crypto assets used for staking. The percentage differs with the different crypto assets, for example Polkadot has a penalty of seven percent of the number of DOT tokens staked that is lost in the event of slashing. Where the Issuer is the recipient of staking rewards, if any, the Issuer will be exposed to the associated risks, and thus investors' credit exposure to the Issuer will increase if and to the extent that such risks occur. If a portion of the staking rewards, if any, is shared with investors in a specific Series of products according to the provisions in the applicable Final Terms, investors in that Series will additionally be exposed to such risks, as the occurrence of such risks will reduce the benefits of the sharing of staking rewards applicable to that Series of products.

Risk level: low.

### **Lockup periods as a result of staking may mean that investors are unable to redeem their ETPs at the desired time**

Virtune may use the Underlying Crypto Assets that constitute the Collateral for the ETPs for staking purposes. According to Virtune's internal regulations, the proportion of a Crypto Asset used for staking will be evaluated on a monthly basis and adjusted based on current market conditions and its partners to ensure liquidity. When crypto assets are used for staking, they may, in certain cases predetermined for each individual crypto asset, have a lockup period for a predetermined number of days. The lockup period for the crypto assets that constitute Virtune's Underlying Crypto Assets varies between zero and 28 days. During the lockup period, there is no possibility for the Issuer to sell the Crypto Asset. In the event of sharp market changes and large volumes of redemptions of ETPs, where there is a lack of liquid shares due to the lockup period and the Issuer's third-party liquidity provider is temporarily unable to lend, a situation may arise where all the Underlying Crypto Assets belonging to an ETP are under lockup. Such a situation could mean that ETPs cannot be redeemed at the desired time.

Risk level: low.

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<sup>2</sup> <https://www.ledger.com/academy/topics/blockchain/what-is-slashing>

### **ETPs may be delisted prematurely**

Delisting may take place if the Issuer does not find profitability in the ETP or because legal, regulatory or technical reasons make the ETPs continued existence impossible. In the event of a delisting, the Issuer has the right to liquidate all ETPs belonging to a Series and thereby initiate early redemption at the initiative of the Issuer. Early redemption can only take place under the condition that the investors have been informed in advance of a notice period. However, the relevant marketplace and/or competent regulatory authority may decide on a trading halt without prior notice and such trading halt may continue to apply until the ETPs are delisted. The risk for investors in such a situation is that you get back less or much less than your original investment and thus make a loss.

Risk level: low.

### **Early redemption of ETPs according to the General Terms and Conditions, together with the associated reinvestment risk.**

In certain circumstances, such as a Terminating Event or at the discretion of the Issuer, the ETPs issued under the Program may be redeemed. In order to provide investors with redemption amounts in fiat currency (i.e. traditional currency in the form of the relevant Settlement Currency), the Issuer relies on counterparties to purchase the Collateral for the ETPs being redeemed. However, it may not be possible to sell the entire amount of the Collateral in one day, and the redemption proceeds may take longer than redemption in kind. The price of the Collateral may fluctuate and fees charged by transaction parties may increase, resulting in a lower net redemption amount. Investors should be aware that there is no guarantee that the redemption amount will be greater than or equal to the amount invested, and the entire value of the investment may be lost if the price of the Collateral falls to zero. In addition, after redemption, Investors may face reinvestment risk or that the reinvestment opportunity may only take place on less favourable terms. Any termination of ETPs may therefore result in a partial or total loss of an investor's invested capital, and they should carefully consider their options for reinvestment.

Risk level: low.

### **Forks may affect the development of one of the Issuer's ETPs**

A "fork" means that a group of developers wants to carry out an update of the network in a crypto asset. For the new update to take effect, it is required that a majority of users of the crypto asset choose to approve the new update. If a majority does not choose to approve the new update, a so-called fork is created, i.e. a spin-off of the original currency, in that a minority of users of the crypto asset chose to approve the new update. An example of a fork is Bitcoin Cash, which as of November 26, 2022 is the 26th largest crypto asset in the world. A fork can mean that the value of the original currency is negatively affected as many users leave the original currency to instead use the new crypto asset created in the fork. If this occurs in any of the Underlying Crypto Assets constituting the Collateral for one of the Issuer's ETPs, it could have a negative effect on Virtune's financial position as a result of a reduced AUM. If a fork occurs for an Index ETP, the governing documents of the applicable Index of the relevant ETP apply. For Single Asset and Basket ETPs, the Issuer chooses at its sole discretion whether the Issuer will participate in the fork or not. The Issuer's decision to participate or not to participate can lead to a worse value development compared to what would have been the case if the Issuer had made a different decision, which could therefore



have a negative impact on the value of and the yield from the ETPs.

Risk level: low.

## **Risks related to Crypto Assets**

### **Incidents at individual crypto companies can affect the legitimacy of the crypto market and have major effects on the price of crypto assets**

In 2022, three major incidents occurred in the crypto market; Terra Luna crashed and Celsius and FTX went bankrupt<sup>3</sup>. These events caused price drops in the majority of all crypto assets and illustrate the volatility that exists in the crypto market. The events also gave rise to a domino effect where smaller players connected to the above companies/crypto assets went bankrupt. An example is BlockFi which was one of the major loan providers of crypto assets, which due to its large exposure to FTX, was forced to go bankrupt. Among other things, FTX and Alameda Research had large holdings in Solana which they then had to sell, the consequence of which was an even more significant price race for Solana in particular. If more incidents of this nature occur, it can severely damage confidence in the market and thus have extensive consequences on the course of crypto assets.

Risk level: high.

### **Incidents with major crypto assets or major crypto companies may affect the Issuer's ability to conduct its business in the short term**

The volatility of the crypto market can give rise to serious consequences for both the small players and the larger and most established crypto assets and crypto companies. For example, Coinbase implemented two major cuts in its organization in 2022 due to the prevailing crypto bear market with declining revenues. The issuer relies on crypto companies to be able to conduct its business, for example Custodians for the safekeeping of Crypto Assets. Should one of the Issuer's Custodians go bankrupt, it could temporarily affect the operational operations of the ETPs whose Underlying Crypto Assets are held with the Custodian. Such a situation could in turn damage confidence in the Issuer and its operations. If a large and well-established Custodian goes bankrupt, there is also a risk that the entire crypto market would be affected, which could lead to a price crash and investors withdrawing their investments in the Issuer's ETPs. Should the risk occur, it will have a negative impact on the value of the ETPs and the returns from the ETPs.

Risk level: medium.

## **Risks related to how Crypto Assets are valued**

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<sup>3</sup> <https://crypto.news/main-crypto-crashes-in-2022-remembering-ftx-celsius-network-three-arrows-capital-terra-luna/>

The value of Crypto Assets is not linked to any particular government, asset or company. Rather, their value is determined by future expectations of the relevant network's future valuation, usage and transaction volume. Because of this, a significant factor in the valuation of a crypto asset is based on speculation, which can lead to increased volatility. This means that investors exposed to the Underlying or Underlying Components through the Issuer's ETPs may experience significant gains, losses and/or volatility depending on the valuation of the Crypto Assets. Additionally, the valuation of crypto assets can vary widely based on geography as some local exchanges may not support all crypto assets, making it difficult to move crypto assets in and out of specific markets. This means that geographic arbitrage can have a significant impact on the valuation and consequently on the return from the Underlying or Underlying Components and thus the ETPs. Momentum pricing has previously caused speculation regarding the future value of crypto assets, and this can continue to contribute to volatility and potentially inflate prices at any given time. Therefore, the pricing of crypto assets can change based on investor confidence in the future of the asset class. These factors may affect the value of an investment in the Issuer's ETPs. If the risk were to occur, it could have a negative impact on the value of and returns from the ETPs.

Risk level: medium.

### **Lack of transparency and regulation in the crypto market leads to increased risk of illegal activities**

Currently, there are limited regulations for the crypto market. Furthermore, it is common for large crypto companies to be based in offshore jurisdictions that, among other things, lack reporting requirements to local authorities. The lack of insight and transparency in the companies increases the risk of illegal activities from those who conduct the business. For example, activities such as money laundering or unauthorized lending of customers' crypto assets can take place. The issuer does not cooperate with actors based in offshore jurisdictions. However, the actions of such companies, if they are noticed, can negatively affect the view of the crypto market as well as damage confidence in the crypto market as a whole, and in the long run mean that the price of crypto assets fall.

Risk level: medium.

### **Tax-related risks to Crypto Assets**

The taxation of crypto assets and companies operating in the crypto market can differ greatly by country, and there may be changes in tax laws in different countries. This uncertainty could adversely affect the Issuer's results, which could affect the Issuer's willingness and ability to maintain listing of the ETPs. Investors interested in investing in the Issuer's ETPs should seek advice from a local tax advisor regarding the tax consequences of an investment in the ETPs.

Risk level: low.

### **Crypto assets are based on innovative technology with limited testing and review**

The crypto market is largely based on innovation and development. New crypto assets are constantly being created whose purpose is to solve new problems. Historically, new crypto assets have quickly gained great popularity, an example is Solana whose rate rose from SEK 6 in April 2020 to SEK 2,285 in November 2021. However, there is a risk that the technical development of the currency does not meet the requirements set in connection with it becoming increasingly popular. Such a

situation can mean that technical errors are only discovered when the crypto asset has become popular, which can lead to large price drops for the crypto asset.

Risk level: low.

**Technical incidents, thefts and cyber-attacks against crypto assets can affect the value of Virtune's underlying crypto assets**

Thefts and cyber-attacks can affect the reputation of the crypto assets or the relevant marketplace and thereby have a negative effect on the market price of crypto assets. By investing in the Issuer's ETPs, investors would be indirectly affected by such adverse events, and a loss, including total loss, is possible. Although the Issuer and the Custodian have taken reasonable and adequate measures to prevent theft or hacking of the Underlying or Underlying Components used as collateral for ETPs, such an event cannot be completely ruled out and the losses arising from such an event would be borne by The investors. In addition, theft or hacking of crypto assets other than those constituting Collateral may also adversely affect the market price, value or liquidity of the Crypto Assets used as Underlying and Collateral for a specific ETP.

Crypto assets are constructed entirely on a source code. Many new crypto assets strive to be innovative and create smarter protocols and faster transactions than their competitors. This means that every crypto asset, like a tech company, can suffer from technical incidents. Depending on the nature of the technical incident, in the worst-case scenario, it could be devastating to the crypto asset, causing it to lose its entire value. An example of a crypto asset that was exposed to an actor who exploited the crypto asset's technical weakness was Terra Luna, which was the sixth largest crypto asset before its crash. The actor had identified a weakness in Terra Luna's Stablecoin whose value was secured through an algorithm. It was exploited which in turn led to the crypto asset crashing and basically losing all of its value in a very short time.

A 51% attack is a particularly serious type of hacking attack, which involves an act intended to sabotage, where an actor controls more than 50 percent of all capacity to validate transactions in the network of a crypto asset. It gives the actor the opportunity to gain full control over the network and the actor can thereby sabotage or corrupt the network. It also gives the actor the opportunity to earn all the rewards that are created through staking /mining in the network. Such an event would likely lead to the destruction of confidence in the crypto asset and thus its value.

If any of the above factors materialize, it could mean that the exposed crypto asset loses its entire value and that it affects confidence in the crypto market as a whole and thus affects other crypto assets. In a scenario where a crypto asset is built on a blockchain belonging to another crypto asset, where the latter is affected, it can lead to both crypto assets losing their entire value.

Risk level: low.

## FINANCIAL OVERVIEW OF THE ETPS

### Overview of the ETPs

The Issuer may issue ETPs under the Program, linked to a crypto asset (Single -Asset ETP), multiple crypto assets (Basket ETP) or an index (Index ETP), according to the conditions set out in the "General Terms and Conditions" section of this Base Prospectus and is read together with the Final Terms applicable to such Tranche. If ETPs are linked to an Index, the return on each series of ETPs will be linked to the performance of the applicable Index, as the redemption amount will be derived from the closing price of such Index on the relevant price determination day. Underlying Crypto Assets in the ETPs always need to be approved and in line with any regulations concerning crypto assets of the exchange or multilateral trading platform on which the relevant ETP is listed. Crypto assets are subject to high volatility and are traded around the clock. However, the ETPs issued by the Issuer can only be traded in during the opening hours of the exchange or the multilateral trading platform, which means that the value of ETPs can change significantly outside the opening hours of the exchange or the multilateral trading platform without the possibility to sell or buy the ETPs when the exchange or the multilateral trading platform is closed. Thus, the value of ETPs can change significantly from one day to another.

### Eligible crypto assets for the Issuer

The crypto assets that form part of the exposure and the Collateral for the Issuer's ETPs are set out in the associated Final Terms. Crypto Assets that constitute Underlying to the Issuer's Single Asset ETPs or Basket ETPs must be among the 300 largest crypto assets based on total market capitalization in connection with the establishment of the applicable Final Terms. The assessment must be based on:

- (1) total market capitalization data in USD as published on [coinmarketcap.com](https://coinmarketcap.com);
- (2) if current data is not available under (1), the most recently published set of data on [coinmarketcap.com](https://coinmarketcap.com) will be used; or
- (3) in the event that there is no current data available under (1) and there is no set of data readily available to the public under (2), the assessment is based on the following table (This table contains data as of 18 March 2025 at 18:00 CET),

in each case, subject to any limitations in accordance with applicable local laws and regulations:

Ranking	Symbol	Name	Price	Total market capitalization
1	BTC	Bitcoin	\$82 005.61	\$1 626 874 294 088
2	ETH	Ethereum	\$1 886.32	\$227 536 905 665
3	USDT	Tether	\$1.00	\$143 396 210 762
4	XRP	XRP	\$2.24	\$130 648 880 810
5	BNB	BNB	\$633.24	\$90 221 387 187
6	SOL	Solana	\$123.86	\$63 175 310 765
7	USDC	USDC	\$1.00	\$58 887 135 172
8	DOGE	Dogecoin	\$0.16	\$24 463 231 990

9	ADA	Cardano	\$0.69	\$24 337 832 255
10	TRX	TRON	\$0.22	\$21 282 636 901
11	LEO	UNUS SED LEO	\$9.71	\$8 978 273 971
12	LINK	Chainlink	\$13.63	\$8 958 341 710
13	TON	Toncoin	\$3.57	\$8 861 773 734
14	XLM	Stellar	\$0.27	\$8 194 885 962
15	PI	Pi	\$1.16	\$7 998 395 034
16	HBAR	Hedera	\$0.18	\$7 764 413 296
17	AVAX	Avalanche	\$18.59	\$7 708 009 462
18	SHIB	Shiba Inu	\$0.00	\$7 278 585 450
19	SUI	Sui	\$2.25	\$7 136 602 607
20	OM	MANTRA	\$6.86	\$6 760 023 312
21	DOT	Polkadot	\$4.28	\$6 685 991 078
22	LTC	Litecoin	\$88.41	\$6 680 417 718
23	BCH	Bitcoin Cash	\$331.45	\$6 577 381 865
24	BGB	Bitget Token	\$4.55	\$5 468 291 325
25	USDe	Ethena USDe	\$1.00	\$5 417 545 556
26	DAI	Dai	\$1.00	\$5 365 989 760
27	HYPE	Hyperliquid	\$13.29	\$4 440 764 829
28	XMR	Monero	\$205.96	\$3 799 326 237
29	UNI	Uniswap	\$6.15	\$3 696 557 430
30	APT	Aptos	\$5.33	\$3 215 047 985
31	NEAR	NEAR Protocol	\$2.54	\$3 049 027 233
32	OKB	OKB	\$50.18	\$3 010 861 554
33	PEPE	Pepe	\$0.06	\$2 847 903 697
34	MNT	Mantle	\$0.81	\$2 727 421 930
35	ICP	Internet Computer	\$5.66	\$2 727 237 829
36	ETC	Ethereum Classic	\$17.31	\$2 617 745 243
37	ONDO	Ondo	\$0.82	\$2 576 783 988
38	AAVE	Aave	\$167.29	\$2 524 453 944
39	TRUMP	OFFICIAL TRUMP	\$10.91	\$2 182 151 564
40	CRO	Cronos	\$0.08	\$2 111 019 310

41	VET	VeChain	\$0.02	\$2 085 172 858
42	FDUSD	First Digital USD	\$1.00	\$2 079 389 793
43	TAO	Bittensor	\$242.39	\$2 056 603 362
44	KAS	Kaspa	\$0.07	\$1 908 642 513
45	GT	GateToken	\$21.62	\$1 856 386 840
46	FIL	Filecoin	\$2.83	\$1 828 948 490
47	TIA	Celestia	\$3.13	\$1 777 150 293
48	ATOM	Cosmos	\$4.59	\$1 796 753 343
49	POL	POL (prev. MATIC)	\$0.21	\$1 774 271 475
50	ARB	Arbitrum	\$0.36	\$1 644 960 537
51	RENDER	Render	\$3.09	\$1 603 179 612
52	ALGO	Algorand	\$0.18	\$1 548 099 910
53	DEXE	DeXe	\$17.69	\$1 481 536 820
54	S	Sonic (prev. FTM)	\$0.48	\$1 384 303 552
55	OP	Optimism	\$0.85	\$1 377 142 968
56	KCS	KuCoin Token	\$11.09	\$1 359 245 318
57	JUP	Jupiter	\$0.50	\$1 345 804 747
58	IP	Story	\$5.18	\$1 297 430 686
59	FET	Artificial Superintelligence Alliance	\$0.50	\$1 190 386 548
60	ENA	Ethena	\$0.36	\$1 155 118 553
61	MKR	Maker	\$1 243.40	\$1 054 500 955
62	XDC	XDC Network	\$0.07	\$1 049 143 448
63	MOVE	Movement	\$0.43	\$1 027 695 865
64	IMX	Immutable	\$0.56	\$985 165 902
65	WLD	Worldcoin	\$0.82	\$960 240 531
66	SEI	Sei	\$0.19	\$941 236 651
67	INJ	Injective	\$9.40	\$940 088 333
68	GRT	The Graph	\$0.09	\$904 658 697
69	FLR	Flare	\$0.01	\$903 739 000
70	STX	Stacks	\$0.59	\$900 390 443
71	QNT	Quant	\$74.41	\$898 442 523
72	THETA	Theta Network	\$0.89	\$892 243 126

73	LDO	Lido DAO	\$0.91	\$820 616 571
74	BONK	Bonk	\$0.00	\$806 902 373
75	CAKE	PancakeSwap	\$2.70	\$792 225 221
76	PYUSD	PayPal USD	\$1.00	\$767 034 781
77	EOS	EOS	\$0.49	\$766 263 564
78	XAUt	Tether Gold	\$3 039.19	\$749 235 007
79	GALA	Gala	\$0.02	\$723 863 731
80	XTZ	Tezos	\$0.69	\$711 101 211
81	NEXO	Nexo	\$1.09	\$706 097 953
82	SAND	The Sandbox	\$0.28	\$685 502 496
83	BTT	BitTorrent [New]	\$0.07	\$679 942 001
84	BNX	BinaryX	\$1.76	\$673 469 614
85	BSV	Bitcoin SV	\$33.57	\$666 087 562
86	JASMY	JasmyCoin	\$0.01	\$660 176 758
87	PAXG	PAX Gold	\$3 057.62	\$646 829 317
88	JTO	Jito	\$2.11	\$646 180 888
89	IOTA	IOTA	\$0.18	\$646 485 792
90	FLOW	Flow	\$0.41	\$636 165 060
91	BERA	Berachain	\$5.85	\$629 692 971
92	KAIA	Kaia	\$0.10	\$620 521 449
93	FLOKI	FLOKI	\$0.00	\$574 438 026
94	CRV	Curve DAO Token	\$0.44	\$566 971 842
95	ENS	Ethereum Name Service	\$15.75	\$560 936 563
96	NEO	Neo	\$7.89	\$557 237 492
97	HNT	Helium	\$3.02	\$543 009 908
98	PYTH	Pyth Network	\$0.15	\$530 740 684
99	KAVA	Kava	\$0.48	\$525 111 750
100	AXS	Axie Infinity	\$3.27	\$522 539 392
101	ZEC	Zcash	\$32.45	\$515 538 536
102	MANA	Decentraland	\$0.26	\$508 892 368
103	DYDX	dYdX	\$0.62	\$501 209 663
104	TUSD	TrueUSD	\$1.00	\$495 084 246

105	EGLD	MultiversX	\$17.58	\$492 110 108
106	RON	Ronin	\$0.77	\$476 606 250
107	STRK	Starknet	\$0.17	\$470 626 924
108	RAY	Raydium	\$1.60	\$467 862 442
109	WIF	dogwifhat	\$0.46	\$456 304 917
110	CORE	Core	\$0.45	\$451 155 341
111	AR	Arweave	\$6.72	\$441 354 440
112	VIRTUAL	Virtuals Protocol	\$0.68	\$439 961 181
113	CFX	Conflux	\$0.09	\$432 603 659
114	NFT	APENFT	\$0.06	\$432 240 067
115	XEC	eCash	\$0.00	\$427 427 964
116	FTT	FTX Token	\$1.28	\$423 910 009
117	CHZ	Chiliz	\$0.04	\$421 750 932
118	RUNE	THORChain	\$1.17	\$412 359 524
119	PENGU	Pudgy Penguins	\$0.01	\$396 087 466
120	AERO	Aerodrome Finance	\$0.50	\$394 964 696
121	MATIC	Polygon	\$0.21	\$393 244 099
122	APE	ApeCoin	\$0.52	\$391 189 262
123	XCN	Onyxcoin	\$0.01	\$389 102 808
124	COMP	Compound	\$42.60	\$379 090 039
125	MELANIA	Official Melania Meme	\$0.70	\$375 121 327
126	PENDLE	Pendle	\$2.30	\$372 694 745
127	AXL	Axelar	\$0.39	\$368 552 051
128	TWT	Trust Wallet Token	\$0.88	\$364 644 319
129	SPX	SPX6900	\$0.36	\$337 297 872
130	LUNC	Terra Classic	\$0.00	\$337 082 232
131	AMP	Amp	\$0.00	\$334 471 401
132	KAITO	KAITO	\$1.33	\$321 535 645
133	GRASS	Grass	\$1.30	\$317 513 982
134	BRETT	Brett (Based)	\$0.03	\$317 182 043
135	GNO	Gnosis	\$122.00	\$315 779 419
136	MINA	Mina	\$0.26	\$314 263 784



137	AKT	Akash Network	\$1.23	\$307 754 620
138	AIOZ	AIOZ Network	\$0.26	\$306 921 987
139	MORPHO	Morpho	\$1.28	\$302 877 486
140	BEAM	Beam	\$0.01	\$302 696 838
141	RSR	Reserve Rights	\$0.01	\$299 746 282
142	JST	JUST	\$0.03	\$296 767 190
143	GLM	Golem	\$0.28	\$284 670 458
144	SNX	Synthetic	\$0.82	\$278 722 102
145	FARTCOIN	Fartcoin	\$0.28	\$278 388 675
146	KSM	Kusama	\$17.01	\$276 434 345
147	DASH	Dash	\$22.68	\$276 393 164
148	MX	MX Token	\$2.89	\$274 445 742
149	1INCH	1inch Network	\$0.20	\$274 482 710
150	CHEEMS	Cheems (cheems.pet)	\$0.05	\$267 599 345
151	CTC	Creditcoin	\$0.61	\$264 495 167
152	SFP	SafePal	\$0.53	\$264 208 774
153	ATH	Aethir	\$0.03	\$263 791 543
154	EIGEN	EigenLayer	\$1.10	\$259 058 679
155	TFUEL	Theta Fuel	\$0.04	\$258 901 447
156	ZRO	LayerZero	\$2.33	\$256 571 733
157	SATS	SATS (Ordinals)	\$0.06	\$253 610 390
158	ZK	ZKsync	\$0.07	\$248 859 834
159	W	Wormhole	\$0.08	\$247 103 072
160	NOT	Notcoin	\$0.00	\$246 630 811
161	DEEP	DeepBook Protocol	\$0.08	\$243 885 356
162	ASTR	Astar	\$0.03	\$238 115 992
163	ZIL	Zilliqa	\$0.01	\$237 644 664
164	BLUR	Blur	\$0.10	\$231 116 102
165	ZKJ	Polyhedra Network	\$2.04	\$229 696 050
166	ID	SPACE ID	\$0.25	\$228 043 074
167	SUPER	SuperVerse	\$0.44	\$227 986 235
168	QTUM	Qtum	\$2.14	\$226 643 781

169	ROSE	Oasis	\$0.03	\$225 492 097
170	CKB	Nervos Network	\$0.00	\$223 522 683
171	SAFE	Safe	\$0.42	\$223 011 035
172	BAT	Basic Attention Token	\$0.15	\$223 008 485
173	VTHO	VeThor Token	\$0.00	\$218 283 709
174	WEMIX	WEMIX	\$0.52	\$219 551 660
175	MASK	Mask Network	\$2.15	\$215 917 205
176	LPT	Livepeer	\$5.50	\$214 243 687
177	ZRX	0x Protocol	\$0.25	\$214 204 405
178	LAYER	Solayer	\$1.02	\$214 356 567
179	AUCTION	Bounce Token	\$32.46	\$213 960 478
180	BabyDoge	Baby Doge Coin	\$0.08	\$211 675 065
181	OSMO	Osmosis	\$0.28	\$202 280 804
182	ACH	Alchemy Pay	\$0.02	\$197 658 925
183	CVX	Convex Finance	\$1.98	\$196 457 226
184	CELO	Celo	\$0.35	\$195 896 308
185	DCR	Decred	\$11.63	\$194 130 240
186	RED	RedStone	\$0.68	\$190 996 557
187	HOT	Holo	\$0.00	\$190 026 581
188	TRAC	OriginTrail	\$0.38	\$189 769 712
189	DOG	Dog (Bitcoin)	\$0.00	\$188 260 000
190	ORDI	ORDI	\$8.93	\$187 654 305
191	GAS	Gas	\$2.87	\$187 095 704
192	AI16Z	ai16z	\$0.17	\$186 813 943
193	SC	Siacoin	\$0.00	\$182 377 550
194	WAVES	Waves	\$1.55	\$181 860 209
195	ACT	Act I : The AI Prophecy	\$0.19	\$179 861 363
196	MOCA	Moca Network	\$0.09	\$179 206 769
197	POPCAT	Popcat (SOL)	\$0.18	\$179 033 342
198	DRIFT	Drift	\$0.61	\$178 210 031
199	XEM	NEM	\$0.02	\$176 305 254
200	RVN	Ravencoin	\$0.01	\$176 227 229

201	FTN	Fasttoken	\$4.02	\$1 754 906 435
202	USD0	Usual USD	\$1.00	\$980 769 170
203	ZBU	Zeebu	\$3.66	\$949 946 411
204	ULTIMA	Ultima	\$20 573.20	\$769 623 074
205	AB	AB	\$0.02	\$760 963 744
206	DHN	Dohrnii	\$40.68	\$694 650 706
207	FLZ	Fellaz	\$1.33	\$630 585 771
208	WOULD	would	\$0.59	\$593 216 926
209	BDX	Beldex	\$0.08	\$529 451 002
210	TEL	Telcoin	\$0.01	\$490 695 391
211	CHEEL	Cheelee	\$7.93	\$450 766 059
212	USDY	Ondo US Dollar Yield	\$1.08	\$384 788 973
213	OHM	Olympus v2	\$21.47	\$357 818 810
214	FRAX	Frax	\$1.00	\$348 326 335
215	USDD	USDD	\$1.00	\$263 103 140
216	UPC	UPCX	\$3.53	\$259 155 131
217	STIK	Staika	\$5.25	\$247 039 041
218	DEUSD	Elixir deUSD	\$1.00	\$243 044 182
219	SNEK	Snek	\$0.00	\$234 112 005
220	WHITE	WhiteRock	\$0.00	\$225 588 260
221	VVV	Venice Token	\$3.29	\$201 982 470
222	KOGE	48 Club Token	\$59.39	\$201 251 313
223	CHEX	Chintai	\$0.20	\$200 370 473
224	RLB	Rollbit Coin	\$0.09	\$191 352 188
225	SOS	Solana Swap	\$0.18	\$178 258 742
226	GOMINING	GoMining	\$0.43	\$176 273 693
227	ANKR	Ankr	\$0.02	\$175 970 628
228	ELF	aelf	\$0.24	\$174 473 272
229	UXLINK	UXLINK	\$0.51	\$172 683 269
230	VANA	Vana	\$5.72	\$172 236 422
231	SUSHI	SushiSwap	\$0.64	\$171 460 539
232	MOG	Mog Coin	\$0.06	\$171 446 898

233	T	Threshold	\$0.02	\$170 375 343
234	BORG	SwissBorg	\$0.17	\$170 024 072
235	FXS	Frax Share	\$1.91	\$169 995 435
236	PNUT	Peanut the Squirrel	\$0.17	\$169 637 847
237	RLUSD	Ripple USD	\$1.00	\$169 733 354
238	XCH	Chia	\$12.15	\$169 619 479
239	YFI	yearn.finance	\$4 978.70	\$168 029 478
240	MEW	cat in a dogs world	\$0.00	\$163 227 108
241	ONE	Harmony	\$0.01	\$162 107 392
242	ENJ	Enjin Coin	\$0.09	\$160 836 380
243	PRIME	Echelon Prime	\$4.50	\$161 086 876
244	IOTX	IoTeX	\$0.02	\$160 889 283
245	SUN	Sun [New]	\$0.02	\$159 536 943
246	HONEY	Hivemapper	\$0.04	\$158 141 791
247	WOO	WOO	\$0.08	\$157 689 786
248	AIC	AI Companions	\$0.21	\$154 365 223
249	TURBO	Turbo	\$0.00	\$153 675 708
250	CSPR	Casper	\$0.01	\$153 731 963
251	SKL	SKALE	\$0.03	\$152 975 369
252	MUBARAK	Mubarak	\$0.15	\$152 818 656
253	ZETA	ZetaChain	\$0.21	\$151 651 952
254	ETHFI	ether.fi	\$0.65	\$151 612 616
255	ETHW	EthereumPoW	\$1.40	\$151 524 208
256	ME	Magic Eden	\$1.12	\$149 447 415
257	TOSHI	Toshi	\$0.00	\$149 272 747
258	GMX	GMX	\$14.27	\$143 105 540
259	EURC	EURC	\$1.09	\$142 574 701
260	ZEN	Horizen	\$8.91	\$141 938 212
261	LUNA	Terra	\$0.20	\$141 921 342
262	KDA	Kadena	\$0.45	\$140 770 319
263	LRC	Loopring	\$0.10	\$140 278 020
264	XNO	Nano	\$1.04	\$139 306 095

265	XYO	XYO	\$0.01	\$139 384 165
266	DGB	DigiByte	\$0.01	\$139 165 102
267	MPLX	Metaplex	\$0.18	\$137 649 193
268	DSYNC	Destra Network	\$0.14	\$136 419 150
269	USDG	Global Dollar	\$1.00	\$135 835 012
270	FAI	Freysa	\$0.02	\$135 530 978
271	GOHOME	GOHOME	\$270.35	\$135 148 822
272	EURS	STASIS EURO	\$1.08	\$135 163 869
273	G	Gravity	\$0.02	\$134 632 200
274	QUBIC	Qubic	\$0.05	\$134 562 802
275	GMT	GMT	\$0.05	\$134 239 648
276	ORBR	Orbler	\$0.13	\$133 919 027
277	ONT	Ontology	\$0.14	\$132 229 832
278	MYTH	Mythos	\$0.17	\$130 749 607
279	HMSTR	Hamster Kombat	\$0.00	\$127 030 010
280	B3	B3 (Base)	\$0.01	\$126 226 307
281	SXP	Solar	\$0.20	\$126 250 455
282	POLYX	Polymesh	\$0.13	\$123 475 078
283	DAG	Constellation	\$0.04	\$122 106 376
284	GIGA	Gigachad	\$0.01	\$122 456 290
285	STORJ	Storj	\$0.30	\$120 298 065
286	HIVE	Hive	\$0.24	\$120 640 364
287	BAND	Band Protocol	\$0.76	\$119 951 067
288	SYRUP	Maple Finance	\$0.13	\$119 559 318
289	ZIG	ZIGChain	\$0.08	\$118 239 964
290	COW	CoW Protocol	\$0.29	\$119 130 544
291	CUDOS	CUDOS	\$0.01	\$118 127 116
292	PXT	Pixer Eternity	\$0.04	\$117 410 498
293	ARKM	Arkham	\$0.52	\$117 305 678
294	COTI	COTI	\$0.07	\$117 341 819
295	BIO	Bio Protocol	\$0.09	\$116 047 430
296	IO	io.net	\$0.78	\$115 414 350

297	KUB	KUB Coin	\$1.67	\$115 435 444
298	BICO	Biconomy	\$0.12	\$113 794 953
299	LCX	LCX	\$0.14	\$110 163 043
300	PROM	Prom	\$6.02	\$110 022 831

Data on total market capitalization and price per unit in USD is taken from [coinmarketcap.com](https://coinmarketcap.com). However, this data should not be regarded as a prediction of future value development for the ETPs or any eligible Underlying associated with a Single Asset ETP or Basket ETP. It is important to note that data from [coinmarketcap.com](https://coinmarketcap.com) is a third-party source and therefore has not been reviewed or approved by the Financial Supervisory Authority and does not form part of this Base Prospectus.

A description of different crypto assets can be downloaded from <https://cryptocompare.com> by selecting the relevant Crypto Asset, e.g. : <https://www.cryptocompare.com/coins/btc/overview/USD>. Each crypto asset is presented with a description of features, technology and various market data. This website does not form part of this Base Prospectus and has not been reviewed or approved by the Financial Supervisory Authority.

#### **Eligible underlying index for the Issuer**

If the ETPs provide exposure to an Index, the included index components in the Index must be index components that are eligible for inclusion as constituents of the relevant Index under the rules of the relevant Index. The only asset class that is permitted as an index component in the Program is Crypto Assets and these need to meet the same criteria as described above in the section "Eligible crypto assets for the Issuer". Each Index will constitute a reference framework covered by the Benchmark Regulation. Each Index will be managed by an administrator included in the register referred to in Article 36 of the Benchmark Regulation.

#### **General description of the ETPs**

The issuer may list ETPs on stock exchanges or multilateral trading platforms, the ETPs indirectly represent one or more crypto assets and its value, a so-called coin entitlement described in the section "Pricing of the ETPs ". All ETPs may be subject to an annual management fee which is charged on a daily basis 365 days a year. The annual management fee covers all operational costs for the ETPs and thus the ETPs are not covered by transaction fees or other forms of fees in addition to the annual management fee from the Issuer. The ETPs will be denominated in a settlement currency specified in the relevant Final Terms (e.g. SEK or EUR) and, where the settlement currency is other than USD, there will accordingly be a currency exposure between USD and the relevant settlement currency as (positive or negative) can affect the market value and final return of the ETPs.

The ETPs are issued as ETPs with no set maturity date. The ETPs lack capital protection and the settlement amount to be paid upon redemption can thus be as low as zero. The ETPs are not interest-bearing. In the event of a future Fork of the relevant individual blockchain of crypto assets, the Issuer will take all necessary steps with due regard to applicable law, regulatory, issuance and clearing restrictions and administrative burdens, to maximize the value for the investors of the ETPs. In the event of a fork, however, the Issuer's options are limited to the Custodian's, and in some cases the current Index's, guidelines for

handling a Fork as well as the relevant stock exchange or multilateral trading platform's rules regarding crypto assets. The Custodian has the right to choose which update is to be followed after the Fork, and thus the Issuer has no opportunity to influence the outcome of the Fork if the Custodian has chosen an update.

The price of the ETPs will depend on a number of factors:

- The coin entitlement to the underlying crypto asset(s) described in the “ *Pricing of the ETPs* ” section
- Value development of the Index the ETP follows, if applicable
- The value development of the crypto assets that are Underlying alternative Index components
- Issuer's annual management fee
- Staking rewards that are continuously being added to the relevant ETP
- The exchange rate between USD and the relevant settlement currency in either EUR or SEK (or other applicable Settlement Currency)

The ETPs are, by the Issuer together with the Issuer's suppliers and Authorized Participants, designed to create a liquid and frictionless trade where the ETPs are bought and sold directly without investors needing to redeem their ETPs. However, in special circumstances, such as a shortage of purchase orders, the lack of a Market Maker and the Authorized Participants choosing not to trade, investors may be required to redeem the ETPs in accordance with the General Terms and Conditions.

### **Pricing of the ETPs**

The price of all of the Issuer's ETPs will be governed by the coin entitlement to the Underlying Crypto Asset(s). The exposure to the Underlying Crypto Assets is always indirect.

Price movements of the ETPs will always be in 1:1 correlation to the Underlying Crypto Assets that the ETPs track minus the annual management fee charged on a daily basis. The price of each ETP is secured by keeping at least 100 percent of the corresponding Underlying Crypto Assets with the Issuer's Custodian.

The Issuer may include staking rewards in a Series of ETPs in accordance with the provisions set out in the Applicable Final Terms. Staking of the Underlying Crypto Assets is conducted directly from cold storage (offline) at the Issuer's Custodian. Staking rewards are continuously added and may thereby contribute to a growing coin entitlement to the Underlying, while the annual management fee has the opposite effect by contributing to a decreasing entitlement to the Underlying.

The price of the ETPs is controlled by the Underlying Crypto Asset(s) or the Underlying Index. The price is determined daily based on the Net Asset Value, which is published on the Issuer's website on a daily basis. It is calculated by obtaining the volume of the Crypto Asset(s), depending on whether it is a Basket ETP or Single Asset ETP, at the Custodian minus the Issuer's annual management fee. In the case of Index ETPs, the price of the respective crypto asset is taken from the same reference value that the Index uses for the Crypto Assets. For Single Asset and Basket ETPs, the price of the single Crypto Asset that the ETP tracks is taken from a reference rate of the single Crypto Asset from the Index Administrator, [cryptocompare.com](https://cryptocompare.com) or another applicable source as specified in the Final Terms. For Single Asset, Basket or Index ETPs that follow reference rates from the Index Administrator, information on how the pricing of Crypto Assets takes place is available at <https://methodology.vinter.co/vinter/reference-rates> . For Single Asset or Basket ETPs that follow reference rates from [Cryptocompare](https://www.cryptocompare.com/), more information is available at <https://www.cryptocompare.com/>. For Single Asset or Basket ETPs that use

reference rates from another source, in accordance with the provisions set out in the Final Terms for the relevant ETP, further information can be obtained from the source specified in the Final Terms. The purpose of reference rates is to ensure that each Crypto Asset is valued correctly through rule-based and transparent methods. The total value of the Underlying Crypto Asset(s) subtracted by the management fee divided by the number of ETPs determines the price of an individual ETP once per day, which is also described in the formula below.

The coin entitlement to the Underlying Crypto Assets of each ETP is a central component in pricing the ETPs. The issuer chooses what price the ETPs for a product should have in connection with the first issuance, i.e. The issuance price as stated in the Final Terms and presented by indicating the coin entitlement to the Underlying Crypto Asset(s). The coin entitlement is calculated by calculating the value of the ETPs in relation to the value of the Underlying Crypto Asset. For example, for a Single Asset ETP with a value of SEK 100, which follows a crypto asset whose value is SEK 1,000, the coin entitlement for the ETP to the Underlying Crypto Asset will be 0.1. ETPs are always issued and redeemed based on coin entitlement relationship to the Underlying Crypto Asset(s).

The definition of Net Asset Value is the total value of a Basket ETP or Single Asset ETP minus its liabilities, which only consists of the Issuer's management fee.

The Net Asset Value of an individual ETP in USD is calculated in accordance with the formula below:

$$Net\ Asset\ Value = \sum_{i=1}^n ri \times qi$$

The meaning of the variables is:

i = Represents a crypto asset

n = The number of crypto assets belonging to the ETP (n = 1 if it is a Single Asset ETP)

ri = The reference price of each individual crypto asset taken from the same source as the index for Index ETPs or reference rates from Index Administrator, cryptocompare.com or another applicable source as specified in the Final Terms for Single Asset and Basket ETPs.

qi = Coin entitlement between the underlying crypto assets and the ETP.

This allows the price of the ETP to be a fraction of what the actual underlying crypto asset is worth.

Note that the final value of each individual ETP is converted from USD/SEK, USD/EUR or other applicable settlement currency and is thus subject to a currency exposure.

#### *Examples of returns for the ETPs*

To explain the calculation of the ETP's value, three illustrative examples are reproduced below. The examples below describe the calculation of the value of a Basket ETP. Value calculation of Single Asset ETPs takes place in accordance with the same principles but with a coin entitlement to a single Crypto Asset instead of to several Crypto Assets. Investors should be aware that the ETPs may trade at a different rate than the value implied by the calculated reference rate.

#### *Calculation for a Basket ETP*

The example below is based on a Basket ETP consisting of three Crypto Assets where each individual Basket ETP has a coin entitlement to 0.0001 Bitcoin, 0.003 Ethereum and 0.2 Polkadot. The reference price TWAP ("Time Weighted Average Price"), which is taken from indices with a median value between 15:00 and 16:00 according to the GMT time zone, is \$30,000



for Bitcoin, \$3,000 for Ethereum and \$30 for Polkadot.

Net Asset Value per individual ETP excluding the Issuer's management fee is calculated as follows:

Bitcoin  $\$30,000 \times 0.0001$  + Ethereum  $\$3,000 \times 0.003$  + Polkadot  $\$30 \times 0.2 = \$15$

For a Single Asset ETP, the same calculation and methodology had been applied, but with the difference that the coin entitlement had only been multiplied by the reference price TWAP, VFIX or other applicable methodology for a single Crypto Asset.

For an Index ETP, the same calculation and methodology had been applied, where the reference price for the respective Crypto Asset is taken from the same source that the Index uses.

*Example for Basket ETPs based on a positive hypothetical development over a period of one year*

- An investor trades ten ETPs for \$180 (i.e. \$18 per ETP).
- Bitcoin was \$30,000, Ethereum \$3,000 and Polkadot \$30 where each individual ETP is entitled to 0.0001 Bitcoin, 0.003 Ethereum and 0.2 Polkadot.
- After one year, the reference price TWAP of Bitcoin is 32,000 USD, Ethereum 3,500 USD and Polkadot 310 USD.
- The ETP has an annual management fee of 2 percent. The management fee is charged daily, which means that the right to the respective crypto asset has decreased by 0.000002 for Bitcoin, 0.00006 for Ethereum and 0.004 for Polkadot.
- The Coin Entitlement to the respective crypto asset after one year is 0.000098 for Bitcoin, 0.00294 for Ethereum and 0.196 for Polkadot.
- The Net Asset Value of ten ETPs after one year is \$195 which means the investor makes \$15 in profit on their investment.

*Example for Basket ETPs based on an unchanged hypothetical development over a year*

- An investor trades ten ETPs for \$180 (i.e. \$18 per ETP).
- Bitcoin was \$30,000, Ethereum \$3,000 and Polkadot \$300 where each individual ETP is entitled to 0.0001 Bitcoin, 0.003 Ethereum and 0.2 Polkadot.
- Bitcoin is \$30,000, Ethereum is \$3,000, and Polkadot is \$30.
- The ETP has an annual management fee of 2 percent. The management fee is charged daily, which means that the coin entitlement to the respective crypto asset has decreased by 0.000002 for Bitcoin, 0.00006 for Ethereum and 0.004 for Polkadot.
- The right to the respective crypto asset after one year is 0.000098 for Bitcoin, 0.00294 for Ethereum and 0.196 for Polkadot.
- The Net Asset Value of ten ETPs after one year is \$176.4 which means that the investor makes a loss of \$3.6 on their investment even though none of the underlying crypto assets have depreciated, which depends on the Issuer's annual management fee.

*Example for Basket ETPs based on a negative hypothetical development over a period of one year*

- An investor trades ten ETPs for \$180 (i.e. \$18 per ETP).
- Bitcoin was \$30,000, Ethereum \$3,000 and Polkadot \$30 where each individual ETP is entitled to 0.0001 Bitcoin, 0.003 Ethereum and 0.2 Polkadot.
- After one year, the benchmark price TWAP of Bitcoin is \$27,000, Ethereum \$2,700 and Polkadot \$27.

- The ETP has an annual management fee of 2 percent. The management fee is charged daily, which means that the coin entitlement to the respective crypto asset has decreased by 0.000002 for Bitcoin, 0.00006 for Ethereum and 0.004 for Polkadot.
- The coin entitlement to the respective crypto asset after one year is 0.000098 for Bitcoin, 0.00294 for Ethereum and 0.196 for Polkadot.
- The Net Asset Value of ten ETPs after one year is \$158.8 which means the investor makes a \$21.2 loss on their investment.

### How is the Net Asset Value calculated for the 1x Short ETPs?

\*) The short ETPs are rebalanced daily to track the -1x performance of the index. The short ETPs do not track the -1x performance of the underlying asset over a holding period longer than one day.

A short ETP is valued similarly to an Index ETP. A Short ETP borrows the target asset and sells it on the market to replicate a physical short replication against the crypto asset. Short ETPs have both USD and a short position as underlying assets. For example, if a short ETP holds X crypto asset and USDC (a stablecoin), and at 17:00 CET the index price was 20,000 USD for X crypto asset and 1 USD for USDC, with an entitlement per share of -0.01 for X crypto asset and 400 for USDC, then the net asset value per unit in USD would be calculated as follows:

$$1 \text{ USD (p1)} \times 400 \text{ USDC (q1)} + 20\,000 \text{ USD (p2)} \times -0.01 \text{ (q2)} = 200 \text{ USD/share}$$

Where:

p1 = price of USDC

q1 = entitlement to USDC

p2 = price of the crypto asset

q2 = entitlement to short exposure to X crypto asset

### How is the value of the ETPs affected by price changes of the underlying asset over a one-day holding period?

\*) The investment is bought and sold at net asset value, excluding brokerage fees and transaction costs. In these examples, the investor fee is 2.5% annually (0.00685% daily), and the borrowing cost for crypto assets is 5% annually (0.01370% daily).

#### *Scenario 1: Increase in the price of the underlying asset over one business day*

1. Investor A purchased 1 share of a 1x short Single Asset ETP with the following coin entitlement: -0.01 BTC, 400 USDC, with a reference price of BTC = 20,000 USD and USDC = 1 USD on Day 1. NAV = 200 USD

2. On Day 2, BTC = 22,000 USD

$$\text{Opening Day NAV} = 1 \text{ USD (p1)} \times 400 \text{ USDC (q1)} + 22,000 \text{ USD (p2)} \times -0.01 \text{ (q2)} = 180 \text{ USD}$$

3. Investor fee = 0.00685% and borrowing cost = 0.01370%. Investor fees and borrowing costs are accrued in USD on a daily basis and charged as follows:

$$\text{Investor fee} = 180 \text{ USD (Opening NAV)} \times 0.00685\% \text{ (Daily Investor Fee)} = 0.01233 \text{ USD}$$

$$\text{Borrowing cost} = 0.01 \text{ BTC (borrowed amount)} \times 0.01370\% \text{ (Daily Borrowing Cost)} \times 22,000 \text{ USD (Reference Price)} = 0.03014 \text{ USD}$$

$$\text{4. Net Asset Value on Day 2} = 180 \text{ USD} - 0.01233 \text{ USD (Investor Fee)} - 0.03014 \text{ USD (Borrowing Cost)} = **179.96 \text{ USD}$$

5. The investor sells the unit after a one-day holding period and incurs a loss of 20.04 USD

**Scenario 2: Decrease in the Price of the Underlying Asset Over 1 Business Day**

1. Investor A purchased 1 share of a 1x short Single Asset ETP with the following coin entitlement structure: -0.01 BTC, 400 USDC, where the reference price was BTC = 20,000 USD and USDC = 1 USD on Day 1. NAV = 200 USD

2. On Day 2, BTC = 18,000 USD

Opening Day NAV = 1 USD (p1) x 400 USDC (q1) + 18,000 USD (p2) x -0.01 (q2) = 220 USD

3. Investor fee = 0.00685% and borrowing cost = 0.01370%. Investor fees and borrowing costs are accrued in USD on a daily basis and charged as follows:

Investor fee = 220 USD (Opening NAV) x 0.00685% (daily investor fee) = 0.01507 USD

Borrowing cost = 0.01 BTC (borrowed amount) x 0.01370% (daily borrowing cost) x 18,000 USD (reference price) = 0.02466 USD

4. Net Asset Value on Day 2 = 220 USD - 0.01507 USD (Investor fee) - 0.02466 USD (Borrowing cost) = 219.96 USD.

5. The investor sells the share after a holding period of 1 day and makes a profit of 19.96 USD

**Scenario 3: No Change in the Price of the Underlying Asset Over 1 Business Day**

1. Investor A purchased 1 share of a 1x short Single Asset ETP with the following entitlement structure: -0.01 BTC, 400 USDC, where the reference price was BTC = 20,000 USD and USDC = 1 USD on Day 1. NAV = 200 USD

2. On Day 2, BTC = 20,000 USD

Opening Day NAV = 1 USD (p1) x 400 USDC (q1) + 20,000 USD (p2) x -0.01 (q2) = 200 USD

3. Investor fee = 0.00685% and borrowing cost = 0.01370%. Investor fees and borrowing costs are accrued in USD on a daily basis and charged as follows:

Investor fee = 200 USD (Opening NAV) x 0.00685% (daily investor fee) = 0.0137 USD

Borrowing cost = 0.01 BTC (borrowed amount) x 0.01370% (daily borrowing cost) x 20,000 USD (reference price) = 0.0274 USD

4. Net Asset Value on Day 2 = 200 USD - 0.0137 USD (Investor fee) - 0.0274 USD (Borrowing cost) = 199.9589 USD

5. The investor sells the share after a holding period of 1 day and incurs a loss of 0.0411 USD

**How is the value of the ETPs affected by price changes in the underlying asset over a holding period of more than 1 day?**

*Scenario 1: High volatility, stable Bitcoin price*

If the Bitcoin price moves in different directions day by day, a short Single Asset ETP with -1 exposure to Bitcoin may underperform the price of Bitcoin. Losses on day 1 will not be compensated by gains on day 2 because the starting amount is smaller. Even though the ETPs track the daily percentage change in the BTC price, the cumulative performance is different due to the effects of compounding.

Day	BTC Index	BTC Index Percentage Change (%)	Short Bitcoin ETP Index	Short Bitcoin ETP Percentage Change (%)
0	100	-	100	-
1	103	3%	97	-3%
2	100	-2,9%	99,83	2,90%
<b>Total</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-0,17%</b>

*Scenario 2: Low Volatility, Downward Bitcoin Price*

If the Bitcoin price is stable but trending downward, a short Single Asset ETP with -1 exposure to Bitcoin will outperform the BTC price. This is because the daily return of the ETP is compounded, making the starting amount larger. As shown below, a short Single Asset Bitcoin ETP outperforms the non-compounded index by 0.18% since compounding benefits short ETPs in a low-volatility market with a consistent trend.

Day	BTC Index	BTC Index Percentage Change (%)	Short Bitcoin ETP Index	Short Bitcoin ETP Percentage Change (%)
0	100	-	100	-
1	97	-3%	103	3%
2	94,09	-3%	106,09	3%
<b>Total</b>	-	<b>-5,91%</b>	-	<b>6,09%</b>

*Scenario 3: Low Volatility, Rising Bitcoin Price*

If the Bitcoin price is stable but trending upward, a short Single Asset ETP with -1 exposure to the Bitcoin price will decline (but less than BTC rises). Losses incurred on day 1 will cause subsequent losses to be applied to a smaller amount. The ETP's performance is less negative than it would have been without the effects of compounding (as we can see from the fact that the ETP declines less over two days than Bitcoin rises in percentage).

The compound interest effect significantly impacts the performance of the ETP over periods longer than one day. This effect is especially pronounced in volatile markets. As such, short ETPs have a holding horizon of less than or equal to one day, and holders should consider their holdings at least daily.

Day	BTC Index	BTC Index Percentage Change (%)	Short Bitcoin ETP Index	Short Bitcoin ETP Percentage Change (%)
0	100	-	100	-
1	103	3%	97	-3%
2	106,09	3%	94,09	-3%
<b>Total</b>	-	<b>6,09%</b>	-	<b>-5,91%</b>

**How is the Net Asset Value calculated for 2x leverage products\*?**

\*) Leverage ETPs are rebalanced daily to track the 2x performance of the index. Leverage ETPs do not track the 2x performance of the underlying asset over a holding period longer than 1 day.

A Leverage ETP is valued in a similar way to an Index ETP. A 2x ETP borrows USD and purchases the target asset on the market to replicate a physical 2x exposure to the crypto asset. The ETP holds 2x the target asset and a short position on USD as the underlying assets. If a 2x ETP contains X crypto assets and USDC, and the index price at 5:00 PM CET was 20,000 USD for X crypto asset and 1 USD for USDC, and the entitlement amount per unit was 0.02 for X crypto asset and -200 for USDC, the Net Asset Value for one unit in USD would be calculated as follows:

$$1 \text{ USD (p1)} \times -200 \text{ USDC (q1)} + 20,000 \text{ USD (p2)} \times 0.02 \text{ (q2)} = 200 \text{ USD/unit}$$

Where: p1 = price of USDC, q1 = entitlement to USDC, p2 = price of BTC, q2 = entitlement to leveraged exposure to X crypto asset.

**How is the value of the ETP\* affected by price changes in the underlying asset over a one-day holding period?**

\*) The investment is bought and sold at Net Asset Value, excluding brokerage and transaction costs. The investment fees will be 2.5% annually (0.00685% daily), and a borrowing cost for the crypto asset asset of \*5% annually (0.01370% daily).

The borrowing cost is only a hypothetical interest rate for demonstration purposes when used in any illustrative calculations herein. The actual borrowing cost may differ and will vary depending on market conditions.

**Scenario 1: Increase in the Price of the Underlying Asset Over 1 Trading Day**

1. Investor A purchased 1 unit of a 1x short Single Asset ETP with a coin entitlement = 0.02 BTC, -200 USDC, where the reference price was BTC = 20,000 USD and USDC = 1 USD on day 1. NAV = 200 USD

2. On day 2, BTC = 22,000 USD

Open day NAV = 1 USD (p1) x -200 USDC (q1) + 22,000 USD (p2) x 0.02 (q2) = 240 USD

3. Investment fee = 0.00685%, and borrowing cost = 0.01370%. Investment fees and borrowing costs are accrued in USD on a daily basis and charged as follows:

Investment fee = 240 USD (Opening NAV) x 0.00685% (daily investment fee) = 0.01644 USD

Borrowing cost = -200 USDC (borrowed amount) x 0.01370% (daily borrowing cost) x 1 USD (reference price) = 0.0274 USD

4. Net Asset Value on day 2 = 240 USD - 0.01644 USD (investment fee) - 0.0274 USD (borrowing cost) = 239.96 USD

5. The investor sells the share after a holding period of 1 day and makes a profit of 39.9 USD

**Scenario 2: Decrease in the Price of the Underlying Asset Over 1 Trading Day**

1. Investor A purchased 1 unit of a 2x Leverage ETP with a coin entitlement of = 0.02 BTC, -200 USDC, where the reference price was BTC = 20,000 USD and USDC = 1 USD on day 1. NAV = 200 USD.

2. On day 2, BTC = 18,000 USD.

Open day NAV = 1 USD (p1) x -200 USDC (q1) + 18,000 USD (p2) x 0.02 (q2) = 160 USD

3. Investment fee = 0.00685%, and borrowing cost = 0.01370%. Investment fees and borrowing costs are accrued in USD on a daily basis and charged as follows:

Investment fee = 160 USD (Opening NAV) x 0.00685% (daily investment fee) = 0.01096 USD

Borrowing cost = 200 USDC (borrowed amount) x 0.01370% (daily borrowing cost) x 1 USD (reference price) = 0.0274 USD

4. Net Asset Value on day 2 = 160 USD - 0.01096 USD (investment fee) - 0.0274 USD (borrowing cost) = 159.96 USD

5. The investor sells the share after a holding period of 1 day and incurs a loss of 40.03 USD

**Scenario 3: No Change in the Price of the Underlying Asset Over 1 Trading Day**

1. Investor A purchased 1 unit of a 2x Leverage ETP with an entitlement ratio = 0.02 BTC, -200 USDC, where the reference price was BTC = 20,000 USD and USDC = 1 USD on day 1. NAV = 200 USD

2. On day 2, BTC = 20,000 USD

Open day NAV = 1 USD (p1) x -200 USDC (q1) + 20,000 USD (p2) x 0.02 (q2) = 200 USD

3. Investment fee = 0.00685%, and borrowing cost = 0.01370%. Investment fees and borrowing costs are accrued in USD on a daily basis and charged as follows:

Investment fee = 200 USD (Opening NAV) x 0.00685% (daily investment fee) = 0.0137 USD

Borrowing cost = 200 USDC (borrowed amount) x 0.01370% (daily borrowing cost) x 1 USD (reference price) = 0.0274 USD

4. Net Asset Value on day 2 = 200 USD - 0.0137 USD (investment fee) - 0.0274 USD (borrowing cost) = 199.96 USD

5. The investor sells the share after a holding period of 1 day and incurs a loss of 0.0411 USD

## How is the value of the ETP affected by price changes in the underlying asset over a holding period >1 day?

### Scenario 1: High Volatility, Oscillating Underlying Price

In a volatile market, where the underlying asset constantly moves up and down, compounding will have a negative effect compared to the expected value for investors holding the ETP for longer periods. Leverage ETPs track the daily performance of the underlying asset with leverage. After a loss, each loss on a Leverage ETP will be applied to a lower ETP value. After a gain, each gain will be applied to a higher ETP value. This means that the ETP will have lost value even if the price of the underlying asset remains the same.

The table below shows the performance of an underlying asset and its 2x Leverage ETP after 10 days. The underlying asset fluctuates daily between +3% increases and -3% decreases. After 10 days, the underlying asset is up by +2.6%, while the 2x Leverage ETP is up by 4.5% due to compounding. The expected return without the compound interest effect would be 5.2%.

Day	Underlying	2x Leverage ETP	Expected return
0	0	0	0
10	2,60%	4,50%	5,20%

### Scenario 2: Low volatility, downward trend in the underlying asset price

If the underlying price is stable but trending in a negative direction, the value of the Leveraged ETP will decrease by 2x the amount. Losses incurred on one day will be subsequent losses applied to a smaller amount. This means that the compound interest effect will result in slightly reduced losses compared to a scenario without compound interest.

The table below shows the performance of an underlying asset and its 2x Leveraged ETP after 10 days. The underlying asset decreases steadily by 3% per day. After 10 days, the underlying asset is down by -24%, while the 2x Leveraged ETP is down by -43% due to the compound interest effect. The expected return without the compound interest effect would be -48%.

Day	Underlying	2x Leverage ETP	Expected return
0	0	0	0
10	-24%	-43%	-48%

### Scenario 3: Low volatility, rising price of the underlying asset

If the underlying price is stable but trending in a positive direction, the price of the Leveraged ETP will increase by 2x the amount and the total benefit. This is due to the daily returns of the ETP generating a compound interest effect, where profits made on one day will benefit from profits made on previous days.

The table below shows the performance of an underlying asset and its 2x Leveraged ETP after 10 days. The underlying asset increases steadily by 3% per day. After 10 days, the underlying asset is up by +34%, while the 2x Leveraged ETP is up by 79% due to the compound interest effect. The expected return without the compound interest effect would be 68%.

Day	Underlying	2x Leverage ETP	Expected return
0	0	0	0
10	34%	79%	68%

*Products with long exposure*

In short, if the value of the coin entitlement for a specific ETP providing long exposure increases compared to the issue price, this will have a positive impact on the relevant ETP's market value and, if the ETP is redeemed at such a time, the redemption amount.

Conversely, if the value of the coin entitlement for such an ETP decreases compared to the issue price, this will have a negative impact on the relevant ETP's market value and, if the ETP were to be redeemed at such a time, the redemption amount.

The redemption amount will be reduced by the investor fee regardless of whether the value of the coin entitlement increases, decreases, or remains unchanged, and the market value of the ETPs will reflect this continuously.

The redemption amount may be as low as zero if the underlying asset loses almost or all of its value.

The market value of the ETPs, i.e., the prices at which the ETPs can be bought or sold, may differ from the value that a hypothetical calculation of the redemption amount would result in at a given time.

#### *Products with short exposure*

In short, if the value of the coin entitlement for a specific ETP providing short exposure decreases compared to the issue price, this will have a positive impact on the ETPs' market value and, if the ETPs were to be redeemed at such a time, the redemption amount.

Conversely, if the value of the coin entitlement for such an ETP increases compared to the issue price, this will have a negative impact on the ETPs' market value and, if the ETPs were to be redeemed at such a time, the redemption amount.

#### *Redemption*

The redemption amount will be reduced by the investor fee regardless of whether the value of the coin entitlement increases, decreases, or remains unchanged. ETPs that provide short exposure are also subject to a cost component for borrowing costs according to the relevant Final Terms. The market value of the ETPs will reflect this continuously.

The redemption amount may be as low as zero.

The market value of an ETP, i.e., the prices at which the ETPs can be bought or sold, may differ from the value that a hypothetical calculation of the redemption amount would result in at a given time.

#### **The Issuer's fees**

The issuer's income is correlated to the Underlying Crypto Assets that are used as Collateral at the Custodian. The Issuer's fees and thus income may be collected via a) an annual management fee that is charged on a daily basis, b) rewards from staking accrue to the Issuer and c) rewards from lending accrue to the Issuer. The issuer's annual management fee for the relevant Series of ETPs will be set out in the final terms.

#### **Redemption of ETPs**

When redeeming ETPs, the price per ETP will be calculated in accordance with the formula set forth in the Final Terms. Authorized Participants are the only parties that have the right to redeem ETPs under normal conditions, under special circumstances the Issuer has the right to redeem an entire series of ETPs and the ETP holders the right to redeem their ETP holdings as described in the General Terms and Conditions.

#### **Use of indexes in the issue program**

The following section includes information on the use of indexes in the issuance program. The Issuer may issue ETPs that are linked, and thus have an Index as an Underlying instrument. The value development of such ETPs is thus linked to the value development of the current Index. The redemption price will be based on the closing price of the Index. The Issuer will only use indices related to crypto assets and no other asset classes.

The issuer will only use registered benchmark administrators. As of the date of approval of this Base Prospectus, Invierno AB is the benchmark administrator chosen by the Issuer as supplier of the index. The issuer may hire other benchmark administrators for commercial and/or product technical reasons.

Only benchmark indices with crypto assets as index components will be used. Indexes are delivered by the Issuer's index provider as well as reference value administrator and index calculation agent. Information about the indexes the Issuer uses or intends to use in the issue program originates from the Issuer itself or from the Issuer's initial index supplier Invierno AB (Vinter). For each index used, an index methodology is available on the Issuer's and/or the Index administrator's website. Information about the indices that the Issuer uses or intends to use is available free of charge.

#### Virtune Vinter Crypto Top 10 Index (VVTOP10)

Virtune Vinter Crypto Top 10 Index tracks the ten largest crypto assets based on the average of the total market value per day for each crypto asset over the past 90 days. The aim is to provide a diversified exposure to the crypto market. The index is rebalanced monthly with the aim of adapting to market developments. In addition to the respective crypto asset's total market value, each Crypto Asset is qualified based on the benchmark administrator's criteria (<https://methodology.vinter.co/vinter/universes>) and any crypto regulations on the relevant exchange or multilateral trading platform.

#### Virtune Vinter Crypto Altcoin Index (VVIRALT)

Vinter Crypto Altcoin Index tracks the ten largest alternative crypto assets (commonly referred to as "altcoins"), excluding Bitcoin and Ethereum, with an equal-weighted allocation for each crypto asset. The aim is to provide broad exposure to the crypto market beyond Bitcoin and Ethereum. The index is rebalanced monthly, where the allocation of each crypto asset is adjusted to be equal-weighted. In addition to the total market capitalization of each crypto asset, each asset qualifies based on the criteria of the benchmark administrator (<https://methodology.vinter.co/vinter/universes>) and any relevant crypto regulations on the respective exchange or multilateral trading platform.

#### **Publication after issuance**

With the exception of the publication of the Net Asset Value on the Issuer's website on a daily basis, the Issuer does not intend to regularly report any particular information after the issuance of the respective Series.



## GENERAL TERMS AND CONDITIONS

The Products are issued under the exchange traded products programme (the **Programme**) established by Virtune AB (Publ) (the **Issuer**). The following general terms and conditions (together, the **General Terms and Conditions** and each, a **Condition**) are applicable to all Products issued under the Programme by the Issuer and shall be completed by, and read in conjunction with, the Final Terms applicable to the relevant Series of Products. In case of inconsistencies between the General Terms and Conditions and the Final Terms, the Final Terms shall prevail.

The Investors are deemed to have notice of all the provisions of these General Terms and Conditions, the Final Terms, the relevant Authorised Participant Agreement, the Collateral Agent Agreement, the Administration Agreement and the Issuing Agent Agreement.

All subsequent references in these General Terms and Conditions to **Products** are to the Products which are the subject of a relevant Final Terms. All capitalised terms that are not defined in these General Terms and Conditions will have the meanings given to them in the relevant Final Terms.

As used in these General Terms and Conditions, **Tranche** means Products of the same Series, which are identical in all respects, except for the Issue Date and the Issue Price.

For the purposes of these General Terms and Conditions, where Products are redeemed in accordance with these General Terms and Conditions, the Issuer and the relevant Investor(s) shall be deemed to consent to the release of the relevant Underlyings.

### 1. DEFINITIONS

As used in these General Terms and Conditions, the following definitions shall have the meanings in respect of any Products as set forth below. Words denoting the singular number only shall include the plural number also and *vice versa*.

**Account Operator** means, in relation to any Series of Products registered for clearing and settlement through the Swedish CSD, the bank or other institute authorised to act as an account operator (*Sw. kontoförande institut*) in accordance with the Swedish CSD Rules through which that the relevant Investor has opened a Swedish CSD Account for the relevant Products.

**Additional Pledges** means any pledge agreement other than the Pledge of Collateral Account Agreement between the Issuer and the Collateral Agent granted in respect of the Collateral specified in the Final Terms applicable to the relevant Series.

**Administrator** means Formidium Corporation and any successor administrator(s).

**Administration Agreement** means the agreement dated on or about 9 March 2023 between the Issuer and the Administrator as may be amended and/or supplemented and/or restated from time-to-time.

**ACA** (i) the account control agreement dated on or about 31 March 2023, governed by the laws of New York, entered into between the Issuer, the Custodian and the Collateral Agent with respect to the respective Collateral Account or (ii) any other account control agreement specified in the Final Terms applicable to the relevant Series, as applicable.

**Airdrop** means the equivalent of a special dividend in kind which results in the creation or allocation of new units of an existing asset serving as an Underlying or Underlying Component (as defined below) to participants in the blockchain. The new units of crypto assets are allocated to some but not necessarily all participants on a blockchain and are typically designed to incentivise specific behaviour in the network (*i.e.*, increased participation, maintaining infrastructure, *etc.*).

**AP Redemption Date** means the transaction date specified by a relevant Authorised Participant in its Form of Order Request, or such other date as may be agreed in writing between the Issuer and the relevant Authorised Participant.

**Appointee** means any agent, delegate, custodian or nominee appointed by the Collateral Agent.

**Authorised Participant** means an entity that is specified in the Final Terms and has entered into an Authorised Participant Agreement with the Issuer and any additional or subsequent Authorized Participants.

**Authorised Participant Agreement** means an agreement between the Issuer and an Authorised Participant in respect of the creation, redemption and distribution of Products, as may be amended and/or supplemented and/or restated from time-to-time.

**Basket** means a basket of Underlyings as specified in the Final Terms applicable to the relevant Series, as may be adjusted by the Index Calculation Agent, from time-to-time in accordance with these General Terms and Conditions.

**Business Day** in connection with any payment and settlement procedure, means a day on which (i) relevant Clearing Systems are open and Products can be settled, (ii) relevant commercial banks and custodians are open, (iii) banks in Sweden are open, (iv) foreign exchange markets execute payments in the respective Settlement Currency, (v) transactions in Underlyings or Underlying Components of the relevant Product can be settled, and/or (vi) any other day, as specified in the Final Terms applicable to the relevant Series, if applicable.

**Cash Settlement** means the procedures specified in Condition 5.5, as completed by the applicable Final Terms.

**Clearing** and/or **Clearing System** means, as applicable, (i) the Finnish CSD; (ii) the Norwegian CSD; (iii) the Swedish CSD or (ii) any other additional clearing system specified as such in the Final Terms applicable to the relevant Series.

**Collateral** means the Underlyings or Underlying Components credited to the Collateral Account and other assets denominated in the Underlyings or Underlying Components and/or any other collateral specified as such in the Final Terms and which serve as collateral for the Product.

**Collateral Account** means the account or sub-account, as applicable, administered by the Custodian and opened for the Products.

**Collateral Agent** means The Law Debenture Trust Corporation p.l.c. and any successor collateral agent.

**Collateral Agent Agreement** means the Collateral Agent Agreement, governed by the laws of England, with certain provisions of the Collateral Agent Agreement being governed by the laws of New York as stated within the Collateral Agent Agreement, entered into between the Issuer and the Collateral Agent on or about dated 31 March 2023, as may be amended and/or supplemented and/or restated from time-to-time.

**Collateralisation** means the procedures set out in Condition 3.2.

**Crypto Asset Collateral** means the amount of eligible Crypto Assets or other assets denominated in Underlying or Underlying components or other eligible assets collateralising a Product.

**Crypto Asset** means any crypto asset that is among the 300 largest crypto assets based on total market value in connection with the establishment of the applicable Final Terms and thereby eligible to be used as an Underlying or as an index component of the applicable Underlying Index. These criteria are described in the section "Acceptable crypto assets for the Issuer".

**Custodian** means Coinbase Custody Trust Company, LLC or any additional custodian as specified in the Final Terms applicable to the relevant Series or, as applicable, any successor or replacement to a Custodian..

**Custodial Services Agreement** means (i) the custodial services agreement in relation to the Crypto Assets collateralising Products issued under the Programme dated on or about 31 March between the Issuer and the Custodian, as may be amended and/or supplemented and/or restated from time-to-time or (ii) or any other custodial services agreement specified in the Final Terms applicable to the relevant Series, as applicable.

**Enforcement Notice** means a notice given to the Issuer by Collateral Agent (following receipt of instructions to do so by the Required Threshold of Investors) following the occurrence of an Event of Default or an Insolvency Event as set out in Condition 21.

**ETP Calculation Agent** means the calculation agent specified in the relevant Final Terms or, as applicable, any successor or replacement thereto.

**Event of Default** has the meaning given in Condition 20.

**Exchange** means the trading venues where the Product is listed as specified in the Final Terms applicable to the relevant Series.

**Exchange Business Day** means, if not otherwise specified in the Final Terms:

- (i) In relation to Products with a single Underlying or a Basket, if the value of such Underlying or Underlying Components is determined:

- (a) by way of reference to a price or value source including but not limited to information providers such as Reuters or Bloomberg and the respective pages on their systems, a day on which such price or value source still exists and officially provides for the respective price or value, subject to Market Disruption Events;
  - (b) by way of reference to a publication of an official fixing, a day on which such fixing is scheduled to be determined and published by the respective fixing sponsor, subject to Market Disruption Events;
  - (c) by way of reference to an official cash settlement price, a day, on which such official cash settlement price is scheduled to be determined and published by the respective exchange or any other official announcing party, subject to Market Disruption Events;
  - (d) by way of reference to an official settlement price, a day, on which the Relevant Underlying Exchange is scheduled to be open for trading for its respective regular trading session, notwithstanding any such Relevant Underlying Exchange closing prior to its scheduled closing time.
- (ii)** In relation to Products with an Index as Underlying, a day, on which the relevant Index is calculated by the Index Calculation Agent or the Successor Index Calculation Agent and published by the Publishing Party or the Publishing Third Party, subject to Market Disruption Events.
- (iii)** In relation to Products with more than one Underlying or Underlying Component, irrespective of their nature and number, a day on which all Underlyings or Underlying Components can be determined in accordance with (i) and (ii) above.

**Extraordinary Event** has the meaning assigned to such term in Condition 17.

**Fair Market Value** has the meaning assigned to such term in Condition 9.2.

**Final Fixing Date** means, subject to provisions regarding a Market Disruption Event, the date for the determination of the Redemption Amount, specified in the Final Terms applicable to the relevant Series or in any Termination Notice.

**Finnish CSD** means Euroclear Finland Oy, P.O. Box 1110, FI-00101 Helsinki, Finland, the Finnish central securities depository or any successor or replacement thereto.

**Finnish CSD Rules** means the legislation, regulations, rules and operating procedures applicable to and / or issued by the Finnish CSD, from time to time, including but not limited to the Finnish Act on the Book-Entry System and Clearing Operations (in Finnish: *laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (749/2012)*, as amended) and the Finnish Act on Book Entry Accounts (in Finnish: *laki arvo-osuustileistä (827/1991)*, as amended).

**Fork** means an event where a developer or group of developers split the code base powering a Crypto Asset that serves as an Underlying or Underlying Component into two or more branches of variations of development, resulting in the creation of a new asset which derives from the original blockchain of the respective Underlying or Underlying Component.

**Form of Order Request** means the form of order request in respect of a redemption of Products at the option of an Authorised Participant in accordance with Condition 5.4, as set out in the relevant Authorised Participant Agreement.

**FX Disruption Event** has the meaning given in Condition 10.

**FX Establishment Date** has the meaning given in Condition 10.

**FX Rate** has the meaning given in Condition 10.

**Increased Cost of Collateralisation** has the meaning specified in Condition 10.

**Index** means the index specified in the Final Terms applicable to the relevant Series.

**Index Calculation Agent** means the index calculation agent specified in the Final Terms applicable to the relevant Series or, where applicable, any successor or replacement thereto..

**Index Sponsor** means the sponsor of the Index specified in the Final Terms applicable to the relevant Series or, where applicable, any successor or replacement thereto..

**Insolvency Event** has the meaning given in Condition 20.

**Investor** means each holder of Products registered as such on any relevant date in respect of a Product in the records of the relevant Clearing System, including also: (i) any nominee authorised as such by the CSD registered as the nominee holder in respect of any Product; and (ii) any such other person who is registered in the records of the relevant CSD on the relevant date as being entitled to receive the relevant payment (or delivery, if any), in each case, pursuant to the Relevant CSD Rules.

**Investor Order Request Form** has the meaning given in Condition 5.4.

**Investor Put Date** is the date specified in the Final Terms applicable to the relevant Series.

**Issue Date** means the date specified in the Final Terms applicable to the relevant Series on which the relevant Products shall be issued.

**Issue Price per Product** means the Crypto Asset Collateral specified in the Final Terms applicable to the relevant Series.

**Issuer** means Virtune AB (publ.), a corporation incorporated under the laws of Sweden with registration number 559175-2067.

**Issuer Security** means the security created over the Collateral in favour of the Collateral Agent and for the benefit of Investors pursuant to the Security Documents.

**Issuer Security Enforcement Proceeds** has the meaning assigned to such term in Condition 21.2.

**Issuing Agent** means (i) Nordic Issuing AB, a corporation registered under the laws of Sweden with registration number 559338-2509; (ii) any other entity specified as such in the Final Terms applicable to the relevant Series; and/or (iii), in each case, any successor issuing agent.

**Issuing Agent Agreement** means the agency agreement between the Issuer and the relevant Issuing Agent in relation to the Programme, as may be amended and/or supplemented and/or restated from time-to-time.

**Issuing and Paying Agents** has the meaning given in Condition 14.1.

**Issuer Technical Amendment** means any amendment, variation or modification to the General Terms and Conditions and/or any Transaction Document which is made:

- (a) in connection with (i) the appointment of an Authorised Participant and/or (ii) the entry into an Authorised Participant Agreement and/or (iii) any change to the terms of an Authorised Participant Agreement which is necessary or desirable in the opinion of the Issuer;
- (b) in connection with (i) the appointment of a Custodian, Administrator or other Issuing Agent and/or (ii) the entry into an additional Custodial Services Agreement, Administration Agent or Issuing Agent Agreement and/or (iii) any change to the terms of a Custodial Services Agreement, Administration Agent or Issuing Agent Agreement which is necessary or desirable in the opinion of the Issuer;
- (c) in connection with any change in the fees or costs payable to any Transaction Party by a party other than the Issuer;
- (d) to comply or align with rules, regulations or procedures of any stock exchange, settlement system, Authorised Participant or Custodian where such compliance or alignment is mandatory or is for the benefit of the Investors; or
- (e) to provide for any actual or reasonably anticipated consequence of a Potential Adjustment Event.

**Market Disruption Event** has the meaning specified in Condition 6.

**Market Maker** means Flow Traders B.V. or the market maker specified as such in the Final Terms applicable to the relevant Series or, where applicable, any successor or replacement to a Market Maker. The Market Maker may be the same as or different from the Authorized Participant(s) for the ETP.

**Minimum Investment Amount** means the minimum investment amount for any Tranche of Products as specified in the Final Terms applicable to the relevant Series, if any.

**Minimum Trading Lot** means a minimum trading lot specified in the Final Terms applicable to the relevant Series, if any.

**Nasdaq** or **Nasdaq Stockholm** means the regulated market operated by the Nasdaq Stockholm stock exchange, Tullvaktsvägen 15, 105 78 Stockholm, Sweden, or its successor.

**Norwegian CSD** means Verdipapirsentralen ASA, Biskop Gunnerus Gate 14A, P.O. Box 4, N-0051 Oslo, Norway, the Norwegian central securities depository or any successor or replacement thereto.

**Norwegian CSD Rules** means the legislation, regulations, rules and operating procedures applicable to and / or issued by the Norwegian CSD, from time to time, including but not limited to, the Norwegian Securities Register Act (in Norwegian: *lov om registrering av finansielle instrumenter av 2002 5. juli nr. 64*).

**Observation Date** has the meaning specified in the Final Terms applicable to the relevant Series, if applicable.

**Pledge of Collateral Account Agreement** means (i) the Pledge of Collateral Account Agreement governed by the laws of New York dated on or about 31 March 2023 between, the Issuer, as pledgor, and the Collateral Agent, as collateral agent, in respect of the Collateral, as may be amended and/or supplemented and/or restated from time-to-time or any other pledge of collateral account agreement specified in the Final Terms applicable to the relevant Series, as applicable.

**Postponed Final Fixing Date** has the meaning given in Condition 10.

**Postponed Observation Date** has the meaning given in Condition 10.

**Potential Adjustment Event** has the meaning given in Condition 8.1.

**Product** means the exchange traded products linked to an Underlying, as specified in the Final Terms.

**Product Documentation** means these General Terms and Conditions and the applicable Final Terms, each as may be amended and/or supplemented and/or restated from time-to-time.

**Publishing Party** means the entity specified as the Publishing Party in the Final Terms applicable to the relevant Series.

**Publishing Third Party** means the entity which is the successor to the Publishing Party.

**Receiver** means a person appointed by the Collateral Agent to assist with the performance of their duties under the Collateral Agent Agreement in accordance with Clause 16 (*Appointment and Removal of Receiver or Administrator*) thereof.

**Record Date** means the date specified as such pursuant to the Relevant CSD Rules.

**Redemption Amount** means an amount in the Settlement Currency payable per Product by the Issuer to the Investors calculated as specified in the Final Terms applicable to the relevant Series; *provided, however*, that in the case of an Extraordinary Event pursuant to Condition 17, the Redemption Amount shall be reduced and may be as low as the smallest denomination of the Settlement Currency (*i.e.*, €0.01, SEK 0.01 or the equivalent in other Settlement Currencies, if any).

**Redemption Date** means (i) the date specified in the Termination Notice, which date shall be no earlier than 30 days after publication of the Termination Notice; or (ii) in respect of any redemption following the exercise of an Investor's option in

accordance with Condition 5.2, the relevant Investor Put Date, as specified in the Final Terms. Where a Final Fixing Date is postponed as a consequence of a Market Disruption Event, the Redemption Date will be postponed accordingly.

**Redemption Order** has the meaning set out in Condition 5.2.

**Redemption Period** has the meaning set out in Condition 5.2.

**Relevant CSD Rules** means, (i) in relation to any Series of Products registered for clearing and settlement through the Finnish CSD, the Finnish CSD Rules; (ii) in relation to any Series of Products registered for clearing and settlement through the Norwegian CSD, the Norwegian CSD Rules; (iii) in relation to any Series of Products registered for clearing and settlement through the Swedish CSD, the Swedish CSD Rules; (iv) in relation to any Series of Products registered for clearing and settlement through another Clearing System pursuant to the Final Terms applicable to such Series, the legislation, regulations, rules and operating procedures applicable to and / or issued by the CSD specified in such Final Terms.

**Relevant Currency** means the currency in which the Underlying or Underlying Components is trading on the Relevant Underlying Exchange.

**Relevant Underlying Exchange(s)** means the exchange(s) or a quotation system as specified in the Final Terms applicable to the relevant Series on which the relevant Underlying or Underlying Components are traded, or any successor to such Relevant Underlying Exchange or any substitute exchange or quotation system to which trading in the Underlying has temporarily relocated. Any substitute exchange or quotation system must provide comparable liquidity relative to the Underlying or Underlying Components as on the original Relevant Underlying Exchange, as determined by the Issuer.

**Required Threshold** means: (i) in respect of any action relating to or following an Insolvency Event, any Investor; and (ii) in any other case (including, for the avoidance of doubt, an Event of Default), Investors representing not less than 25% of Products in the relevant Series.

**Security Documents** means the ACA, the Pledge of Collateral Account Agreement and, where applicable, the Additional Pledges.

**Settlement Currency** means the currency specified in the Final Terms applicable to the relevant Series in which the Redemption Amount is settled.

**Swedish CSD** means Euroclear Sweden AB, registration number 556112-8074, registered address: Klarabergsvidadukten 63, Box 191, SE-101 23 Stockholm, the Swedish central securities depository or any successor or replacement thereto.

**Swedish CSD Account** means, in relation to any Series of Products registered for clearing and settlement through the Swedish CSD, an account with the Swedish CSD in which an Investor's Products are registered.

**Swedish CSD Rules** means the legislation, regulations, rules and operating procedures applicable to and / or issued by the Swedish CSD, from time to time, including but not limited to, the Swedish Central Securities Depository and Financial



Instruments Accounts Act (in Swedish: *lag (1998:147) om centrala värdepappersförvarare och kontoföring av finansiella instrument*), as amended.

**Successor Index Calculation Agent** means the entity that is the successor to the Index Calculation Agent.

**Successor Underlyings** means underlying assets as defined in Condition 8.3.

**Transaction Documents** has the meaning given to it in the Collateral Agent Agreement.

**Transaction Party** has the meaning given to it in the Collateral Agent Agreement.

**Underlying Component** means, in relation to Products linked to an Index, each component of such Index and, in relation to Products linked to a Basket, each component of such Basket.

**Underlying Illiquidity** has the meaning assigned to such term in Condition 7.1.

**Underlying** means the underlying specified in the Final Terms applicable to the relevant Series.

**Wallet** (or **Digital Wallet** or **Crypto Wallet** or **Crypto Wallet**) means a software program where a private key (secret number) and public address for every Crypto Asset address that is saved in the wallet of the person or person who owns the balance.

## **2. SERIES, TRANCHES AND FORM**

### **2.1 Series and Tranches**

Products issued under the Programme are issued in series (each, a **Series**), and each Series may comprise one or more tranches (each, a **Tranche**). Each Tranche is subject to a Final Terms. Tranches in a Series shall be identical in all respects except for the Issue Date and the Issue Price.

### **2.2 Form of the Products etc.**

Products may be issued in uncertificated and dematerialised form, and, where so is required or explicitly envisaged pursuant to the Relevant CSD Rules applicable to the relevant Series, in other forms. Products may, depending on the designation made in the Final Terms applicable to the relevant Series, be issued through and registered with: (i) the Finnish CSD in accordance with the Finnish CSD Rules; (ii) the Norwegian CSD in accordance with the Norwegian CSD Rules; (iii) the Swedish CSD in accordance with the Swedish CSD Rules; or (iv) another Clearing System specified as such in the Final Terms applicable to the relevant Series in accordance with the Relevant CSD Rules applicable to such Clearing System. Each Product will be issued in dematerialised book-entry registration form pursuant to and in accordance with the Relevant CSD Rules. All Products will be registered in Euroclear Sweden Accounts or such other accounts that may be relevant to the Relevant CSD Rules on behalf of the respective Investors.

No bearer instrument or other securities in physical form will be issued in respect of the Products, unless so required or envisaged pursuant to the Relevant CSD Rules, in respect of Products in dematerialised book-entry form.

Any payment of any amount due under any Product shall be made to such person who is registered as an Investor on the relevant Record Date prior to the relevant due date. Subject to the provisions in the Relevant CSD Rules, where an Investor has registered, through an Account Operator, that any such amounts shall be credited to a specified bank account, such credit will be effected by the Clearing system on the relevant due date. In other cases, payments will be transferred by the Clearing System to the Investor at the address registered with the relevant Clearing System as per the Record Date. Should the Clearing System, due to a delay on behalf of the Issuer or for any other reason, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who were registered as Investors on the relevant Record Date as soon as possible after such obstacle has been removed. Notwithstanding the foregoing, cash settlement on the relevant settlement date for any amount due will always occur in accordance with the procedures detailed in the Relevant CSD Rules. Where required pursuant to the Relevant CSD Rules, payments may be made through the Paying Agent specified in the Relevant CSD Rules and/or the Final Terms applicable to the relevant Series. If the relevant Settlement date is not a Business Day, then payments shall be effected as aforesaid on the first immediately following Business Day subject to the Relevant CSD Rules. No default interest or other compensation shall accrue where payments are so effected.

The Issuer and, to the fullest extent permissible under the Relevant CSD Rules, the relevant Issuing Agent and the Collateral Agent, shall be entitled to obtain information from the records of the relevant Clearing System in accordance with the Relevant CSD Rules.

Those who pursuant to assignment, security, the provisions of the Swedish Parental Code (Sw. *Föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Product, registered with the Swedish CSD, shall register their entitlements to receive payment in accordance with the Swedish CSD Rules.

A request for book-entry registration measures concerning any Product shall be made to the relevant Account Operator (or such other party designated for such purposes pursuant to the Relevant CSD rules).

### **3. STATUS AND COLLATERALISATION**

#### **3.1 Status**

The Products constitute unsubordinated obligations of the Issuer and rank *pari passu* with each and all other current and future unsubordinated obligations of the Issuer.

#### **3.2 Collateralisation**

The Issuer will, by no later than the Issue Date of the relevant Series of Products, credit the Underlyings or Underlying Components of the Products or other assets specified in the relevant Final Terms to the respective Collateral Account for such Series. The Issuer has entered into the ACA, the Pledge of Collateral Account Agreement, the Additional

Pledges, if any, and the Collateral Agent Agreement in order to provide the Collateral for the benefit of the Investors to secure its payment obligations under the Product Documentation.

#### **4. PERPETUAL PRODUCTS**

The Products are perpetual (“open-ended”) and have no fixed maturity.

The Issuer has the right to terminate and redeem all but not part of the outstanding Products in any Series in accordance with the procedure described in Condition 5.

#### **5. REDEMPTION OF PRODUCTS**

##### **5.1 Termination and Redemption of Products by the Issuer**

The Issuer may terminate and redeem the Products outstanding in any Series in whole but not in part (i) at any time, at the Issuer’s sole discretion and without any further consent of or approval by the Investors, on the relevant Redemption Date by publishing the Termination Notice in respect of such Series in accordance with Condition 16, and (ii) in accordance with Conditions 11 and 12.

##### **5.2 Redemption of Products at the Option of the Investors**

The Issuer shall, at the option of any Investor holding Products, upon such Investor giving not less than 30 nor more than 60 days’ written notice, prior to the Investor Put Date (the Redemption Period) to the Issuer (including by e-mail to product@virtune.com), redeem the Products held by such Investor, in an amount of Products corresponding to such Investor’s Redemption Order (as defined below), on the Investor Put Date specified in the relevant Final Terms.

To exercise such option, the holder must, within the Redemption Period, instruct the financial intermediary maintaining the relevant securities account for such holder to set up a sell order (the Redemption Order) with the Issuing Agent, acting on behalf of the Issuer. All Redemption Orders received by the Issuing Agent or the Issuer and the Administrator (as the case may be) during the Redemption Period shall be deemed to be valid, and may not be subsequently withdrawn without the prior consent of the Issuer. Settlement of such Redemption Orders shall take place exclusively (i) for redemptions pursuant to Conditions 5.4, as stated therein and (ii) for redemptions pursuant to Condition 5.5, in the delivery versus payment procedure via the relevant Clearing System.

Products shall be redeemed in accordance with the procedures set forth in Condition 5.4 unless the relevant Investor specifies in the applicable Redemption Order that the procedures set forth in Condition 5.3 or in Condition 5.5 shall apply or the Investor is prohibited for legal or regulatory reasons from receiving delivery of the Crypto Asset Collateral.

##### **5.3 Redemption of Products at the Option of an Authorised Participant**

- (a) An Investor, which is also an Authorised Participant, may at any time, require the Issuer to terminate and redeem all or part of its holding of Products by delivery of the Crypto Asset Collateral for such Products (as determined

by the ETP Calculation Agent) in accordance with paragraph (b) by lodging with the Issuer a Form of Order Request.

- (b) Where Products are required to be redeemed by delivery of the Crypto Asset Collateral for such Products in line with paragraph (a):
  - (i) the Authorised Participant shall submit a Form of Order Request on the order-taking platform;
  - (ii) the Issuer (and if applicable the Administrator) shall verify the order to ensure that it complies with these Conditions, the relevant Final Terms and the relevant Authorised Participant Agreement and, if so, shall send an order confirmation;
  - (iii) the Issuing Agent shall (i) debit the direct participant's account accordingly via DfP transfer instructions and (ii) de-register and cancel the relevant Products from the registers of the relevant Clearing System;
  - (iv) the Custodian shall transfer the relevant Crypto Asset to the Authorised Participant's Wallet or account on the relevant AP Redemption Date.
- (c) From the relevant AP Redemption Date, all title to and risks in such Crypto Asset Collateral shall pass to the holder of the relevant Products. None of the Issuer, the Administrator the Collateral Agent, the Issuing Agent or other Agent shall be responsible or liable for any failure by the Custodian to effect delivery of the relevant Crypto Asset Collateral in accordance with the Form of Order Request and the instructions given by the Issuer or any other person. However, in the event of such failure, the Issuer shall to the extent practicable, assign to the redeeming Authorised Participant its claims in respect of such Crypto Asset Collateral in satisfaction of all claims of such holder in respect of the Products to be redeemed and the holder shall have no further claims against the Issuer or the Issuer Security.
- (d) The obligations of the Issuer in respect of Products being redeemed pursuant to this Condition 5.3 shall be satisfied by transferring the relevant Crypto Asset Collateral in accordance with this Condition 5.3.
- (e) An Authorised Participant may request redemption under this Condition 5.3 to be effected on a Cash Settlement basis if the feature is included in the Authorised Participant Agreement. If such request is approved by the Issuer, the redemption shall be effected in accordance with the procedures set out in Condition 5.5.
- (f) A Form of Order Request submitted by an Authorised Participant shall be in the form set out in the relevant Authorised Participant Agreement and shall include, *inter alia*, the number and type of Products to be redeemed, the Wallet or account to which the relevant Crypto Asset Collateral shall be delivered and the AP Redemption Date, and shall be signed by an authorised signatory of the Authorised Participant.
- (g) The Issuer may change or vary the procedures for the lodgement and completion of the Form of Order Request and this Condition 5.3 shall be modified in respect of redemption to the extent of any such variation.

#### **5.4 Redemption of Products by Delivery of the Crypto Asset Collateral for such Products**

Unless the relevant Investor specifies in the applicable Redemption Order that the procedures set forth in Condition 5.5 shall apply, or the Investor is prohibited for legal or regulatory reasons from receiving delivery of the Crypto Asset Collateral, the Products that are subject to a specific Redemption Order shall be redeemed as follows:

- (a) Products that are required to be redeemed pursuant to a relevant Redemption Order shall be redeemed by delivery of the Crypto Asset Collateral for such Products;
- (b) the relevant Investor must, together with the applicable Redemption Order, submit the necessary details for such redemption in-kind by completing an investor order request form that can be obtained from the Issuer (the

**Investor Order Request Form**). An Investor Order Request Form shall include, *inter alia*, the number and type of Products to be redeemed, the Wallet or account to which the relevant Crypto Asset Collateral shall be delivered on the Investor Put Date, and shall be duly signed by the Investor;

- (c) the Issuer (and if applicable the Administrator) shall verify the Redemption Order and Investor Order Request Form order to ensure that it complies with these Conditions, the relevant Final Terms and the relevant form obtained from the Issuer and, if so, shall send an order confirmation to the relevant Investor;
- (d) the Issuing Agent shall (i) debit the direct participant's account accordingly via DfP transfer instructions and (ii) de-register and cancel the relevant Products from the registers of the relevant Clearing System; and
- (e) the Custodian shall transfer the relevant Crypto Asset Collateral to the Investor's Wallet or account specified in the Investor Order Request Form on the relevant Investor Put Date.
- (f) From the relevant Investor Put Date, all title to and risks in such Crypto Asset Collateral shall pass to the holder of the relevant Products. None of the Issuer, the Administrator, the Collateral Agent, Issuing Agent or other issuing agent shall be responsible or liable for any failure by the Custodian to effect delivery of the relevant Crypto Asset Collateral in accordance with the Investor Order Request Form. However, in the event of such failure, the Issuer shall to the extent practicable, assign to the redeeming Investor its claims in respect of such Crypto Asset Collateral in satisfaction of all claims of such holder in respect of the Products to be redeemed and the holder shall have no further claims against the Issuer.
- (g) The obligations of the Issuer in respect of Products being redeemed pursuant to this Condition 5.4 shall be satisfied by transferring the relevant Crypto Asset Collateral in accordance with this Condition 5.4.
- (h) The Issuer may change or vary the procedures for the lodgement and completion of the Investor Order Request Form and this Condition 5.4 shall be modified in respect of redemption to the extent of any such variation.

## 5.5 Cash Settlement

- (a) Cash Settlement Redemption

If so specified in the applicable Redemption Order, the termination and redemption of Products, other than as set out in Condition 5.3 (*Redemption of Products at the Option of an Authorised Participant*) shall be settled on a Cash Settlement basis in accordance with this Condition 5.5.

- (b) Determination and Notification of the Redemption Amount

The ETP Calculation Agent shall determine the Redemption Amount to be paid by the Issuer in respect of the Products being terminated and redeemed.

- (c) Cash Settlement on the Redemption Date for the relevant Series.

On or prior to the Redemption Date, the Issuer shall, in respect of the Products being terminated and redeemed, for value on the Redemption Date, transfer (or cause to be transferred) or make available for transfer, the Redemption Amount in accordance with the Relevant CSD Rules.

On the Redemption Date, the Issuing Agent shall, subject to (i) transfer of the relevant Products to be terminated and redeemed and (ii) receipt of payment of the related taxes and duties, if any, initiate the redemption process by way of delivery versus payment procedure via the relevant Clearing System.

## 6. MARKET DISRUPTION – RIGHTS ON A MARKET DISRUPTION

## 6.1 For Products related to an Index

*This Condition 6.1 is applicable only in relation to Products related to an Index.*

### (a) Market Disruption Event

For the purpose of this Condition 6.1, **Market Disruption Event** means, in respect of an Index, the occurrence or existence on a day relevant for the fixing, observation or valuation of the Index, in particular the Final Fixing Date, of a suspension or a limitation on trading in a material number or percentage of the Underlying Components or a limitation on prices for such Underlying Component. The number or percentage can be determined in the Final Terms and in the absence of such determination, a suspension or limitation of trading in 20% or more of that Index capitalisation shall be deemed to constitute a Market Disruption Event.

For the purposes of this definition a limitation on the hours and number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the Relevant Underlying Exchange.

### (b) Rights on the Occurrence of a Market Disruption Event

If the ETP Calculation Agent, in its discretion determines that a Market Disruption Event has occurred and is continuing on a day relevant for the fixing, observation or valuation of the Index, for example the Final Fixing Date, then the respective day relevant for the fixing, observation or valuation of the Index shall be postponed until the next following Exchange Business Day on which there is no such Market Disruption Event.

If, in the sole opinion of the ETP Calculation Agent, a Market Disruption Event is continuing, then the day relevant for the fixing, observation or valuation of the Index, in particular the Final Fixing Date, and the value for that Index shall be determined for such date by the ETP Calculation Agent, in its duly exercised discretion and in accordance with established market practice.

## 6.2 For Products related to single Underlying or a Basket of any Underlyings

*This Condition 6.2 is applicable only in relation to Products related to a single Underlying or a Basket.*

### (a) Market Disruption Event

For the purpose of this Condition 6.2, **Market Disruption Event** means, in respect of the single Underlying or Basket, that the price or value relevant for the Product cannot be determined or announced or published or otherwise is not being made available on a day relevant for the fixing, observation or valuation of such Underlying or Basket, in particular the Final Fixing Date, as determined by the ETP Calculation Agent, in its duly exercised discretion.

### (b) Rights on the occurrence of a Market Disruption Event

If the ETP Calculation Agent, in its duly exercised discretion determines that a Market Disruption Event has occurred and is continuing on a day relevant for the fixing, observation or valuation of the single Underlying or Basket, in particular the Final Fixing Date, then the respective day relevant for the fixing, observation or valuation of such Underlying or Basket shall be postponed until the next following Exchange Business Day where there is no such Market Disruption Event.

If a Market Disruption Event is continuing, then the respective day relevant for the fixing, observation or valuation of the single Underlying or Basket, in particular the Final Fixing Date, and the value for such Underlying or Basket for such date shall be determined by the ETP Calculation Agent, in its duly exercised discretion, but in accordance with established market practice.

In the case of Products relating to a Basket, the day relevant for the fixing, observation or valuation of the Basket, in particular the Final Fixing Date, for each Underlying Component which is not affected by the Market Disruption Event shall be the originally designated Final Fixing Date and the Final Fixing Date, as the case may be, for each Underlying Component which is affected shall be determined as provided above.

## **7. UNDERLYING ILLIQUIDITY**

### **7.1 Underlying Illiquidity**

For the purpose of this Condition 7, **Underlying Illiquidity** means, in respect of any Underlying or Underlying Component, low or no trading volume in the Underlying or Underlying Component, the difficulty to buy and/or sell the Underlying or Underlying Component in a short period of time without its price being affected, or any comparable event that leads to an extraordinary illiquidity in any Underlying or Underlying Component, as determined by the Issuer in its sole discretion.

### **7.2 Rights upon Underlying Illiquidity**

(a) Expanded bid/offer spreads

In case of Underlying Illiquidity, the Market Maker or Authorised Participant shall be entitled to temporarily increase the spread between the bid and offer prices of the Product to account for such prevailing market conditions.

(b) Modified Redemption Amount

In case of Underlying Illiquidity, the relevant Redemption Amount may be calculated based on the average execution price (less transaction costs) as it was obtained on a best effort basis, as determined by the ETP Calculation Agent, instead of using the originally pre-defined fixing or value of the Underlying (*e.g.*, the official close of the respective Underlying) set out in the Final Terms.

- (c) Postponed fixing and/or redemption

In case of Underlying Illiquidity, the determination (fixing) and/or the payment of the relevant redemption amount shall be postponed accordingly by such number of days necessary to account for such prevailing market conditions as determined by the ETP Calculation Agent.

### **7.3 No Rights to Underlying or Underlying Component**

The Investor in a Product is not entitled to any rights or claim to the Underlying or Underlying Component aside from those described in the General Terms and Conditions. Unless in the cases specifically provided for, physical delivery of the Underlying or Underlying Component is excluded and Investor's interests are settled in fiat currency in the event of a redemption. Even in the cases where redemption in-kind is possible, Investors are not entitled to any Underlying, but rather they have a right to receive such number of crypto assets of the same type as the Underlying to satisfy their claim in the amount of the relevant Redemption Amount.

## **8. ADJUSTMENTS FOR PRODUCTS RELATED TO ANY UNDERLYING OR BASKET OF UNDERLYINGS**

### **8.1 Adjustments**

The Issuer shall, acting in a commercially reasonable manner and in accordance with established market practice and without the consent of Investors, determine whether or not at any time a potential adjustment event has occurred. An adjustment event is an event that may have a diluting or concentrative effect on the theoretical value of the relevant Underlying or Underlying Component (the **Potential Adjustment Event**).

Where it determines that a Potential Adjustment Event has occurred, the Issuer will, acting in a commercially reasonable manner and in accordance with established market practice determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Underlying or Underlying Component and, if so, will make such adjustment as it considers appropriate in its duly exercised discretion and in accordance with established market practice. Such adjustment could be made to the Redemption Amount, the relevant Underlying or Underlying Component, the number of Underlyings to which each Product relates, the number of Underlyings or Underlying Component comprised in a Basket, and/or any other adjustment and, in any case, any other variable relevant to the redemption, settlement, or payment terms of the relevant Products as the Issuer determines, in its duly exercised discretion but in accordance with established market practice, to be appropriate to account for that diluting or concentrative effect. The Issuer shall further determine, in its duly exercised discretion and in accordance with established market practice, the effective date(s) of such adjustment(s).

### **8.2 Fork Event**

Upon the occurrence of a Fork, the Issuer, in its sole discretion, will determine whether or not to participate in the Fork, in accordance with the Issuer's Fork Policy at the relevant time. If the Issuer determines to participate in the Fork, then any value received from the newly-forked asset will form part of the Collateral (in such form as is



determined by the Issuer in its sole discretion). If the Issuer determines not to participate in the Fork, then the Investors will not be entitled to receive any value from the newly-forked asset. The Issuer is not obliged to assess every Fork or event resulting in a Fork or to notify the Investor of the Product of any Fork or event resulting in a Fork.

### **8.3 Discontinuation of Trading on Relevant Underlying Exchange**

If the Issuer, acting in a commercially reasonable manner and in accordance with established market practice, upon the announcement of the Relevant Underlying Exchange that pursuant to the rules of such Relevant Underlying Exchange, the relevant Underlying or Underlying Component ceases (or will cease) to be traded or publicly quoted on the Exchange for any reason and is not immediately re-traded or re-quoted on an exchange or quotation system, then the Issuer may determine, in its duly exercised discretion and in accordance with established market practice, that the relevant Products shall be terminated and the Product shall pay an amount which the ETP Calculation Agent, in its duly exercised discretion and in accordance with established market practice, determines is the fair market value. Alternatively, the Issuer is entitled to continue the affected Products with a new underlying (**Successor Underlying**). The Issuer shall determine the Successor Underlying in its duly exercised discretion and in accordance with established market practice for the type of Underlyings.

### **8.4 Airdrop**

If the Underlying is an Index, any additional Crypto Assets obtained through an Airdrop will be kept until the subsequent re-balancing of the Index, at which point the allocations required by the Index would be met once more, which may require a sale of the new assets acquired through the Airdrop. Any proceeds of such sale, or Crypto Asset held following an Airdrop, will form part of the Collateral.

If the Underlying consists of a single Crypto Asset, the airdropped assets will form part of the Collateral.

### **8.5 Other Events**

In the case of events other than those described in this Condition 8, which in the sole opinion of the Issuer have an effect equivalent to that of such events, the rules described in this Condition 8 shall apply *mutatis mutandis*.

### **8.6 Notices of Adjustment**

The Issuer shall give notice to the Investors in accordance with Condition 16 of any change to the terms and conditions of the Products in accordance with this Condition 8. For the avoidance of doubt, the consent of the Investors shall not be required to make any of the changes to the Products set out in this Condition 8.

## **9 ADJUSTMENTS FOR PRODUCTS RELATED TO AN INDEX**

*This Condition 9 is applicable in relation to Products related to an Index.*

### **9.1 Modification of calculation or replacement of an Index**

In the event that the Index Calculation Agent or the Successor Index Calculation Agent, if any, substantially modifies the formula or method of calculation of an Index or in any other way materially modifies an Index in the event of, among others, changes in constituent Underlying Components or their capitalisation, or in the event that the Index Calculation Agent, the Successor Index Calculation Agent, if any, replaces an Index by a new index to be substituted to that Index, the Issuer may (without the consent of the Investors):

- (i) either (subject to a favourable opinion of an independent expert nominated by the ETP Calculation Agent (if appointed) replace that Index by the Index so modified or by the substitute index (if any), multiplied, if need be, by a linking coefficient ensuring continuity in the evolution of the underlying index. In such event, the modified Index or the substitute index, and (if necessary) the linking coefficient and the opinion of the independent expert, will be notified to the Investors in accordance with Condition 16 within ten (10) Business Days following the date of modification or substitution of that Index; or
- (ii) apply the provisions of Condition 9.2.

### **9.2 Cessation of calculation of an Index**

In the case of Products related to an Index, if for any reason, on or prior to any Final Fixing Date the Index Calculation Agent or the Successor Index Calculation Agent should cease permanently to calculate and/or announce the level of the Index and does not provide for a substitute index, or such substitute index cannot replace that Index, for any reason, then the Issuer shall terminate and redeem the Products and pay to each Investor in respect of the Products held by it an amount representing the fair market value of such Products (the **Fair Market Value**). The Fair Market Value will be determined by the ETP Calculation Agent, in its duly exercised discretion and in accordance with established market practice. No other amount shall be due to the Investors by the Issuer upon redemption of the Products.

The Fair Market Value so determined will be notified to the Investors in accordance with Condition 16 within seven Business Days following the date of determination of the Fair Market Value.

The amount representing the Fair Market Value will be paid to the Investors as soon as practicable within ten Business Days following the date of determination of the Fair Market Value.

### **9.3 Other Events**

In the case of events other than those described in this Condition 9, which in the sole opinion of the Issuer have an effect equivalent to that of such events, the rules described in this Condition 9 shall apply *mutatis mutandis*.

## **10. POSTPONEMENT OF FINAL FIXING DATE OR OBSERVATION DATE ON THE OCCURRENCE OF A FOREIGN EXCHANGE DISRUPTION EVENT**

If the ETP Calculation Agent determines that on a Final Fixing Date or an Observation Date an FX Disruption Event has occurred and is continuing, the date for determination of the FX Rate (as defined below) shall be postponed until the first Business Day on which such FX Disruption Event ceases to exist (the **FX Establishment Date**). The Final Fixing Date or the Observation Date in respect of the Products shall be postponed to the Business Day which falls on the same number of Business Days after the FX Establishment Date as the Final Fixing Date or the Observation Date, as applicable, was originally scheduled to be after the Final Fixing Date or the Observation Date, as applicable (the **Postponed Final Fixing Date** or the **Postponed Observation Date**).

If an FX Disruption Event has occurred and is continuing on the Postponed Final Fixing Date or Postponed Observation Date (including any Final Fixing Date or Observation Date postponed due to a prior FX Disruption Event), then the Postponed Final Fixing Date or Postponed Observation Date, as applicable, shall be further postponed until the first Business Day following the date on which such FX Disruption Event ceases to exist, or to a date as reasonably determined by the ETP Calculation Agent. For the avoidance of doubt, if an FX Disruption Event coincides with a Market Disruption Event, as the case may be, the provisions of this Condition 10 shall take effect only after such postponements or adjustments have been made as a result of such Market Disruption Event in accordance with the General Terms and Conditions and, notwithstanding the respective provisions of the General Terms and Conditions, the Issuer's payment obligation of the Redemption Amount shall continue to be postponed in accordance with the provisions of this Condition 10.

For the purposes of this Condition 10, **FX Disruption Event** means the occurrence of an event that makes it impossible through legal channels for the Issuer or its affiliates to either:

- (i) convert the Relevant Currency into the Settlement Currency; or
- (ii) deliver the Settlement Currency from accounts within the Relevant Country to accounts outside such jurisdiction; or
- (iii) deliver the Relevant Currency between accounts within the Relevant Country to a person that is a non-resident of that jurisdiction.

**FX Rate** means, the exchange rate (determined by the ETP Calculation Agent in good faith and in a commercially reasonable manner) for the sale of the Relevant Currency for the Settlement Currency on the Final Fixing Date or the Observation Date or other date on which such exchange rate falls to be determined in accordance with the provisions of this Condition 10 expressed as a number of units of Relevant Currency per unit of the Settlement Currency.

In the event that a Settlement Currency used in connection with the FX Rate (as defined above) or in any other context is replaced by another Settlement Currency in its function as legal tender in the country or jurisdiction, or countries or jurisdictions, by the authority, institution or other body which issues such Settlement Currency, by another currency or is merged with another currency to become a common currency, the affected Settlement Currency shall be replaced for the purposes of these General Terms and Conditions and the respective Final Terms by such replacing or merged currency, if applicable after appropriate adjustments have been made, (the **Successor Currency**). The Successor Currency and the date of its first application shall be determined by the Issuer in its duly exercised discretion and will be notified to the Investors in accordance with Condition 16.

## 11. TERMINATION AND CANCELLATION DUE TO ILLIQUIDITY, ILLEGALITY, IMPOSSIBILITY OR INCREASED COST OF COLLATERALISATION

The Issuer shall have the right to terminate and redeem the outstanding Products in any Series:

- (i) if the ETP Calculation Agent has determined that the Underlying of the relevant Products has permanently ceased to be liquid;
- (ii) if compliance by the Issuer with the obligations under the Products or any transaction in respect of an Underlying of the relevant Products has become unlawful or impossible in whole or in part, in particular as a result of compliance by the Issuer with any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative, legislative or judicial authority or power or controlling authority or of the relevant competent market authorities (a **Regulatory Call**); or
- (iii) due to Increased Cost of Collateralisation in case of collateralised Products.

**Increased Cost of Collateralisation** means that the Issuer would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee, or other cost to acquire, hold, substitute or maintain transaction(s) or asset(s) the necessary or deemed necessary by the Issuer in order to collateralise the relevant Products.

In such circumstances, the Issuer may terminate and redeem the Products by providing notice to Investors in accordance with Condition 16.

If the Issuer terminates and redeems the Products in accordance with this Condition 11, the Issuer will, to the extent permitted by applicable law, pay an amount to each Investor in respect of the Products, determined by the Issuer in its duly exercised discretion and in accordance with established market practice, as representing the Fair Market Value of such Products upon redemption (notwithstanding any illegality or impossibility). Payment will be made within a reasonable time in such manner as shall be notified to the Investors within a period of not less than ten (10) and not more than thirty (30) Business Days in accordance with Condition 16.

In addition, the Issuer has the right to terminate and redeem any outstanding Products in a Series in whole, but not in part, on any date that is 30 calendar days after the Issue Date (and, where there is more than one Tranche of Products in any Series, such Issue Date being the Issue Date of the first Tranche issued in that Series), unless the Products are subject to a Regulatory Call as set out above, if there is no outstanding position of the relevant Product in the market, as determined by the Issuer. The Issuer shall as soon as possible notify the Investors of such redemption in accordance with Condition 16.

## 12. TAXATION/TAX CALL

Each Investor shall assume and be responsible for any and all taxes, duties, fees and charges imposed on or levied against (or which could be imposed on or levied against) such Investor in any jurisdiction or by any governmental or regulatory authority.

The Issuer and the Issuing and Paying Agents shall have the right, but not the duty, to withhold or deduct from any amounts otherwise payable to the Investor such amount as is necessary for the payment of such taxes, duties, fees and/or charges.

Investors shall not be entitled to receive amounts to compensate for any amount so withheld or deducted.

If any governmental or regulatory authority imposes on the Issuer the obligation to pay any such taxes, duties, fees and/or charges, the Investor shall promptly reimburse the Issuer.

The Issuer may terminate and redeem all outstanding Products in any Series in the event that any present or future taxes, duties or governmental charges would be imposed by any jurisdiction in which the Issuer is or becomes subject to tax as a result of any change in laws or regulations of the relevant jurisdiction (**Tax Call**). The Issuer shall as soon as possible notify the Investors of such redemption in accordance with Condition 16. For purposes of this Condition 12, the Issuer shall determine such Redemption Amount in its sole discretion at the Fair Market Value. The amount representing the Fair Market Value will be paid to the Investors as soon as possible following the date of determination of the Fair Market Value.

### **13. TRADING OF THE PRODUCTS**

The Minimum Trading Lot (or an integral multiple thereof) of Products for trading of such Products, if any, will be specified in the Final Terms.

### **14. AGENTS**

#### **14.1 Issuing Agents**

The Issuer reserves the right at any time to vary or terminate the order/mandate of the Issuing Agent and to appoint another paying agent provided that if Products are outstanding, it will maintain an Issuing Agent to the extent required pursuant to the General Terms and Conditions and/or the Relevant CSD Rules.

Each of the Issuing Agent and any other paying agent appointed in respect of a particular Series of Products (together the **Issuing and Paying Agents**), is acting solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Investors.

Any determinations, decisions and calculations by the Issuing and Paying Agents shall (save in the case of manifest error or wilful misconduct) be final and binding on the Issuer and the Investors.

The Issuer may at any time vary or terminate the appointment of the Issuing and Paying Agents. It shall give notice to the Investors in accordance with Condition 16 of any modification in the appointment of the Issuing and Paying Agents. Notice of any such termination of appointment or new appointment and of any change in the specified office of an Issuing and Paying Agent will be given to the Investors in accordance with Condition 16.

## **14.2 ETP Calculation Agent**

The ETP Calculation Agent will be specified in the Final Terms.

The ETP Calculation Agent does not act as agent for the Investors and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Investors.

All calculations, decisions and determinations made by the ETP Calculation Agent shall (save in the case of manifest error or wilful misconduct) be final and binding on the Issuer, the Issuing Agent and the Investors.

The ETP Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party, as it deems appropriate.

The Issuer may at any time vary or terminate the appointment of the ETP Calculation Agent. It shall give notice to the Investors in accordance with Condition 16 of any modification in the appointment of the ETP Calculation Agent.

## **14.3 Collateral Agent**

By investing in the Product(s), each Investor is deemed to agree and acknowledge that the Issuer shall appoint the Collateral Agent (or its successors) to act on behalf of the Investors as set out in, and in accordance with, the terms and conditions set out in the Collateral Agent Agreement and the Security Documents.

The Collateral Agent may, in accordance with the provisions of the Collateral Agent Agreement, delegate all or any of its powers under the Collateral Agent Agreement or given to it by law (including the right to sub-delegate) to such third parties as the Collateral Agent in its independent and discretion deems appropriate.

The Issuer may at any time vary or terminate the appointment of the Collateral Agent in accordance with the provisions of the Collateral Agent Agreement. It shall give notice to the Investors in accordance with Condition 16 of any modification in the appointment of the Collateral Agent.

Pursuant to the Collateral Agent Agreement, the Collateral Agent is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid or reimbursed any liabilities incurred by it in priority to the claims of the Investors (save in relation to any responsibility arising out of or liabilities incurred as a result of its own fraud, wilful default or gross negligence). In addition, the Collateral Agent is entitled to enter into business transactions with the Issuer without accounting for any profit.

The Collateral Agent is not responsible for any loss, cost, damage, expense, liability or inconvenience which may be suffered as a result of any assets comprised in the Issuer Security or any documents of title thereto being uninsured or inadequately insured. The Collateral Agent shall not be responsible for monitoring the compliance of any of the other parties to the Transaction Documents with their obligations under the Transaction Documents.

The Collateral Agent shall not be required or obliged to take any action, step or proceeding whether in relation to the enforcement of the Issuer Security or otherwise without first being (i) instructed by the Required Threshold of Investors in writing and (ii) indemnified and/or secured and/or pre-funded to its satisfaction.

The Collateral Agent shall not be responsible or liable for monitoring or ascertaining whether or not an Event of Default or Insolvency Event or Extraordinary Event has occurred or exists. In the absence of express written notice to the contrary, the Collateral Agent shall be entitled to assume (without any liability to any person) that no Event of Default or Insolvency Event or Extraordinary Event has occurred or exists.

The Collateral Agent is exempt from liability with respect to any loss or theft or diminution in value or loss realized upon the sale or other dispositions made of the assets comprised in the Issuer Security (or any of them).

#### **14.4 Liability**

Without prejudice to the provisions of the Collateral Agent Agreement, none of the Issuer, the ETP Calculation Agent, the Collateral Agent or the Issuing and Paying Agents shall have any responsibility to the extent permitted by law for any errors or omissions in the calculation of any amount or with respect to any other determination or decisions required to be made by it under these General Terms and Conditions or with respect to any Products, irrespective of whether the agents act in the interest of the Issuer or the Investor.

#### **15. PURCHASE BY THE ISSUER**

The Issuer, and/or any of its affiliates may at any time purchase Products of any issue at any price in the open market or otherwise. Such Products may, at the option of the Issuer, and/or, as the case may be, the relevant affiliate, be held, resold or cancelled or otherwise dealt with.

#### **16. NOTICES**

Notices to Investors relating to Products listed on the Nasdaq Stockholm Stock Exchange will be published in accordance with the regulations of the Nasdaq Stockholm Stock Exchange, as in force, on the Nasdaq Stockholm Stock Exchange website <https://www.nasdaqomxnordic.com/nyheter/nyheter-for-investerare>, on the Issuer's website <https://virtune.com/investor-relations>, or in any other form as permitted by the rules and regulations of the Nasdaq Stockholm Stock Exchange.

Notices to Investors relating to Products listed on a securities exchange or trading venue other than the Nasdaq Stockholm Stock Exchange will be published in accordance with the regulations of the relevant securities exchange or trading venue.

Notices to Investors of non-listed Products may be published, as specified in the Final Terms applicable to the relevant Series, in newspapers, on a website or otherwise.

## **17. LIABILITY FOR LOSSES**

None of the Issuer, the Collateral Agent or any other obligor under any Products shall be liable for fraud, theft, cyber-attacks and/or any analogous or similar event (each, an **Extraordinary Event**). Accordingly, upon the occurrence of an Extraordinary Event with respect to, or affecting any, Underlying or Underlying Component, including any Underlying or Underlying Component that serves as Collateral, the Issuer shall give notice to Investors in accordance with Condition 16 and to the Collateral Agent and the Redemption Amount for such Products shall be reduced to account for such Extraordinary Event and may be as low as zero, as determined by the ETP Calculation Agent (if appointed) and where no ETP Calculation Agent is appointed, the Issuer.

In no event shall the Issuer or the Collateral Agent have any liability for indirect, incidental, consequential or other damages (even if it was advised of the possibility of such damages) other than (in the case of the Issuer only) interest until the date of payment on sums not paid when due in respect of any Products. Investors are entitled to damages only and are not entitled to the remedy of specific performance in respect of a Product.

## **18. SEVERANCE AND MODIFICATION OF THE GENERAL TERMS AND CONDITIONS AND THE FINAL TERMS**

In the event any Condition or item in the relevant Final Terms is or becomes invalid, the validity of the remaining Conditions and items in the relevant Final Terms shall not be affected.

The Issuer shall be entitled to amend without the consent of the Investors any Condition or item in the relevant Final Terms for the purpose of (i) correcting a manifest error, or (ii) clarifying any uncertainty, or (iii) correcting or supplementing the provisions herein in such manner as the Issuer deems necessary or desirable, provided that, in the Issuer's sole opinion, the Investors would not incur significant financial loss as a consequence thereof.

Furthermore, the Issuer shall at all times be entitled to amend any Condition or item in the relevant Final Terms where, and to the extent that the amendment is necessitated as a consequence of legislation, decisions by courts of law, or decisions taken by governmental authorities.

## **19. FURTHER ISSUES**

The Issuer shall be at liberty without the consent of the Investors to create and issue further Products (provided that the Underlying or Underlying Components are also increased by a corresponding amount) either having the same terms and conditions as the Products in all respects (or in all respects save for their Issue Date and Issue Price) and so that such further issue shall be consolidated and form a single Series with the outstanding Products of any Series or upon such terms as the Issuer may determine at any time of their issue. References in these General Terms and Conditions to the Products include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single Series with existing Products or a separate Series.

## **20. EVENTS OF DEFAULT AND INSOLVENCY EVENT**



## 20.1 Event of Default

If the Issuer fails to pay any amount due in respect of a Series of Products when due and such failure continues for a period of 10 Swedish business days (an **Event of Default**), then Investors holding at least 25% of the outstanding Products in the relevant Series may, by notice in writing to the Issuer (at its registered office) and the Collateral Agent (at its specified office) (with a copy to the Administrator), declare all the Products in such Series to be, and whereupon they shall become, immediately redeemable without further action or formality. Such redemption shall be effected by the Issuer in accordance with Condition 21 and otherwise in accordance with Condition 5.

## 20.2 Insolvency Event

Upon the Issuer being declared bankrupt within the meaning of the Swedish Bankruptcy Act (Sw. *konkurslag (1987:672)*), as amended by a competent court (an **Insolvency Event**), all the Products shall become immediately redeemable without further action or formality in accordance with Condition 21 and otherwise in accordance with Condition 5.

The Issuer will notify the Collateral Agent promptly upon the occurrence of an Insolvency Event.

## 21. ENFORCEMENT AND POST-ENFORCEMENT PRIORITY OF PAYMENTS

### 21.1 Enforcement

- (a) Upon the occurrence of an Event of Default or Insolvency Event, the Collateral Agent shall, subject to being indemnified and/or secured and/or prefunded to its satisfaction: (i) in the case of an Event of Default, if so instructed in writing by Investors representing not less than 25% of Products in the relevant Series (which instruction can be combined with the notice in Condition 20.1 and the instruction in Condition 21.1(b)); or (ii) in the case of an Insolvency Event, if so instructed by any Investor in writing which instruction can be combined with the instruction in Condition 21.1(b)), serve an Enforcement Notice on the Issuer and subject as provided in the Collateral Agent Agreement, at any time and without notice, institute such proceedings and/or take such action, step or proceedings as instructed against, or in relation to, the Issuer or any other person to enforce its rights under any of the Transaction Documents.
- (b) Subject to the provisions of the Collateral Agent Agreement, the ACA, the Pledge of Collateral Account Agreement and the Additional Pledges, at any time after the Issuer Security has become enforceable, the Collateral Agent shall, subject to being indemnified and/or secured and/or prefunded to its satisfaction, if so instructed in writing by Investors representing not less than 25% of Products in the relevant Series following an Event of Default or any Investor following an Insolvency Event, in writing, without notice, take such steps, actions or proceedings as instructed to enforce such Issuer Security.
- (c) No Investor shall be entitled to proceed directly against the Issuer or any other party to the Product Documentation in respect of the Products unless such Investor has first sought enforcement of the Issuer Security in accordance with the Collateral Agent Agreement.

## 21.2 Post-Enforcement Priority of Payments

Upon the enforcement of the Issuer Security by the Collateral Agent, all monies received and all money derived therefrom (**Issuer Security Enforcement Proceeds**) shall be applied by or on behalf of the Collateral Agent in accordance as follows:

1. *Firstly*, in payment or satisfaction of all amounts then due and unpaid or payable to the Collateral Agent and any Appointee;
2. *Secondly*, in payment or satisfaction *pari passu* and rateably of all amounts then due and unpaid to the Custodian (as further set out in the Collateral Agent Agreement);
3. *Thirdly*, in or towards payment or performance *pari passu* and rateably of all amounts then due and unpaid and all obligations due to be performed and unperformed in respect of the relevant Products; and
4. *Fourthly*, in payment of the balance (if any) to the Issuer (without prejudice to, or liability in respect of, any queries as to how such payment to the Issuer shall be dealt with between the Issuer and any such person),

(the **Post-Enforcement Priority of Payments**).

## 22. ISSUER'S COVENANT TO PAY

The Issuer covenants with and undertakes to the Investors, and also for the benefit of the Collateral Agent, that it shall duly, unconditionally and punctually pay and discharge all moneys and liabilities whatsoever which from time-to-time become due, owing or payable by the Issuer: (a) under or in respect of the Products; and (b) under or in respect of the Issuer Security.

## 23. PRIORITY OF PAYMENTS

Save for any monies received in connection with the realisation or enforcement of all or part of the Issuer Security, all monies received by or on behalf of the Issuer in relation to any Redemption in accordance with Condition 5 will be paid in the following order of priority:

1. *Firstly*, in payment or satisfaction of all amounts then due and unpaid or payable to the Collateral Agent and any Appointee;
2. *Secondly*, in payment or satisfaction of all amounts then due and unpaid to the Issuing Agent;
3. *Thirdly*, in payment or satisfaction *pari passu* and rateably of all amounts then due and unpaid to the Custodian (as further set out in the Collateral Agent Agreement);
4. *Fourthly*, in payment of any Redemption Amounts due and unpaid owing to the Investors;
5. *Fifthly*, in payment of the balance (if any) to the Issuer (without prejudice to, or liability in respect of, any queries as to how such payment to the Issuer shall be dealt with between the Issuer and any such person),

(the **Priority of Payments**).

## 24. PRESCRIPTION

Claims for payment of a Redemption Amount in respect of the Products and/or for delivery of Crypto Asset Collateral in the case of a redemption pursuant to Condition 5.4 shall be barred by the statute of limitations in accordance with the laws of Sweden, unless made within ten (10) years from the relevant Redemption Date.

## 25. AMENDMENTS

### 25.1 Collateral Agent

The Issuer and the Collateral Agent may agree from time to time to amend the Collateral Agent Agreement or the Security Documents provided that the Collateral Agent is first directed in writing by not less than 25% of holders of the relevant Series of Products and provided that the other conditions set out in the Collateral Agent Agreement are satisfied.

### 25.2 Issuer Technical Amendments

(A) Subject to paragraph (B) below, the Issuer may, without the consent of Investors, make any Issuer Technical Amendment provided that the Issuer has certified in writing to the Collateral Agent (upon which certification the Collateral Agent may rely without any obligation to investigate or verify or form its own opinion) that such amendment, in the opinion of the Issuer:

- (1) is not materially prejudicial to the interests of the Investors;
- (2) has been drafted solely for the purposes set out in paragraphs (a), (b), (c), (d) and/or (e), of the definition of “Issuer Technical Amendment”;
- (3) does not result in a negative impact to any Redemption Amount; and
- (4) has been approved by each affected Transaction Party if such affected Party is required to give consent for such amendment,

(such certificate, an “**Issuer Technical Amendment Certificate**”).

(B) Subject to provision of an Issuer Technical Amendment Certificate, the Collateral Agent shall be bound to concur with any such Issuer Technical Amendment, provided that the Collateral Agent shall not be bound to concur with any Issuer Technical Amendment that would, in the opinion of the Collateral Agent, impose more onerous obligations upon it or expose it to further liabilities or reduce its rights, powers or protections.

(C) Any Issuer Technical Amendment made in accordance with this Condition 25 shall be notified to the Investors and shall be binding on the Investors, provided that such Issuer Technical Amendment shall not take effect until at least three calendar days after the date of such notice.

## 26. SUBSTITUTION

The Issuer may at any time, without the consent of the Investors, substitute for itself as obligor under the Products any affiliate, subsidiary or holding company of the Issuer (the **New Issuer**), provided that the New Issuer shall assume all obligations that the Issuer owes to the Investors under or in relation to the Products and subject to any consent required from the other parties to the Product Documentation.

If such substitution occurs, then any reference in the Product Documentation to the Issuer shall be construed as a reference to the New Issuer. Any substitution will be promptly notified to the Investors in accordance with Condition 16. In connection with any exercise by the Issuer of the right of substitution, the Issuer shall not be obliged to carry any consequences suffered by individual Investors as a result of the exercise of such right and, accordingly, no Investor shall be entitled to claim from the Issuer any indemnification or repayment in respect of any consequence.

## **27. SELLING RESTRICTIONS**

Save for the approval of the Base Prospectus relating to the Programme by the SFSA, which allows for a public offering of the Products in Sweden, and any notification of the approval to other EEA Member States in accordance with Article 25 of the Prospectus Regulation for the purposes of making a public offer in such Member States, no action has been or will be taken by the Issuer that would permit a public offering of any Products or possession or distribution of any offering material in relation to any Products in any jurisdiction where action for that purpose is required. No offers, sales, resales, or deliveries of any Products or distribution of any offering material relating to any Products may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on the Issuer.

## **28. GOVERNING LAW AND JURISDICTION**

The Products are governed by, and shall be construed in accordance with, the laws of Sweden (without reference to the principles of conflicts of law rules).

In relation to any proceedings in respect of the Products, the Issuer submits to the jurisdiction of the courts of Sweden, with the District Court of Stockholm being the court of first instance.

Notwithstanding the above, and for the avoidance of doubt, certain provisions within each of the Security Documents and Collateral Agent Agreement shall be governed by the laws of the State of New York or the laws of England and Wales, as stated in each of the aforementioned agreements.

## **PURPOSE OF THE FINAL TERMS**

In this section, the term "necessary information", in relation to all ETPs, means the information necessary for investors to make an informed assessment of the Issuer's assets and liabilities, financial condition, profits and losses and future prospects and of the rights which are tied to the ETPs. In relation to ETPs that may be issued within the framework of the Program, the Issuer has endeavoured to include in this Base Prospectus all necessary information with the exception of information about such ETPs, which is not known at the time of this Base Prospectus and which can only be determined at the time of an individual issue of an ETP.

All information about ETPs not included in this Base Prospectus and required to complete the required information about an ETP will be contained in the applicable Final Terms.

For each issue of ETPs, the related Final Terms, in respect of that ETP only, must be read together with this Base Prospectus. The Terms that apply to a particular ETP are the General Terms and Conditions, which are supplemented by the related Final Terms.

## TEMPLATE FOR FINAL TERMS

[**MIFID II PRODUCT GOVERNANCE** – For [each] manufacturer's product approval process only, the target audience assessment for the ETPs has concluded that: (i) the target audience for the ETPs is peer-to-peer counterparties [,] [and] professional clients [and retail clients], each as defined in Directive 2014/65/EU, as amended (**MiFID II**); [and] [**EITHER** : (ii) all channels for distribution of the ETPs are appropriate, <sup>4</sup>including investment advisory, portfolio management, non-advisory sales and pure execution services] [OR: (ii) all channels for distribution of the ETPs <sup>5</sup>to peer-to-peer counterparts and professional clients are appropriate; [and (iii) the following channels for distribution of the ETPs to retail clients are appropriate – investment advice[,][and] portfolio management[,][and] [non-advisory sales] [and pure execution services] [, subject to the suitability and appropriateness obligations of the distributor under MiFID II, as applicable]]. Any person who subsequently offers, sells or recommends the ETPs (a **distributor**) should take into account the manufacturer's target audience assessment. However, a distributor subject to MiFID II is responsible for conducting its own Target Audience Assessment in relation to the ETPs (by either adopting or refining the manufacturer's] Target Audience Assessment) and deciding on appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable <sup>6</sup>]. For the avoidance of doubt, the Issuer is not a manufacturer or distributor within the meaning of MiFID II.]

### FINAL TERMS DATED [•]

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**Virtune AB (Publ)**

*(incorporated in Sweden)*

LEI: 636700EWO37NE7B7GW19

Issuance of

[*number*] products (**the ETPs**)

according to

**the Issuer's Program for Exchange-Traded Products**

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<sup>4</sup> Include for non-Esma complex ETPs under the Guidelines on Complex Debt Instruments and Structured Deposits (Esma/2015/1787) (**Esma Guidelines**).

<sup>5</sup> Include for ETPs that are Esma complex according to Esma guidelines. This list may need to be changed, for example if recommended sales are deemed necessary. If sale is recommended, a fitness and suitability determination will be necessary. Furthermore, if the ETPs constitute "complex" products, pure execution services to retail clients are not permitted without having to carry out the suitability assessment required by Article 25(3) of MiFID II.

<sup>6</sup> If there is advice of sale, a suitability determination will be necessary.

This document constitutes the Final Terms for the ETPs described herein.

## PART A - AGREEMENT TERMS

[The Base Prospectus referred to below (which is supplemented by these Final Terms) has been prepared on the basis that any offering of ETPs in a Member State of the EEA which has implemented the Prospectus Regulation (each, a **Relevant Member State**) will be made in accordance with an exemption under the Prospectus Regulation, as implemented in the Relevant Member State, from the requirement to publish a prospectus for offers of the prospectus. Accordingly, any person making or intending to make an offer in the Relevant Member State of the ETPs may only do so in circumstances where no obligation arises for the Issuer or any Authorized Participant to publish a prospectus pursuant to Article 1 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Ordinance, in each individual case, in relation to such an offer. Neither the Issuer nor any Authorized Participant has authorized, or authorizes, any offering of the ETPs to be made under any other circumstances.]<sup>7</sup>

[The Base Prospectus referred to below (which is supplemented by these Final Terms) has been prepared on the basis of, except as set out in sub-clause (ii) below, each offer of ETPs in a Member State of the EEA which has implemented the Prospectus Regulation (where and one, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Regulation, as implemented in the relevant Member State, from the requirement to publish a prospectus for offers of the ETPs. Accordingly, any person making or intending to make an offer of the ETPs may only do so:

- i) in circumstances where no obligation arises for the Issuer to publish a prospectus pursuant to Article 1.4 of the Prospectus Ordinance or supplement a prospectus pursuant to Article 23 of the Prospectus Ordinance, in each individual case in connection with such an offer;
- ii) in the Non-Exempt Offer Jurisdictions mentioned in the following paragraph, provided that such person is [*one of the persons mentioned in the following paragraph*] and that such offer is made during the Offer Period specified for that purpose.

An offer of the ETPs may be made by the Issuer or by the Authorized Offerors specified in Part B of these Final Terms other than in accordance with Article 1(4) of the Prospectus Ordinance in [•] (Non-Exempt Offer Jurisdictions) during the period **from** [*enter date*] to [*enter date or a formula such as "Issue Day" or "the date that falls [•] Banking Days thereafter"*] (**Offer Period**).

Neither the Issuer nor any Authorized Participant has agreed, or agrees, to offer ETPs under any other circumstances.]<sup>8</sup>

Terms used herein shall be deemed to be defined as such in accordance with the General Terms and Conditions for ETPs (**the Terms**) issued by Virtune AB (**Issuer**) as set out in the base prospectus dated 4 April 2025[, supplemented by the amendments

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<sup>7</sup> Include this explanation for an exempt offer of ETPs.

<sup>8</sup> Include this explanation for a Non-Excluded Offer.

thereto dated [date] (**Base Prospectus**), which together constitute a base prospectus within the meaning of Regulation (EU) 2017/1129, as amended (**Prospectus Regulation**). This document constitutes the Final Terms of the ETPs described herein within the meaning of Article 8(5) of the Prospectus Regulation and must be read together with the Base Prospectus (and any supplements thereto). Full information about the Issuer and the offering of the ETPs is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus (together with any supplements thereto) is available for viewing at the Issuer's registered office and on the Issuer's (<https://virtune.com/investor-relations>) website. The Final Terms will be available for viewing at the Issuer's registered office and on the Issuer's (<https://virtune.com/investor-relations>) website.

<b>(i) Issue date</b>	[•]
<b>(ii) Series</b>	[•]
<b>(iii) Tranche</b>	[•]
<b>(iv) Date on which the ETPs become fungible</b>	[Not applicable/ The ETPs shall be consolidated and form a single Series with the existing parts on [Issue Date] / [Enter Date]].
<b>(v) Total number of ETPs represented by this Tranche</b>	[•] / [Up to [•]]
<b>(vi) Issue price</b>	The original Collateral in Crypto Asset consists of the following Crypto Assets per ETP: <i>[to be inserted]</i> .  <i>The issue price is subject to any applicable fees and commissions of the person offering the ETP.</i>
<b>(vii) Underlying</b>	[•] [Basket] [Index]  [Relevant Underlying Exchange: [•]]  [Relevant Currency: [•]]  Information on past performance, additional performance and volatility of the Underlying is available free of charge at [•]
<b>(viii) Basket</b>	[Applicable] [Not applicable]
<b>(ix) Index</b>	[Applicable] [Not applicable]  [Index: [Virtune Vinter Crypto Top 10 Index] / [•]]  [Index Sponsor: [•]]  [Publishing Party: [•]]  [Index calculation agent: [•]]  [Index administrator: [Invierno AB]/[•], which is included in the register of administrators in accordance with Article 36 of the Benchmark Regulation



	(EU 2016/1011). [Information about the index can be obtained free of charge at [•].]
<b>(x) [Underlying Components]</b>	<p>[[•]   Weight: [•]   Relevant Underlying Exchange: [•]   Relevant Currency: [•]]</p> <p>[[•]   Weight: [•]   Relevant Underlying Exchange: [•]   Relevant Currency: [•]]</p> <p>[[•]   Weight: [•]   Relevant Underlying Exchange: [•]   Relevant Currency: [•]]</p> <p>[[•]   Weight: [•]   Relevant Underlying exchange: [•]   Relevant Currency: [•]]</p> <p>[Not applicable]</p>
<b>(xi) Redemption amount</b>	<p>The redemption amount is calculated as follows:</p> <p><i>[insert for ETPs with (i) long exposure or (ii) leveraged exposure that (a) do not accumulate staking rewards or (b) accumulate staking rewards without payout before the Redemption Date]:</i></p> $\text{Redemption amount} = \sum_{i=1}^n p_i * q_i - rf$ <p><i>Where (for each Crypto Asset (i)):</i></p> <p><i>n = [number of Underlying]/[•]/[insert where staking is applicable: increased, from time to time, with realized staking rewards allocated to Investors.],</i></p> <p><i>p<sub>i</sub> = price of asset sold (USD),</i></p> <p><i>q<sub>i</sub> = amount sold [and any applicable borrowing costs],,</i></p> <p><i>rf = redemption fee equal to [\$250] / [•] plus [4] / [•] redemption amount interest points per redemption order]</i></p> <p><i>[insert for ETPs with (i) long exposure or (ii) leveraged exposure that accumulate staking rewards with potential payout(s) before the Redemption Date]:</i></p> $\text{Redemption amount} = \sum_{i=1}^n p_i * q_i - rf$ <p><i>Where (for each Crypto Asset (i)):</i></p> <p><i>n = [number of Underlying]/[•]/[insert where staking is applicable: increased, from time to time, by (I) the sum of realized staking rewards allocated to Investors since the Issue Date, reduced by (II) realized staking rewards paid to Investors on each previous Payout Date (if any)],</i></p> <p><i>p<sub>i</sub> = price of asset sold (USD),</i></p> <p><i>q<sub>i</sub> = amount sold [and any applicable borrowing costs],</i></p> <p><i>rf = redemption fee equal to [\$250] / [•] plus [4] / [•] redemption amount interest points per redemption order]</i></p>

	<p>where Payout Date refers to the [●], ... and [●] each [year]/[quarter]/[month] (commencing on [●] and ending on the Redemption Date), with the relevant amount (if any and after rounding down for even distribution between each ETP of the current Tranche) being irrevocably released from the Collateral and paid out with a discharge effect on the relevant Payout Date to the respective Investor who was registered as such on the relevant Record Date for the relevant Payout Date.</p> <p>[insert for ETPs with short exposure:</p> $\text{AIP} + \text{VoS} - \text{F} - \text{rf}$ <p>Where:</p> <p>AIP = the total issue price for all ETPs credited to the collateral account in USD</p> <p>VoS = the value of the short position in the relevant crypto asset(s)</p> <p>F = means the total amount of Investor fees and borrowing costs</p> <p>rf = redemption fee equal to [\$250]/[●] plus [4]/[●] bps of the redemption amount per redemption order] [and where</p> <p>Borrowing costs refer to the borrowing costs incurred over time to manage short positions, which costs will typically range from [●]% to [●]%, and will be subject to a maximum of [●]%, in each case of the total short position. Borrowing costs will be published daily on the Issuer's website based on a weighted average.]</p> <p>The redemption amount may also be subject to additional fees related to the transfer of fiat assets.</p> <p>The redemption amount per ETP must not be less than the smallest denomination of the Settlement Currency (<i>i.e.</i> €0. 01, SEK 0.01 or the equivalent in other settlement currencies).</p> <p>Redemption by Authorized Participants in accordance with Condition 5.3 (<i>Redemption at the option of an Authorized Participant</i>) shall be settled in kind unless the Issuer allows such redemption to be settled in accordance with Condition 5.5 (<i>Cash Settlement</i>). The calculation of the Redemption Amount may fluctuate as a result of tracking errors related to the Underlying, as described in the " <i>Risk Factors</i> " section set out in the Base Prospectus.</p>
<p><b>(xii) Amount of any expenses and taxes specifically charged to the Subscriber or Purchaser:</b></p>	<p>[Investor fee of [●]% of the total value of Collateral in Crypto Asset annually. The fee is calculated daily at 17:00 CET. Fees related to the ETP will be collected in kind.]/[Investor fee of [●]% of the total value of the Collateral in Crypto Assets annually. The fee is calculated daily at 17:00 CET/CEST. Fees related to the ETP will be deducted in kind. The investor fee may be reduced by the Issuer's initiative to 0 percent, however, the Issuer reserves the right to</p>

	<p>subsequently raise the fee up to [•]% in the event of significant changes in the conditions for earning staking rewards. If this occurs, the name of the product may also be changed.]</p> <p>[If lending arrangements are applicable, include: [25]/[●]% arranger fee to be paid for lending agreements used to generate additional income for [insert relevant underlying], to be paid to the issuer at the time of payment.]</p> <p>[If staking arrangements are applicable, include: [[25]/[●]]% total commission to be paid on the earned staking revenues, if any, will be distributed [collectively] to [the Custodian and] the Issuer.]/[The Staking Provider and the Issuer will receive a commission of up to [[25]/[●]]% of the earned staking rewards, if applicable.]/[Investors will receive a commission of up to [●]% of the staking rewards, limited to staking rewards generating an annual reward rate—beyond the underlying crypto asset’s performance—of no more than [●] % per year before the investor fee. Accordingly, the commission will consist of either [●] % of the staking rewards or the portion of staking rewards equivalent to an annual reward rate of [●] % beyond the underlying crypto asset’s performance, whichever of these values is lower. The remaining staking rewards above the level that generates an annual reward rate of [●] % or the remaining [●] % of the staking rewards, depending on what applies, will be allocated to the Issuer and the Staking Provider.]</p> <p>[For ETPs with short exposure, include: The calculation of the Redemption amount also includes a cost component related to borrowing costs, see the previous section.]</p>
<b>(xiii) Investor's Sale Date:</b>	[•] every year
<b>(xiv) [Final Determination Date:]</b>	[•]
<b>(xv) [Initial Determination Date:]</b>	[•]
<b>(xvi) ETP Calculation Agent:</b>	Name: [•] Address: [•]
<b>(xvii) Index Calculation Agent:</b>	Name: [•] Address: [•]
<b>(xviii) Administrator:</b>	Name: [•] Description: [•]
<b>(xix) Issuing Agent:</b>	[•] / [Not applicable]
<b>(xx) [Additional Paying Agent:]</b>	[•] / [Not applicable]
<b>(xxi) Custodian:</b>	[•]
<b>(xxii) Staking Provider</b>	[•]

<b>(xxiii)</b>	<b>[Cash settlement:]</b>	[•]
<b>(xxiv)</b>	<b>Settlement currency:</b>	[SEK] / [EUR] / [other]
<b>(xxv)</b>	<b>Exchange</b>	[details of the respective exchange] []
<b>(xxvi)</b>	<b>[Trading Day]</b>	[As stated in the General Terms and Conditions] / [ <i>Other, please specify</i> ]
<b>(xxvii)</b>	<b>Market Maker:</b>	[•] [ <i>Enter the main terms of the Market Maker's commitment if not described in the Base Prospectus</i> ]
<b>(xxviii)</b>	<b>Authorized Participant:</b>	[•]
<b>(xxix)</b>	<b>Minimum Investment Amount:</b>	[Not applicable] / [•]
<b>(xxx)</b>	<b>Minimum Trading Post:</b>	[Applicable] [Not applicable] [Euro] [SEK] [•]
<b>(xxxi)</b>	<b>Responsibility:</b>	The Issuer accepts responsibility for the information in these Final Terms.
<b>(xxxii)</b>	<b>[Information from third parties:]</b>	[[ <i>Relevant Third Party Information</i> ] has been retrieved from [•]. The Issuer confirms that such information has been accurately reproduced and that, to the best of its knowledge and ability to ascertain from information published by [•], no facts have been omitted which would render the information reproduced inaccurate or misleading.]

**Signed on behalf of the Issuer:**

By: \_\_\_\_\_

*Duly authorized*

## PART B – OTHER INFORMATION

<b>(i) Listing and admission to trading</b>	[The application has been made for the ETPs to which these Final Terms apply to be admitted to trading on [Nasdaq Stockholm] [the multilateral trading platform for [•]] [and] [other]. The first trading day is expected to be [•].] [Not applicable]
<b>(ii) [Notification]</b>	[The Swedish Financial Supervisory Authority has provided the competent authorities in [Denmark, Finland [and] Norway / [and] / [name of relevant EEA host Member States] a certificate of approval certifying that the Base Prospectus has been drawn up in accordance with the Prospectus Ordinance.] <sup>9</sup>
<b>(iii) The interests of natural and legal persons involved in the offer</b>	[To the knowledge of the Issuer, no person involved in the offering of the ETPs has an interest material to the offering] / [give details]
<b>(iv) Acceptability at the ECB</b>	The ETPs in this Series are [not] expected to be acceptable to the ECB.
<b>(v) [Distribution]</b>	[Not applicable] / [An offer of the ETPs may be made by the authorized offerors otherwise than in accordance with Article 1(4) of the Prospectus Regulation in [specify the relevant Member States to which the Base Prospectus and any supplements have been adapted] (Non-Exempt Offer Jurisdictions)] during the Offer Period (as defined above in these Final Terms). See also "Conditions of the Offer" below.] <sup>10</sup>
<b>(vi) Additional Sales Restrictions</b>	[Not applicable] [specify]
<b>(vii) ISIN and other securities codes</b>	[•]
<b>(viii) Names and addresses of Clearing systems</b>	[Euroclear Finland Oy, PB 1110, 00101 Helsinki, Finland] / [Verdipapirsentralen ASA, Biskop Gunnerus Gate 14A, PO Box 4, N-0051 Oslo, Norway] / [Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, 101 23 Stockholm, Sweden] / [provide details about additional or alternative clearing systems]
<b>(ix) Reasons for the offer and the use of the issue proceeds:</b>	[As stated in the Base Prospectus.] / [If otherwise, state].
<b>(x) Estimated total costs of the issue/offer and the estimated</b>	[Not applicable] / [The total costs of the [issue]/[offer] are estimated to amount to [•]. The estimated net amount of the proceeds is estimated to be [•].]

<sup>9</sup> Only applicable if the approval of the base prospectus has been notified by the Financial Supervisory Authority to the competent authorities in another EEA member state; Otherwise, this section can be removed.

<sup>10</sup> Only applicable to Non-Excluded Offers; Otherwise, this section can be removed.

<b>net amount of the issue proceeds:</b>	
<b>(xi) Date of authorization:</b>	<i>[specify]</i>
<b>(xii) Terms of the Offer</b>	[ETPs are made available by the Issuer for subscription only to Authorized Participants]
<b>(xiii) Offer rate:</b>	[The issue price]/ <i>[specify]</i>
<b>(xiv) Conditions that apply to the offer:</b>	[Offers of the ETPs are subject to their issuance and, between the Authorized Offerors and their clients, any additional terms that may be agreed between them] [Not applicable] / <i>[enter details]</i>
<b>(xv) Description of the application process:</b>	[Not applicable] / <i>[enter details]</i>
<b>(xvi) Description of the possibility to reduce the number of subscribers and the way to refund excess amounts paid by applicants</b>	[Not applicable] / <i>[enter details]</i>
<b>(xvii) Details of the minimum and/or maximum application amount</b>	[Not applicable] / <i>[enter details]</i>
<b>(xviii) Details of method and time limit for payment and delivery of the ETPs</b>	[Not applicable] / <i>[enter details]</i>
<b>(xix) Manner and date when the results of the offer are made available to the public</b>	[Not applicable] / <i>[enter details]</i>
<b>(xx) Procedure for exercise of any pre-emptive right, transferability of subscription rights and treatment of subscription rights that have not been exercised</b>	[Not applicable] / <i>[enter details]</i>
<b>(xxi) Whether Tranches have been reserved for certain countries</b>	[Not applicable] / <i>[enter details]</i>
<b>(xxii) Procedure for notifying applicants of the allocated amount and information on whether</b>	[Not applicable] / <i>[enter details]</i>

<b>trading can be started before notification is made</b>	
<b>(xxiii) Name and address(es), to the extent known to the issuer, of the investors in the various countries where the offer takes place</b>	[Not applicable] / <i>[enter details]</i>
<b>(xxiv) Name and address of the financial intermediary(s) authorized to use the base prospectus, in accordance with these Final Terms (the Authorized Offerors)</b>	[•] [and] [each Authorized Participant expressly listed as an Authorized Bidder on the Issuer's website ( <i>[insert Issuer's website address]</i> ).

#### APPENDIX – ISSUE-SPECIFIC SUMMARY

*[Attach an issue-specific summary of the ETPs according to Article 7 of the Prospectus Regulation to be introduced if ETPs are to be offered to the public or admitted to trading on a regulated market in a Member State of the EEA]*

## SUMMARY OF COLLABORATION PARTNERS AND THE STRUCTURE

### **General structure of the program**

#### **Main parties**

The following is a summary of the main actors' roles in relation to the programme. Please note that the summaries are not comprehensive, and potential investors should consult the entire Base Prospectus and/or any relevant accompanying documents for detailed information. None of the Authorized Participants, the Custodian, the Administrator, the Collateral Agent, the Market Maker, the ETP Calculation Agent, the Issuing Agent or the Index Calculation Agent have corporate connections to the Issuer beyond the business connection in the capacity of Virtune as the Issuer and manager of the Underlying Crypto Assets.

#### **Authorized Participant:**

Authorized Participants sell ETPs on the secondary market to investors who have either approached the Authorized Participant directly or to investors on an exchange or multilateral trading platform where the ETPs are listed (if applicable) for an agreed purchase price between the Authorized Participant and such investors in respect of ETPs. Only an Authorized Participant may initiate the creation or redemption of ETPs directly from the Issuer, except under the limited circumstances otherwise described herein. Authorized Participants will transfer funds directly to the Custodian. These trades will then be settled internally between the Issuer and the Authorized Participant on a crypto asset basis, cash basis or otherwise, as described in the section " Summary of the process for issuance and redemption of ETPs " .

#### **Custodian:**

The Custodian manages and stores Underlying Crypto Assets. For these purposes, the Custodian maintains accounts or sub-accounts, as applicable to the ETPs. The relevant Crypto Assets are held in digital wallets according to the security practices described in "Collateral and Summary of collateral Arrangements". The Issuer has entered into a Custodian agreement with Coinbase Custody Trust Company, LLC. Coinbase will receive transfers of Crypto Assets from the Authorized Participants, in some cases the Administrator may be responsible for the transfers from the Authorized Participants to the Custodian.

#### **Administrator and ETP Calculation Agent:**

Pursuant to the Administration Agreement, the Administrator and the ETP Calculation Agent will provide or arrange for management and administration services for the Issuer. The Administrator may be responsible for the administration of Authorized Participants, general administration and fee calculation. The ETP calculation agent is responsible for making certain determinations and calculations under the General Terms and Conditions of the ETPs, such as determination and calculation of creation and redemption amounts and the collateral in the form of crypto assets that must be delivered upon redemption by an Authorized Participant under Condition 5.3 The Final The terms of each Tranche of ETPs will specify the details of the relevant Administrator and ETP Calculation Agent.

#### **ETP Calculation agent:**

The Final Terms of each Tranche of ETPs will specify the details of the ETP Calculation Agent. The ETP Calculation Agent



will create the Portfolio Composition Files (PCFs) and propagate indicative optimized portfolio values for the ETPs.

**Market Maker:**

The Market Maker is responsible for setting purchase and sale prices on the secondary market. The Issuer has entered into a Market Maker agreement with Flow Traders B.V.

**Issuing Agent:**

The Issuing Agent is responsible for issuing new ETPs and for the creation and redemption of ETPs belonging to a product at the initiative of an Authorized Participant at the relevant central securities depository. In some cases where the Issuer may need to redeem an entire ETP, the Issuing Institute is responsible for redeeming all ETPs belonging to the ETP at the relevant central securities depository.

**Index Calculation Agent:**

The index calculation agent is responsible for, among other things, calculation of the index value and publication of this information in accordance with requirements set by Sweden and the EU. The Index Calculation Agent will be specified in the applicable Final Terms.

**Collateral Agent:**

The Collateral agent is appointed to act on behalf of the investors in respect of the secured assets under the scheme. The Collateral Agent's commitments and obligations are set out in the Collateral Agent Agreement and include maintaining the investors' rights in the ETPs in the event of default or bankruptcy. The issuer has entered into a Collateral Agent agreement with The Law Debenture Trust Corporation plc. See “Transaction Documents and Material Agreements - Collateral Agent Agreement” and “Collateral and Summary of collateral Arrangements.

**Transaction Documents and Material Agreements**

The following are summaries of certain provisions of the main agreements entered into by the Issuer in connection with the Program. These summaries are not complete and prospective investors should refer to each agreement for detailed information about the agreement. The summaries are qualified in their entirety by reference to the detailed provisions of each agreement.

**The Authorized Participant Agreements**

On March 31, 2023, the Issuer entered into an agreement with Jane Street Financial Limited as an Authorized Participant; on April 14, 2023, the Issuer entered into an agreement with Flow Traders B.V. as an Authorized Participant; on March 28, 2023, the Issuer entered into an agreement with Makor Securities London Ltd as an Authorized Participant; on August 28, 2023, the Issuer entered into an agreement with DRW Europe B.V. as an Authorized Participant; and on January 10, 2025, the Issuer entered into an agreement with Virtu Financial Ireland Limited as an Authorized Participant.. The Agreements with the Authorized participants set out the terms of each Authorized Participant's role in relation to each Series of ETPs issued by the Issuer under the Programme. The Authorized Participant Agreements allow the Authorized Participants to create and redeem ETPs in accordance with the creation and redemption procedure set forth in the Authorized Participant Agreement. The

Agreements with Authorized Participants establish the conditions for the appointment of an Authorized Participant and termination of each agreement at the initiative of the Authorized Participant or the Issuer.

The agreement with Authorized Participants states that the parties are only liable to each other in the event of gross negligence, fraud or wilful negligence and the agreement is governed by Swedish law. The agreements are written with a term of 1 year and are renewed by 1 year at a time, provided that neither the Issuer nor the Authorized Participant gives written notice of termination of the agreement no later than 3 months before the renewal of the agreement.

The Agreements may be terminated with immediate effect by the Issuer only the Authorized Participant provided that:

- (i) if the other party is in material breach of any of its obligations under this Agreement and has failed to cure such breach without undue delay after receipt of notice stating such breach and requiring its remedy;
- (ii) in the event that any of the representations in clause 8 are or become incorrect in any material respect;
- (iii) if the other party is declared insolvent, bankrupt or liquidated or is in the event that the other party has a receiver, administrative receiver, bankruptcy administrator or any other remedial step imposed under the applicable laws of the country, state or province of the jurisdiction in which the other party is located, appointed over any part of its business or assets or is to pass an order of liquidation (other than bona fide scheme of amalgamation or solvent reconstruction) or a court of competent jurisdiction is to pass an order thereon or the other the party shall enter into voluntary arrangements with its creditors or any other form of insolvency;
- (iv) if it has reasonable grounds to believe that the other party will not be able to perform its obligations hereunder in any material respect, and the other party has not provided the first party with reasonable written assurance that it will perform its obligations without undue delay upon notice from the first party; or
- (v) if it is subject to any change or effect materially adverse to its business, financial condition, assets, properties, business or results of its business together with its subsidiaries taken as a company, which change or effect would make it unreasonable for a professional market participant to continue to fulfil this agreement.

### **Custody agreement**

On or about December 31, 2023, the Issuer entered into a custody services agreement with Coinbase Custody Trust Company, LLC to the effect that Coinbase Custody Trust Company, LLC shall assume the role of Custodian. The issuer has also entered into an agreement on December 2, 2022 with Coinbase, Inc. regarding so-called prime broker services in connection with the custody services. The Issuer also entered into an agreement with Coinbase Crypto Services, LLC on June 13, 2024, for staking services. The Issuer may also use Coinbase for staking, trading in crypto assets, and software solutions for verifying and assessing risk transactions in accordance with the Act on Measures Against Money Laundering and Financing of Terrorism. Under the agreement, Coinbase undertakes to provide the custody solution to the Issuer and assume the role of Custodian. The agreement contains only limited guarantees regarding the services delivered. Coinbase's liability is limited to damages suffered by the Issuer as a result of Coinbase 's gross negligence, fraudulent or wilful conduct. The respective party's liability is limited to direct damages. Furthermore, Coinbase's liability is limited to the fees paid by the Issuer during the twelve months preceding the event of damage. The agreement is valid indefinitely and can be terminated by either party at any time with 90 days' notice. The Agreement is governed by the applicable laws of the State of New York. The issuer may enter into agreements with more custodians to diversify the storage of the Underlying Crypto Assets.

### **Collateral Agent Agreement**

On or about 31 March 2023, the Issuer and the Collateral Agent entered into a Collateral Agent Agreement which sets out the terms of the Collateral Agent's role in relation to the secured assets under the Programme.

Pursuant to the Account Security Agreement and any additional security agreements, the Issuer has granted the Collateral Agent (for the benefit of the Investors) security over all of the Issuer's rights, titles and interests in and to the collateral.

According to the terms of the Collateral Agent Agreement, the Issuer appoints the Collateral Agent to:

- a) act on behalf of the Investors, including enforcing the Investors' rights in the ETPs in the event of default or bankruptcy in accordance with the relevant product documentation for the relevant series of ETPs ;
- b) In the event of default, the Collateral Agent shall issue an enforcement notice to the Issuer provided that investors representing at least 25% of the series of the relevant ETP have instructed this in writing
- c) In the event of bankruptcy, the Collateral Agent shall issue an enforcement notice to the Issuer for each individual investor who has instructed this in writing
- d) under the applicable terms of ETPs, on behalf of the required threshold of investors following the occurrence of an Insolvency Event, the Collateral Agent shall, after first obtaining satisfactory insurance and/or security and/or pre-financing (subject to the provisions of the Collateral Agent Agreement), contact the Swedish bankruptcy trustee or administrator (the "Swedish bankruptcy trustee"). The Swedish bankruptcy trustee may then decide either to: (a) according to applicable Swedish law, take such measures, steps or procedures as are necessary to enforce the rights under any of the transaction documents; or (b) instruct the Collateral Agent to take such proceedings and/or take such actions, steps or procedures as are directed to enforce the rights under any of the Transaction Documents, including, under applicable law, appointing an administrative receiver and/or administrator.
- e) subject to the other provisions of the Collateral Agent Agreement, the Collateral Agent may commence such proceedings and/or take any action, step or procedure as instructed to enforce the rights under any of the Transaction Documents;
- f) The Issuer has indemnified the Collateral Agent from and against all costs and expenses, damages, liabilities and losses that the Collateral Agent may suffer or incur in connection with the Collateral Agent Agreement or other related agreement (and the Collateral Agent is entitled to receive compensation based on the security to the extent that such costs and expenses, damages, liability and losses do not arise due to the Collateral Agent's fraud, gross negligence or wilful errors).

The Agreement with the Collateral Agent is governed by the laws of England and Wales, with certain provisions governed by the laws of Sweden as set out in the Agreement with the Collateral Agent.

### **Account Security Agreement**

On or around 31 March 2023, the Issuer entered into an account security agreement with the Collateral Agent governed by the laws of the State of New York. This Account Security Agreement grants a security right and lien in favour of the Collateral Agent for the benefit of the investors in certain accounts and all sums or other property of any kind now or at any time in the future deposited therein, credited therein, or paid thereon, and all proceeds and ETPs thereof, and all instruments, documents, certificates and other written evidence constituting those accounts and security rights in respect of the financial assets credited to those accounts. The security interest and lien created in this account security agreement over a particular account is for the benefit of the investors holding the relevant units in the respective Series of ETPs issued under the Programme.

### **Additional Security Agreement**

The Issuer and the Collateral Agent may enter into loan security agreements and account control agreements to provide a security right in favour of the Collateral Agent for the benefit of investors in certain agreements between the Issuer and third

parties. The security rights created in such loan security agreement and account control agreement are for the benefit of the investors holding the relevant units of the respective series of ETPs issued under the Programme.

### **Staking Agreement**

On February 2, 2024, the Issuer entered into an agreement with Figment Inc (Figment) whereby Figment may act as a staking provider for the Issuer. The agreement allows the Issuer to stake crypto assets through Figment's validation nodes, which is done via non-custodial staking.

The Issuer entered into an agreement with Coinbase Crypto Services, LLC on June 13, 2024, for staking services, where Coinbase may act as a staking provider for the Issuer. The agreement allows the Issuer to stake crypto assets through Coinbase's validation nodes, which is done via non-custodial staking.

### **Index Calculation Agent Agreement**

On December 14, 2022, the Issuer entered into an agreement with Invierno AB (Vinter) where Vinter will act as the benchmark administrator and index calculation agent for the Issuer. Vinter is registered with the Swedish Financial Supervisory Authority as a benchmark administrator under Article 36 of the Benchmark Regulation. ESMA has also included Vinter in its register of registered benchmark administrators. According to the agreement, Vinter will provide and maintain indices on behalf of the Issuer and uphold the relevant methodologies. Under the agreement, Vinter commits to providing the indices without interruption, except for maintenance and updates of their application programming interfaces. The agreement is for a duration of 24 months, after which it will automatically renew for 24 months at a time unless either party terminates the agreement at least 90 days prior to such renewal. Each party's liability under the agreement is limited to direct damages. Furthermore, Vinter's liability is limited to an amount equivalent to the fees paid by the Issuer to Vinter in relation to the specific order from which such damage arises. As the benchmark administrator, Vinter is responsible for developing indices and overseeing all aspects of the provision of benchmarks. Vinter has a permanent oversight function and established, effective governance processes subject to periodic reviews and audits. Additionally, Vinter has governance documents related to complaints, ethics, conflicts of interest, and unforeseen events, and has established a clear internal organizational structure with consistent roles and responsibilities to identify, prevent, disclose, mitigate, and manage conflicts of interest. On November 12, 2024, the company Kaiko announced that they have acquired Vinter. It remains to be seen what changes, if any, the acquisition may bring.

### **Account control agreement**

On or around March 31, 2023, the Issuer entered into an Account Control Agreement with Coinbase Custody Trust Company, LLC and the Collateral Agent, governed by the laws of the state of New York. The Account Control Agreement with Coinbase Custody Trust Company, LLC was entered into in accordance with the terms of the relevant security agreement to perfect the security interest in favor of the Collateral Agent for the benefit of the investors concerning the secured accounts and property.

### **Administrator agreement**

On or around 9 March 2023, the issuer entered into an Administrator Agreement with Formidium Corp. The administrator agreement sets out the terms of how the administrator must act in relation to ETPs that have been issued under the programme.

According to the Administrator Agreement, the administrator undertakes to provide certain services, including:

- a) Configuration of the ETPs on the Administrator's platform.
- b) Configuration of management fees according to this Base Prospectus and Final Terms.

- c) Connection to the Custody Institute (via APIs) for daily reporting of transactions and positions.
- d) Connection to Authorized Participants to receive order confirmations on a daily basis.
- e) Connection to the ETP Calculation Agent to get the daily portfolio composition files (PCFs)
- f) Daily reconciliation of transactions, positions and cash on a T+0 basis.
- g) Conduct ETP and full accounting (in fiat currencies and Crypto Assets) on a T+0 basis.
- h) Preparation of ETPs ledger (in fiat currencies and Crypto Assets) on T+0 basis.
- i) Arrange full transaction ledger of Custodian and transactions.
- j) Calculation of management fees, as applicable (in fiat currencies and Crypto Assets)
- k) Generate NAV reports/packages.
- l) Reconciliation of NAV with PCF or NAV provided by the Issuer.
- m) Deliver read-only logs of the Administrator's accounting system to the Issuer.
- n) Set of API connections to provide daily calculations and numbers to the Issuer.
- o) Preparation of NAV packages on monthly basis.

The Issuer has agreed to indemnify and hold the Administrator harmless from and against all liability, actions, proceedings, demands, claims, costs or expenses (including but not limited to reasonable attorneys' fees) that the Administrator may incur or become subject to, in its role in providing the services provided under the Administrator Agreement, provided that such indemnification shall not apply to any liability or expense caused by or resulting from the Administrator's wilful misconduct, bad faith, fraud or gross negligence in the performance of its duties or from the negligent negligence of its obligations or duties under the relevant Administrator Agreement. The Administrator Agreement is governed by the laws of the State of Delaware.

### **Issuing Agent agreement**

On or around 24 February 2023, the Issuer entered into an Issuing Agent Agreement with Nordic Issuing AB. The Issuing Agent Agreement establishes the terms for Nordic Issuing AB's role as Issuing Agent in relation to ETPs issued under the Programme. The Issuing Agent agreement was replaced by a new Issuing Agent agreement on or around 26 March 2024.

According to the Issuing Agent Agreement:

- a) the Issuing Agent shall represent the Issuer with regard to payments made under or in connection with ETPs through Euroclear Sweden AB in accordance with the General Terms and Conditions;
- b) is the Issuing Agent responsible for: (i) the creation of ETPs in Euroclear Sweden AB as intermediate securities, (ii) delivery of ETPs to the respective Authorized Participants through a "delivery without payment" method, (iii) payment of fiat currency to investors when repurchasing ETPs according to the General Terms and Conditions, (iv) deregistration of intermediate securities in the main registry when repurchasing and (v) to maintain the cash balance during the period between liquidation or sale of the Underlying and repayment of cash to investors;
- c) on a repurchase day, the Issuing Agent shall, provided that (i) transfer of the relevant ETPs is completed and to be repurchased and (ii) payment of associated taxes and fees, if any, is received, initiate the repurchase process by delivery against payment via Euroclear Sweden AB ;
- d) The Issuing Agent Agreement is valid for 12 months, both the Issuer and the Issuing Agent reserve the right to terminate the Issuing Agent Agreement and appoint another Issuing Agents at any time with no more than three months' notice before the end of the agreement, provided that (i) if ETPs are outstanding, the Issuer shall retain an Issuing Agent and (ii) as long as ETPs are listed on Nasdaq Stockholm, the Issuer shall maintain a Swedish Issuing Agent for listing purposes only;

- e) The Issuer may appoint additional Issuing Agents in relation to a series of ETPs if required by the rules of any authorized stock exchange on which ETPs are listed or admitted to trading;
- f) any decisions and calculations of the ETP Calculation Agent shall, unless there is manifest error or wilful misconduct, be final and binding on the Issuer and the investors; and

The Issuing Agent Agreement is covered by Swedish legislation.

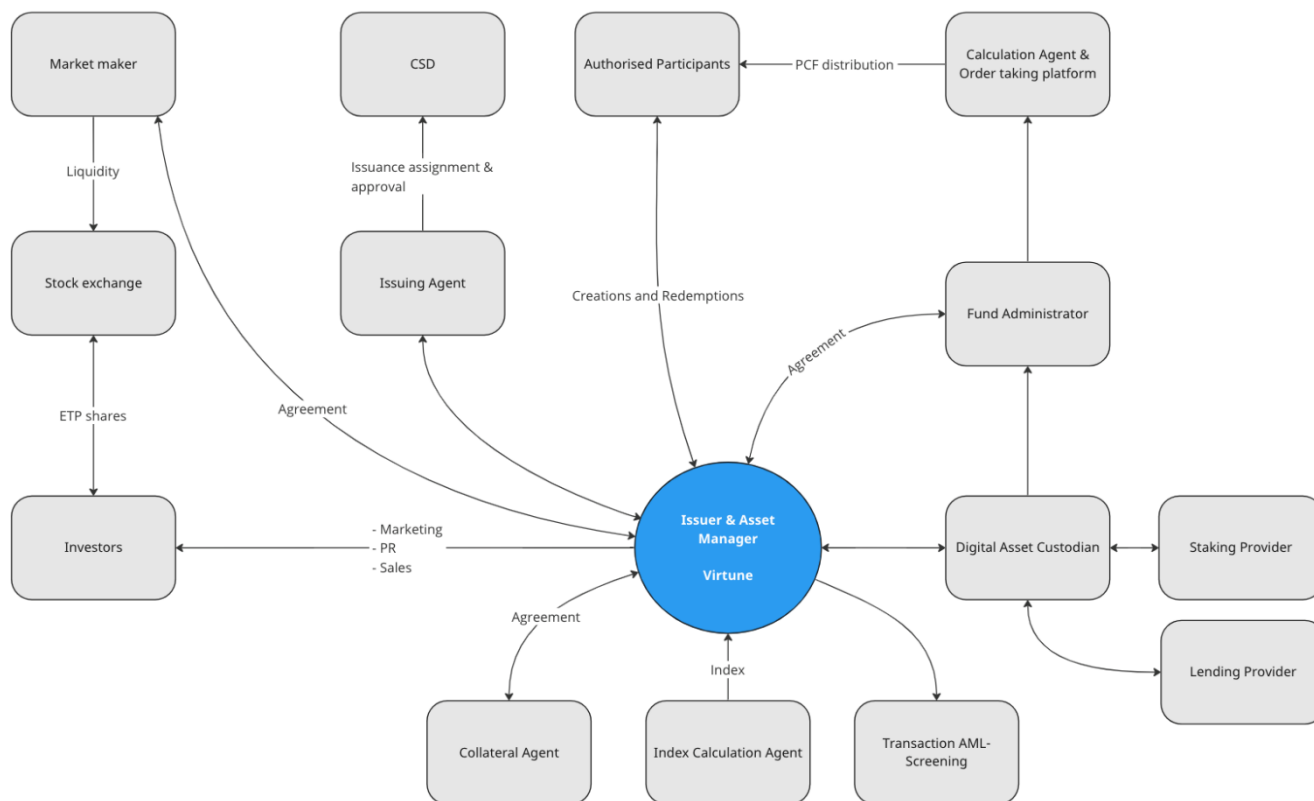
### **ETP Calculation Agent Agreement**

On January 29, 2025, the Issuer entered into an ETP Calculation Agent Agreement with ETFBook, the owner of the ETFBook trademark, which is SquaredData GmbH. The ETP Calculation Agent Agreement establishes the terms for ETFBook's role as the ETP Calculation Agent in relation to the ETPs issued under the program.

According to the ETP Calculation Agent Agreement:

- a) Calculate the target NAV for each agreed ETP for the Issuer.
- b) Calculate the cash component and implied basket shares for each of these ETPs and create the portfolio composition files (PCFs) containing this information in an agreed format.
- c) Provide the PCFs to the relevant nominees and suppliers for publication.
- d) Provide the Issuer with a portal to manage creation and redemption procedures with the Authorized Participants

## Overview of the structure and relevant partners



## Summary of the process for issuing and redeeming ETPs

### Purpose

The purpose of the issuance and redemption process is to ensure that the ETPs always have sufficient liquidity and that the price of the relevant ETP on the current exchange or multilateral trading platform is priced based on the coin entitlement to the underlying crypto asset(s). Through the issuance and redemption process, Authorized Participants can submit an issuance request to ensure the availability of shares of the relevant ETPs in the secondary market, as well as submit a redemption request when there is an excess of shares available in the secondary market. Except under specific circumstances described in the General Terms and Conditions, only the Authorized Participants have the right to issue or redeem ETPs. Redemption processes at the request of Authorized Participants and the Issuer are described in this section and take place under normal circumstances according to T+1 or T+2.

The process for issuance at the request of an Authorized Participant takes place according to the following process, which is also reflected in the Agreement with Authorized Participants:

1. The Authorized Participant submits to the Issuer a request for issuance through an order taking platform (T+0).
2. The Issuer (and if applicable the Administrator) verifies the Authorized Participant's request and ensures that it is in line with the Agreement with Authorized Participants (T+0).
3. The Issuer approves and confirms the Authorized Participant's request (T+1).
4. The Authorized Participant purchases current Crypto Assets from a trading venue or alternatively uses crypto assets already in their custodian and transfers the crypto assets to the digital wallets belonging to the concerned Series at the Issuer's Custodian (T+1).
5. The Issuing Agent issues the necessary volume with Euroclear Sweden (CSD) of ETPs corresponding to the Underlying Crypto Assets at the Issuer's request (T+1).
6. The Issuing Agent registers the new ETPs with Euroclear Sweden (CSD) and transfers these to the Authorized Participant's depository (T+1).

The Authorized Participant shall transfer a specific amount of the relevant underlying crypto asset to the account designated by the Issuer, corresponding to:

- (a) the number of securities to be delivered; multiplied by
- (b) the underlying component.

The process for redemption at the request of an Authorized Participant takes place according to the following process, which is also reflected in the Agreement with Authorized Participants:

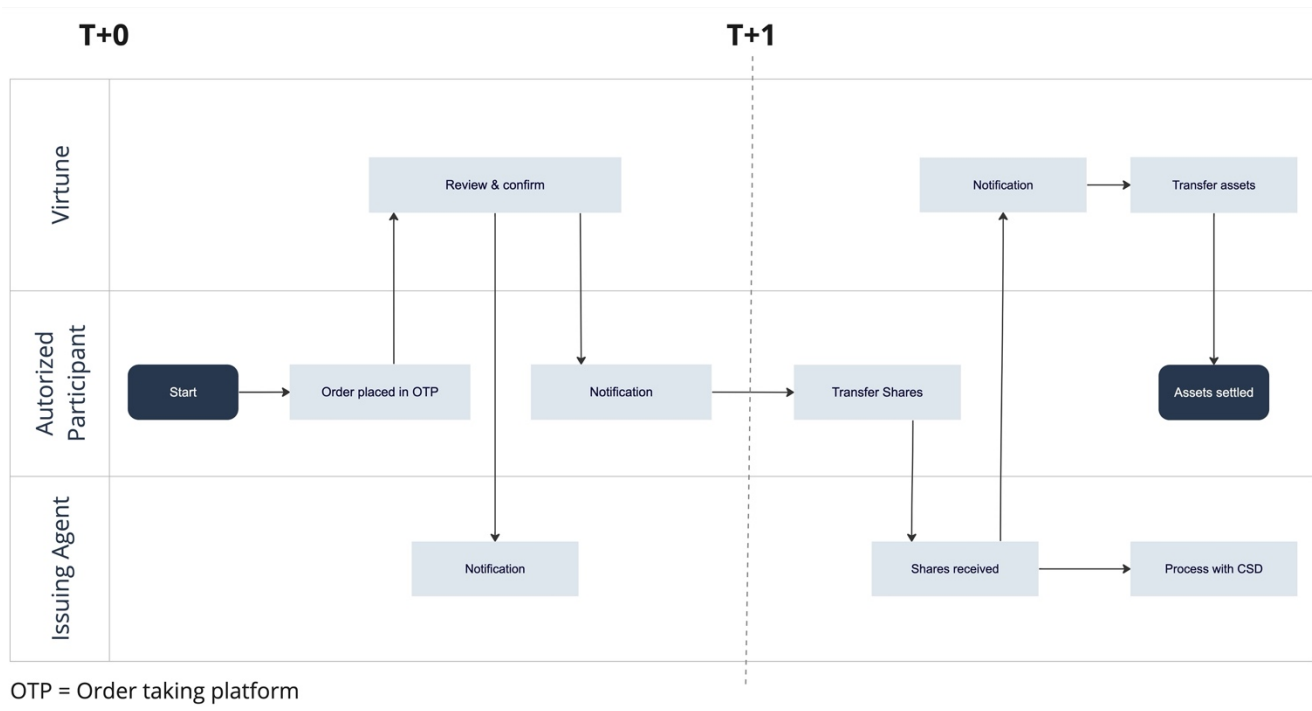
1. The Authorized Participant receives a request for redemption through an order taking to the Issuer platform (T+0).
2. The Issuer (and if applicable the Administrator) verifies the Authorized Participant's request and ensures that it is in line with the Agreement with Authorized Participants, the General Terms and Conditions in the Base Prospectus and the Final Terms for the current series (T+0).
3. The Issuer approves and confirms the Authorized Participant's request (T+1).
4. The Issuing Agent receives the ETPs and sends in forms for the cancellation of ETPs to Euroclear Sweden (CSD) (T+1).
5. Crypto Assets corresponding to the ETPs redeemed are sent from the Issuer's custodian to the Authorized Participant's Custodian (T+1).

The Issuer shall transfer a specific amount of the relevant underlying crypto asset to the account designated by the Authorized Participant, corresponding to:

- (a) the number of securities to be delivered; multiplied by
- (b) the underlying component.



Overview of the redemption process at the request of an Authorized Participant



The process for redemption at the request of the Issuer takes place according to the following process:

1. The issuing custodian bank informs the investor's custodian bank/Issuing Agent about the redemption.
2. On the redemption date, the Issuer liquidates the relevant Crypto Asset Collateral.
3. The Issuing Agent cancels relevant ETPs in the Issuer's book of uncertified Securities
4. The issuing Agent deregisters relevant ETPs in the main register of Euroclear Sweden AB and debits the direct participant's account accordingly.
5. Euroclear Sweden forwards the relevant redemption amount to the direct participants for distribution to the investor against debiting ETPs to the investor's securities account in a delivery against payment transaction.
6. The investor(s) will receive the relevant Redemption Amount(s) (representing the proceeds from the sale of the relevant Underlying Crypto Assets, net of applicable fees and taking into account any tracking errors) against the debit of ETPs to his/her securities account.

## **Collateral and Summary of collateral Arrangements**

### **Overview**

The Issuer's ETPs are securities backed by underlying assets as collateral. This means that the value of all outstanding shares belonging to an ETP is secured by the corresponding value of the underlying crypto asset(s) held by a Custodian. The pricing of a share belonging to an ETP is based on a coin relationship to the underlying crypto assets, where each share represents a specific amount of these assets in the account managed by the Custodian for the ETP.

Through the issuance and redemption process, it is ensured that newly issued shares always have underlying assets as collateral at the time of issuance. This is achieved by the Issuer always receiving the underlying crypto assets before the issuance of new shares, and by the Issuing Agent always receiving shares belonging to the relevant ETP before the Issuer transfers the underlying crypto assets to the Authorized Participant in connection with redemption. In addition, the Issuer has entered into an Account Control Agreement with the Custodian and the Collateral Agent and established a prioritized payment structure. This governs how payments and the handling of the underlying crypto assets will occur in all possible scenarios.

### **Collateral method**

The collateral approach requires that each ETP issued under the program must be secured by a pool of Crypto Assets as Collateral on a 1:1 basis. These assets will be held by the Custodian on behalf of the Issuer, which is responsible for creating and maintaining digital wallet addresses and the security of the digital wallet. Coinbase Custody Trust Company, LLC or other qualified Custodians are responsible for providing custody for Crypto Assets. The Issuer, the Collateral Agent and the Custodian have entered into an Account Security Agreement regarding the Security. More information can be found under the section "Summary of collaboration partners and the structure".

Collateral not represented by crypto assets but rather in assets denominated in crypto assets, such as futures contracts, will be subject to a security interest in favour of the Collateral Agent pursuant to additional Collateral Agreements. See the "Summary of collaboration partners and the structure" section for more information. The Issuer will notify investors of the appointment, termination or change of custody arrangements with a Custodian, which may be located in multiple jurisdictions, in accordance with Condition 16 by publishing such notice on any stock exchange or trading venue on which the ETPs are listed, whereupon the crypto assets will be moved to another Custodian. On the date of this Base Prospectus custodial services are provided in the United States.

The collateral for the ETPs will be held in a securities account. A "securities account" is an account maintained by a "securities intermediary", such as a bank, a securities broker or other Custodian, where it holds securities or other financial assets (which may include crypto assets) on behalf of the customer. When the assets are held in this way, the securities intermediary is technically the direct owner of the assets and the client holds a "security interest" against the securities intermediary in respect of the assets. It gives the customer (i.e. the Issuer) all rights in favour of the holding (such as the right to direct the disposal of the assets and receive any dividends). The Customer, as a borrower or debtor, may pledge its security interest (i.e. its interest in the financial assets held in the securities account) to a third party lender, as collateral, as set forth below. Obtaining a protected security interest in the security generally involves two steps - "vesting" and "completion". Attachment refers to the creation of the security interest in the specified security and gives rights to the secured party against the debtor, while

completion gives rights to the secured party against other creditors who claim rights in the same Security. A security interest "attaches" when it is created or granted under a security agreement. Perfection of the security interest occurs through a variety of methods depending on the type of security involved (such as the secured party obtaining "control" of the Security, taking control of the Security, or, in the United States, filing a Uniform Commercial Code (UCC) financing form).

Obtaining a protected security interest in security usually requires two steps - "fixing" and "perfecting". Attachment refers to the creation of the security interest in the specified security and gives rights to the secured party against the debtor, while perfection gives rights to the secured party against other creditors who claim rights in the same security. A security interest "attaches" when it is created or granted under a Security Agreement. Perfection of the security interest occurs through different methods depending on the type of security involved (such as the secured party gaining "control" of the security, taking possession of the security, or, in the US, filing a UCC financing filing).

In the case of financial assets held by a securities intermediary on behalf of the debtor, completeness is achieved by obtaining "control" of the debtor's security interests in those assets. This is accomplished through a securities account control agreement, which is a third-party agreement between (1) a customer/debtor (e.g., a borrower, guarantor or other loan party pledging financial assets as collateral - the Issuer), (2) the secured party (secured lender, the Collateral Agent acting on behalf of the investors) and (3) the securities intermediary who maintains the relevant financial assets in a securities account on behalf of, and in the name of, the debtor (the escrow bank - the Custodian). In the securities account control agreement, the parties agree that the securities intermediary shall comply with all instructions issued by the secured party regarding the disposal of the financial assets in the securities account without the need for further consent from the debtor. The secured party has "control" of the collateral even if any obligation of the securities intermediary to comply with instructions originating from the secured party is subject to any conditions (other than further consent of the obligor), such as that the event of default must have occurred and continue. Once this agreement is in place, the secured party is deemed to have "control" of the securities account, and its security interest is thus "complete". In addition to fulfilling a security interest, the securities account control agreement enables the secured party, in the exercise of actions, to control the disposition of the assets in the account and to prevent the debtor from giving instructions regarding the financial assets without the secured party's consent. The secured party and the debtor may agree in the relevant document when the secured party is entitled to issue such instructions.

The Issuer, the Collateral Agent and the Custodian have entered into an Account Control Agreement regarding the collateral. See "Summary of partners and structure" for more information.

#### Determination of Insolvency Event

The conditions leading to an Insolvency Event are set out in Condition 20. In the event of realization of Security for a Series of ETPs, liquidation will take place after an Insolvency Event in accordance with the Collateral Agent Agreement and, usually (in the event of liquidation of the Issuer), at the request of the Swedish bankruptcy trustee.

#### Practical procedure when redeeming an ETP

Upon redemption of collateral for a series of ETPs, the Collateral Agent (in the event of an Event of Default) or the Swedish Bankruptcy Trustee or an appointed party (including the Collateral Agent) (in the event of an Insolvency Event) may (i)

enforce any of the issuer's rights in any assets under the Collateral Documents and arrange for any crypto assets subject to the Agreements to be delivered to a specified Collateral Account and (ii) place an order through the specified Collateral Account in accordance with the terms of the Custodian Agreement. With the help of the Custodian and relevant marketplaces, the Collateral Agent or the Swedish bankruptcy trustee (or one of the appointed parties) can liquidate the assets, provided that sufficient liquidity is available on the market.

#### Costs when redeeming an ETP

When redeeming an ETP, investors will bear several costs, including but not limited to: transaction costs with custodians and exchanges, fees and expenses of the Collateral Agent and other counterparties, and spreads on crypto assets. These costs will be deducted from the payment received by investors and may create a significant loss of value. The priority of payments after execution is as follows:

- a) First in payment or satisfaction of all amounts then due and unpaid or payable to the Collateral Agent, any appointee thereof and any administrator or administrative receiver appointed in relation to the Issuer;
- b) Others, in payment or satisfaction *pari passu* and proportionately of all amounts then due and unpaid to the Custodian;
- c) Third, in or against the payment or performance *pari passu* and proportionately of all amounts then due and unpaid and all obligations to be performed and not performed in respect of the relevant series of ETPs ;
- d) and Fourth, in payment of the balance (if any) to the Issuer (without prejudice or liability in relation to any question as to how such payment to the Issuer shall be dealt with between the Issuer and any such person).

#### Payout after a Market Disruption Event

In the event of realization due to a Market Disruption Event, the investor will not receive payment until all Collateral has been liquidated. Payout (net of costs of liquidation, including the Collateral Agent's fees and expenses) will be refunded to the investor on a *pro rata* basis through the appropriate Issuing Agent. In the event of liquidation due to other types of repurchases from the Issuer or the exercise of the investor's put option, the investor will be paid its Redemption Amount when the sale of all Underlying Crypto Assets or Underlying Constituents has been processed and settled, and the cash has become available for transfer to the Issuer. This process can take up to ten days, during which investors may be exposed to market risk.

#### No liability for extraordinary event

None of the Issuer, the Collateral Agent or the Custodian is responsible for an extraordinary event according to Definition 17.

## Role of the Authorized Participant

An Authorized Participant has the task of contributing liquidity in the trading of the ETPs together with the Market Maker in order to create a frictionless and functioning secondary market. The Authorized Participant can also have the role of Market Maker. Depending on regulatory or organizational conditions, an Authorized Participant may cooperate with affiliated companies to carry out certain tasks, such as where one legal entity conducts securities trading and another affiliated legal entity provides services related to crypto assets. The Issuer and the Authorized Participants are the only parties entitled to issue new Tranches and to redeem Tranches. The Authorized Participant is tasked with issuing new Tranches to meet increased demand and redeeming Tranches in the event of reduced demand. Under special circumstances described in the "General Terms and Conditions" section, other parties have the right to issue or redeem Tranches.

Only actors that the Issuer has approved and entered into an agreement with where instructions and conditions appear for the Authorized Participant, have the right to take the role of Authorized Participant. Authorized Participants must always be specified in a Base Prospectus, in the Final Terms or on the Issuers website. The terms of the agreement with the ETPs in the Base Prospectus Authorized Participant appear in the section "Authorized Participants (Jane Street Financial Limited, Makor Securities London Ltd, DRW Europe B.V., Flow Traders BV, and Virtu Financial Ireland Limited)". Authorized Participants need to be established and well-known financial actors with special permits and adequate routines to prevent money laundering and terrorist financing in order to be approved as an Authorized Participant to the Issuer.

Due to the role of Authorized Participants in a liquid secondary market, the Issuer undertakes to ensure that the Issuer always has at least one Authorized Participant for each Series of ETPs. If any of the Issuer's Series should not have an Authorized Participant, holders of ETPs have the right to redeem their ETPs to the Issuer and the Issuer has the right to issue new Tranches on its own initiative.

Investors who choose to trade in the Issuer's ETPs will, with the exception of subscription periods, trade the ETPs from other investors or from an Authorized Participant in the secondary market. Trading will take place on the exchange or multilateral trading platform on which the ETP is listed.

*The issuer's collateral for underlying crypto assets must not fall below 100 percent*

In the event that the Issuer cannot confirm that the transaction with the Authorized Participant will take place in accordance with T+2 (i.e. the Transaction Day + 2 days for settlement), the Issuer has the right to refuse the Authorized Participant's request for the issuance of a new Tranche.

### *Settlement methods*

The Issuer's settlements with the Authorized Participant will take place by the Issuer receiving fiat money <sup>11</sup> or the Underlying Crypto Assets in exchange for ETPs when issuing and vice versa when redeeming ETPs. The Settlement Date represents when the Authorized Participant has received the ETPs and the Issuer has received the Underlying Crypto Assets. According

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<sup>11</sup>A fiat currency is a national currency that is not tied to the price of a commodity, such as gold or silver. The value of fiat currency is largely based on public confidence in the issuer of the currency, usually a government or central bank of a country.

to the Issuer's Agreement with the Authorized Participant, as large a proportion as possible of all settlements must take place in crypto asset. According to the Issuer's assessment, settlement in crypto assets reduces, among other things, the risk of transaction delays, thereby reducing the risk that an ETP's underlying crypto assets would not constitute collateral equivalent to at least 100 percent..

#### *Regulations regarding issuance of ETPs*

In accordance with the Issuer's agreement with the Authorized Participant and the Final Terms for each ETP, there is a predetermined minimum volume in connection with the issuance of a new Tranche. Issuances of ETPs to the Swedish market can be carried out according to T+2 or T+1, provided that the Issuer's Custodian has received the collateral by 16:00 CET on T.

#### *Regulations regarding the redemption of ETPs*

In accordance with the General Terms and Conditions, the Authorized Participant is only entitled to redeem entire Tranches, and not just parts of a Tranche. The Authorized Participant has the right to redeem multiple Tranches on the same day, but not exceeding five percent of all ETPs belonging to a series if the redemption order is T+1, while a redemption order on T+2 is not subject to any specific volume limit.

#### *Summary of issues and redemptions of ETPs in relation to the Authorized Participant*

The role of the Authorized Participant is to ensure that the correct volume of ETPs is available on the market and thus that investors never need to redeem their ETPs, but can sell them on the exchange where the ETPs are admitted to trading. Apart from certain exceptions, investors therefore always have to buy and sell the ETPs on the stock exchange and therefore do not have the possibility to request issues or redemption of ETPs from the Issuer. The Authorized Participants are the only parties entitled to issue and redeem ETPs. For Authorized Participants, this takes place according to T+1 T+2.

#### *Issuances at the request of an Authorized Participant*

The process for issues at the request of an Authorized Participant takes place according to the following process, which is also reflected in the Agreement with Authorized Participants:

1. The Authorized Participant submits to the Issuer a request for issuance through an order taking platform (T+0).
2. The Issuer (and if applicable the Administrator) verifies the Authorized Participant's request and ensures that it is in line with the Agreement with Authorized Participants (T+0).
3. The Issuer approves and confirms the Authorized Participant's request (T+1).
4. The Authorized Participant purchases relevant crypto assets from a trading venue or alternatively uses crypto assets already in their custodian and transfers the crypto assets to the digital wallets belonging to the concerned Series at the Issuer's Custodian (T+1).
5. The Issuing Agent issues the necessary volume with Euroclear Sweden (CSD) of ETPs corresponding to the underlying crypto assets at the Issuer's request (T+1).
6. The Issuing Agent registers the new ETPs with Euroclear Sweden (CSD) and transfers these to the Authorized Participant's depository (T+1).

#### *Redemption at the request of an Authorized Participant*

The process for redemption at the request of an Authorized Participant takes place according to the following process, which is also reflected in the Agreement with Authorized Participants:

1. The Authorized Participant receives a request for redemption through an order taking to the Issuer platform (T+0).
2. The Issuer (and if applicable the Administrator) verifies the Authorized Participant's request and ensures that it is in line with the Agreement with Authorized Participants, the General Terms and Conditions in the Base Prospectus and the Final Terms for the current Series (T+0).
3. The Issuer approves and confirms the Authorized Participant's request (T+1).
4. The issuing Agent receives the ETPs and sends in forms for the cancellation of ETPs to Euroclear Sweden (CSD) (T+1).
5. Crypto assets corresponding to the ETPs redeemed are sent from the Issuer's Custodian to the Authorized Participant's custodian (T+1).

#### *Fees in connection with the issuance and settlement of ETPs*

Fees related to the issuance and settlement of ETPs are derived from fees charged by the Issuer's issuing Agent, CSD, banking related fees, transaction fees and blockchain fees. The fees are payable by the Issuer and/or the Authorized Participant.

#### **List of Authorized Participants**

##### DRW Europe BV

The information in this section (DRW Europe BV) consists only of information published by DRW. The issuer takes responsibility for the correct reproduction of such information. So far as the Issuer knows and can ascertain from information published by DRW, no facts have been omitted which would render such reproduced information incorrect or misleading.

DRW Europe BV is a private limited company incorporated under the laws of the Netherlands, with registration number 72017163, whose registered office is Parnassus Tower, Locatellikade 1, 1076 AZ Amsterdam, The Netherlands. It is registered with the Dutch Financial Markets Authority. DRW Europe BV is a subsidiary of DRW Holdings, LLC ("DRW"). DRW is a corporation organized under the laws of the State of Delaware with its registered address at 1209 Orange Street, Wilmington DE 19801 USA.

DRW is a diversified trading company that uses its own capital and trades at its own risk. It is active in a variety of asset classes including fixed income, equities, currency, commodities, ETFs and crypto assets. DRW is headquartered in Chicago and has offices in the US and Canada as well as Europe and Asia. Read more at [www.drw.com](http://www.drw.com).

##### Flow Traders BV

The information in this section (Flow Traders BV) only consists of information published by Flow Traders. The issuer takes responsibility for the correct reproduction of such information. As far as the Issuer knows and can ascertain from information published by Flow Traders, no facts have been omitted which would make such reproduced information incorrect or misleading.

Flow Traders BV, incorporated on 11 November 1991 under the laws of the Netherlands and located at Jacob Bontiusplaats

9, 1018LL Amsterdam, the Netherlands, is a private limited liability company operating under the laws of the Netherlands. It is registered with the Dutch Chamber of Commerce under registration number KvK 33223268. Flow Traders BV is part of the Flow Traders Group. Its ultimate parent company is Flow Traders NV, which is listed on Euronext Amsterdam. Flow Traders NV has its registered office at Jacob Bontiusplaats 9, 1018LL Amsterdam, The Netherlands.

According to its articles of association, the purpose of Flow Traders BV's business is to trade in financial instruments for its own account and at its own risk, in a permitted market maker capacity. Flow Traders BV has subsidiaries in the APAC region and the USA.

#### Jane Street Financial Limited

The information in this section (Jane Street Financial Limited) consists only of information published by Jane Street. The issuer takes responsibility for the correct reproduction of such information. As far as the Issuer knows and can ascertain from information published by Jane Street, no facts have been omitted which would render such reproduced information incorrect or misleading.

Jane Street Financial Limited is a limited liability company incorporated on 13 April 2007 under the laws of England and Wales with company number 06211806 and having its registered office at 2&A Half Devonshire Square, London EC2M 4UJ, United Kingdom. Jane Street Financial Limited is authorized and regulated by Financial Conduct Authority in Great Britain. Jane Street Financial Limited is a wholly owned subsidiary of Jane Street Group LLC, a quantitative trading firm, having its registered office at 250 Vesey Street, 6th Floor, New York, NY 10281, USA.

#### Enigma Securities Limited

The information in this section (Enigma Securities Limited) consists only of information published by Enigma Securities. The issuer takes responsibility for the correct reproduction of such information. To the best of the Issuer's knowledge and can ascertain from information published by Enigma Securities, no facts have been omitted which would render such reproduced information incorrect or misleading.

Enigma Securities is a limited company, incorporated on 15 December 2017 under the laws of England and Wales with company number 11114339 and with its registered office at 30 Panton Street, London, England, SW1Y 4AJ, United Kingdom. Enigma Securities is authorized and regulated by Financial Conduct Authority in Great Britain.

#### Virtu Financial Ireland Limited

Virtu Financial Ireland Limited was founded on June 11, 2009, and is located at North Dock One, fifth floor, 91/92 North Wall Quay, Dublin 1, D01 H7V7, Ireland. Virtu Financial Ireland Limited is a company operating under Irish law and is registered under registration number 471719.



## INFORMATION ABOUT THE ISSUER

### **Name, Registered Office, Location**

The issuer is Virtune AB (Publ). Its seat and visiting address is Kungsgatan 26, 111 35 Stockholm, Sweden.

### **Incorporation, legal form, duration, registry number, etc**

The issuer is a Swedish public limited company with registration number 559175-2067. The issuer was formed on 19 September 2018 and registered under Swedish law on 15 October 2018 with the Swedish Companies Registration Office. The Issuer was a dormant company until operations in the Issuer started in February 2022. The Issuer's registered company name is Virtune AB (Publ) and its trading name is Virtune. The issuer is based in Stockholm. The issuer's business is conducted in accordance with the Swedish Companies Act (2005:551) and is a registered Financial Institution with the Financial Supervisory Authority and is therefore subject to the Act (2017:630) on measures against money laundering and the financing of terrorism. The issuer's LEI code is 636700EWO37NE7B7GW19.

As of the date of this Prospectus, the Issuer is conducting a new issue that increases the share capital and the number of shares, as well as a change in the company's registered share capital. Provided that both the issuance is fully completed and registered, and the change in the company's share capital is approved, the Issuer's share capital will amount to SEK 530,590,920, consisting of 6,376,960 shares. There is one class of shares in the Issuer. The shares in the Issuer have been issued in accordance with Swedish law. Once the mentioned issuance is completed, all issued shares will be fully paid and subject to a right of first refusal in accordance with the Issuer's articles of association. The Issuer's address is: Virtune AB, C/O RKO AB, Sibyllegatan 47, 114 42 Stockholm. The Issuer's phone number is +46 (0)70 073 45 64.

The issuer's website is available at [www.virtune.com](http://www.virtune.com). The information on the website does not form part of the Base Prospectus and has not been reviewed or approved by the Financial Supervisory Authority.

The issuer's employees are made up of people with broad competence and experience from the financial sector in, among other things, computer technology, portfolio strategy, distribution and stock market listings. The Issuer has six employees and one consultant who work operationally at the Issuer. The issuer's vision is to create innovative and smart financial products that can provide broad exposure to the market for crypto assets in various forms to meet the needs of investors on a broad scale. The issuer follows the development of crypto assets closely in order to note financial instruments that are adapted to prevailing market conditions. The issuer will direct the business towards both institutional investors and private individuals.

### **Purpose**

The Issuer's aim and purpose is to offer investors financial instruments that provide exposure to the crypto market, which is why the Issuer has submitted an application for admission to trading of the Issuer's financial instruments. The issuer can issue financial instruments that have Underlying assets in the form of a single Crypto Asset (Single Asset ETP), a basket of Crypto Assets (Basket ETP) or an Index with Crypto Assets as index components, including crypto-related management tools (e.g.

Staking <sup>12</sup>or Lending <sup>13</sup>) for increased returns combined with traditional management methods (e.g. Rebalancing <sup>14</sup>).

The issuer has been established as a company with the purpose of issuing ETPs or other financial instruments on exchanges or multilateral trading platforms with Crypto Assets as Underlyings or Indices with Crypto Assets as index components. The Issuer manages and stores these Underlying Crypto Assets through the Custodian and thereby controls the entire product chain.

As of January 27, 2025, the Issuer's ETPs are listed for trading on Nasdaq Stockholm, Nasdaq Helsinki, Euronext Amsterdam, and Euronext Paris.

According to point 3 of the Issuer's articles of association, the Issuer shall:

- Operate in the form of a financial institution that offers investments and asset management to investors in Sweden and internationally within the global crypto market through the admission to trading of financial instruments on regulated markets and multilateral trading platforms.

The Base Prospectus is registered with the Financial Supervisory Authority, and has been notified (commonly known as the European Passport) to other jurisdictions in order to reach a wider base of investors.

### **Overview of the business model**

The issuer's objective is to offer investors exposure to crypto assets through financial instruments. The issuer intends to combine several areas within crypto assets regarding crypto-related management tools, decentralized finance, trading platforms and custodians in order to achieve a broad exposure to crypto assets. The business model has been developed based on the Issuer's vision to lower the threshold to crypto assets for institutional investors and private individuals. The issuer has carried out analyses of the crypto market and the competitive situation on a global level. In the Issuer's opinion, the institutional acceptance of blockchain technology is growing with large corporations and government institutions choosing to invest in crypto assets, implementing tokenization for commercial and practical reasons, and through the use of blockchain technology. The issuer also assesses that areas of use within blockchain technology have grown strongly in recent years and several prominent areas, including smart contracts, have grown strongly in popularity. Smart contracts are most widely used in crypto assets other than Bitcoin, which has long been the dominant crypto asset.

It is further the Issuer's assessment that crypto assets as an asset class will gradually become more common. In line with such a possible development, competition between crypto assets and other asset classes, such as raw materials, is enabled. The

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<sup>12</sup>Staking means that the holder of the crypto asset can earn rewards through their holding.

<sup>13</sup>Lending involves the lending of crypto assets, from which the lender receives an interest rate effect.

<sup>14</sup>In Rebalancing, parts of the holdings in a portfolio of crypto assets are bought or sold to restore the original allocation of the crypto assets in the portfolio.

Issuer aims to be a gateway and introducer to crypto assets as an asset class for institutional investors through its offering of financial instruments, as well as by contributing knowledge and business relationships. The Issuer will be characterized by transparency and will work to disseminate information and news about crypto assets and the Issuer's own products.

### Ownership of the issuer

The issuer is owned by an ownership collective consisting of legal entities and private individuals according to the schedule below (The information in this section is based on the assumption that the new share issue ongoing as of the date of this Base Prospectus is fully subscribed).

Order	Shareholders as of 2025-01-13	Number of shares	Share of stocks and votes
1	Gert Nordin	1 295 015	20,31%
2	AlphaDot Ventures AB	1 175 879	18,44%
3	Peter Arvidsson	600 000	9,41%
4	Christopher Kock	600 000	9,41%
5	Violet AI AB	453 064	7,10%
6	Sutjagin Capital AB	289 651	4,54%
7	Blademaster AB	281 641	4,42%
8	Henry Mischa Forelius	274 300	4,30%
9	Servisen Venture AB	200 301	3,14%
10	Charles Reichardt	110 000	1,72%
<b>Total, 10 largest shareholders</b>		<b>5 279 851</b>	<b>82,80%</b>
Other Shareholders		1 097 107	17,20%
<b>Total number of shares</b>		<b>6 376 960</b>	<b>100%</b>

The Issuer is owned indirectly and directly 100 percent by AlphaDot Ventures AB, Gert Nordin, Christopher Kock, Peter Arvidsson, Violet AI AB, Sutjagin Capital AB, Blademaster AB, Henry Mischa Forelius, Servisen Venture AB, Charles Reichardt, and 48 shareholders in their capacity as investors. Majority of all shareholders, board members and senior executives are registered or registered in Sweden. No party controls more than 50 percent of the Issuer. Furthermore, the provisions in the Companies Act (2005:551) on the powers and responsibilities of various corporate bodies of the Issuer and the protection of creditors' rights contain regulations that prevent abuse of control over the Issuer.

The mutual relations of the owners regarding Virtune are regulated by a shareholder agreement which, among other things, contains customary restrictions regarding certain decisions. The purpose of the restrictions is to maintain the structure of the Issuer's business model. The shareholder agreement means that no party can sell their shares to a new third party or withdraw from the partnership without the consent of all owners. The agreement also means that no new party can enter without the approval of all shareholders. The agreement is governed by Swedish law.

### Overview of the Issuer's operational activities

The issuer is a company established for the sole purpose of issuing financial instruments on exchanges and multilateral trading platforms. The sole business involves the issuance of such instruments and the management of Underlying Crypto Assets and the hedging of the obligations created by such instruments. The Issuer also manages the Underlying Crypto Assets belonging to each ETP. The issuer is part of the entire product chain and cooperates with partners, suppliers and authorities to provide relevant parties with accurate information with the aim of being able to guarantee and secure the Underlying Crypto Assets. The Issuer has built technical implementations to be able to follow and ensure in real time that each ETP is physically backed

by the corresponding amount in Crypto Assets. By retrieving the value of the outstanding shares of each ETP and the value of the Underlying Crypto Assets from the Custodian, the Issuer can monitor in real time and ensure that the ETPs always hold at least 100 percent Collateral in the Underlying Crypto Assets. Through the Issuer's product structure, it is ensured that the Underlying Crypto Assets are traded or received before new ETPs are being issued and admitted to trading. The Issuer records the value of the Underlying Crypto Assets daily in correlation to the ETPs with the aim of being able to comply with the regulations to which the Issuer is subject. The issuer's operational activities are conducted in Sweden and will primarily be focused on the Swedish market, but may expand globally. The Issuer's products are in the beginning of 2025 available in Sweden, Denmark, Norway, Finland, the Netherlands, France, Belgium and Germany.

## **Overview of the market**

Since the Issuer operates in the structured products market in Sweden, Finland, and other European markets, the Issuer competes with other issuers of structured products and other financial products in Sweden and other European markets. If the Issuer fails to comply with applicable laws and regulations, it could harm the Issuer's business and market position, as the Issuer may lose its competitive advantage as one of the first issuers, to the best of the Issuer's knowledge, of ETPs related to crypto assets in Sweden.

Interest in crypto assets has also increased in recent years, leading to a rise in the number of issuers. According to the Issuer, the Issuer has managed to adopt a prominent position in the Nordic structured products market for crypto assets and intends to acquire larger market shares in the Nordic region in the coming years. The Issuer's strategy is also to expand its geographic presence over time, for example, by passporting the Prospectus to markets outside of Sweden.

The crypto market showed positive market development in 2024, based on market value. The development has partly correlated with other financial and real assets and is influenced by factors such as the increased adoption of crypto assets through the approval of Bitcoin and Ethereum exchange-traded funds in the USA and Hong Kong, the Bitcoin halving event (where the rate at which new Bitcoins are mined has halved), global interest rate developments, and economic outlooks. However, the Issuer believes that interest in crypto assets, both from institutional and private investors, will continue to rise.

On September 24, 2020, the European Commission presented a proposal for a regulation on Markets in Crypto Assets (MiCA regulation) and a proposal for a regulation establishing a pilot regime for infrastructure using distributed ledger technology (DLT). The MiCA regulation is part of the strategy for the digitalization of the financial sector, which aims, among other things, to ensure that the EU's financial services framework is innovation-friendly and does not create barriers to the use of new technologies. As of the beginning of 2025, the MiCA regulation has begun to be implemented extensively within the EU.

The purpose of the MiCA regulation is to create a unified framework for crypto assets that are not currently covered by the EU's existing financial services regulations. The framework aims to ensure a high level of consumer and investor protection, provide legal certainty, and mitigate risks to financial stability. The proposal includes harmonizing rules for issuers and service providers of crypto asset services.

It is the Issuer's assessment that the MiCA regulation, along with other potential regulations, points to the normalization of the crypto market, which will ultimately lead to greater interest, particularly from legal entities, to invest in such assets. Through increased regulation, and thus enhanced security and legitimacy, the Issuer believes that more investors will be open to trading in alternative assets. The regulation of the crypto market has also been increasingly discussed from a political perspective in the USA and several other financial markets, with Spot Bitcoin and Ethereum ETFs being approved by the US SEC in 2025.

### **Competitive situation**

As the crypto market evolves, more players are emerging, offering various investment services within crypto assets. The global competitive landscape consists of numerous platforms where investors can trade directly in crypto assets, as well as players offering ETPs or funds that track the price of underlying crypto assets. These are often synonymous with gaining exposure to a single crypto asset, placing significant emphasis on the investor needing to assess the investment in the crypto asset. Therefore, the Issuer's assessment is that diversified products combined with decentralized finance align with the current market demand for crypto assets and the direction in which the market is expected to evolve, according to the Issuer's view.

The market for financial products in Sweden is characterized by intense competition, making compliance with applicable laws and regulations critical. To the Issuer's knowledge, there are currently three major players in Europe that are established on Swedish exchanges or multilateral trading platforms, with their core business focused on issuing crypto ETPs. These are Valour Inc., 21Shares AG, and XBT Provider AB (publ). These players are represented on Nasdaq Stockholm, Spotlight Stock Market, and Nasdaq First North Growth Market. They have gained significant market shares and have a presence in multiple markets both within and outside of Europe.

According to the Issuer's assessment, it is common for players whose core business is issuing crypto ETPs to be registered in offshore jurisdictions, which may result in a lack of regulations and transparency regarding the companies. The Issuer believes it has an advantage over its competitors by being a regulated Swedish player that values transparency, oversight, and future regulations.

In 2024, the Issuer intensified its efforts to build a brand in the Nordic market, strengthening its presence with both institutions and private individuals, as well as with the media. The Issuer will need to continue this in order to gain market share from competitors. To succeed in its business objective, the Issuer believes that innovative product development, recruitment of key personnel, and effective distribution strategies are key areas.

### **Auditor and audit**

At the extraordinary general meeting on December 19, 2022, Öhrlings PricewaterhouseCoopers AB was elected as auditors, with Johan Engstam as responsible auditor. Johan Engstam is an authorized accountant and is a member of FAR (the industry organization for authorized accountants). Virtune was founded in 2018 and was a dormant company until February 2022, when the Issuer began operating. Since the Issuer did not conduct any business until spring 2022, the Issuer has consequently not had an auditor before then. Öhrlings PricewaterhouseCoopers AB and Johan Engstam have office address: Torsgatan 21, 113 97 Stockholm.

Virtune's financial reports have, from the beginning of the fiscal year 2022, been revised by the Issuer's auditor. Selected financial information from the report is incorporated into this Base Prospectus by reference. In addition to the information mentioned above, no information in the Base Prospectus has been revised or reviewed in general by the Issuer's auditor.

### **Information about trends**

It is the Issuer's assessment that no significant negative changes have occurred in Virtune's prospects since the latest publicly disclosed revised annual financial statements. There are no known trends, uncertainties, requirements, commitments, or events that are reasonably likely to have a material impact on Virtune's outlook for the current financial year. Furthermore, the Issuer assesses that no significant changes have occurred in the Issuer's financial position during the period from the end of the most recent financial period for which financial information has been disclosed to the date of this Prospectus.

### **Significant change in the Issuer's financial position**

After the end of the financial year that concluded on December 31, 2024, the Issuer has two ongoing matters regarding (1) the exchange of convertible bonds for shares and (2) the reduction of registered share capital, with the former being registered on January 24, 2025, and the latter expected to be registered in April 2025. Nasdaq's capitalization requirements have changed during the 2024 financial year, and as a result, the Issuer has made a reduction in the registered share capital, as no additional capitalization requirements are needed after the change. As of the end of the 2024 financial year, the Issuer's share capital amounts to SEK 530,590,920 (of which SEK 30,590.92 relates to the ongoing issue for the exchange of convertible bonds for shares, and SEK 8,493,514.06 for the reduction of registered share capital that has not yet been registered as of December 31, 2024) consisting of 6,376,960 shares (of which 367,660 shares are unregistered as of December 31, 2024, and are expected to be registered in April 2025 with the Swedish Companies Registration Office).

### **Significant change in the Issuer's financial results**

The financial result for the most recent fiscal year 2024 amounted to SEK -11,615,174, with the Issuer being in a growth phase where the focus remains on expanding the product portfolio, conducting geographical expansion, and reaching a broad base of investors, both individual and institutional. The Issuer achieved profitability during the fourth quarter of 2024 but continues to prioritize growth and expansion, which may mean that the Issuer will forgo future profitability with the aim of accelerating its growth journey.

It is the Issuer's assessment that no significant changes have occurred in Virtune's financial results during the period from the end of the last fiscal period for which financial information has been published to the date of this Base Prospectus.

### **Credit rating**

The issuer has not been assigned a credit rating.

### **Loan and financing structure**

With the exception of what is stated in the section "Significant Change in the Issuer's Financial Position" above, there have been no significant changes in the Issuer's financing or borrowing since the last fiscal year ended December 31, 2023.

The issuer is a company established for the sole purpose of issuing financial instruments on exchanges and multilateral trading platforms. The sole business involves the issuance of such instruments and the management of Underlying Crypto Assets and the hedging of the obligations created by such instruments. To the extent required, its operations are financed primarily by revenues generated from the ETPs as well as by existing shareholders and external investors until the Issuer becomes profitable.

#### **Information on significant investments**

The issuer has not made any significant investments since December 31, 2022.

The issuer has not decided on any future significant investments as of the date of this Base Prospectus.

#### **Information on significant events affecting the Issuer's solvency**

With the exception of what is stated in the section "Significant Change in the Issuer's Financial Position" above, there have been no events specific to the Issuer that are materially relevant to the assessment of the Issuer's solvency.

#### **Legal Proceedings and Arbitration**

The Issuer is not a party to and has not, at the time of this Base Prospectus, been a party to any governmental proceedings, legal proceedings or arbitration proceedings (including proceedings which have not yet been settled or which, to the knowledge of the Issuer, are at risk of being commenced), during the past twelve months, which may have, or have recently had, a significant effect on the Issuer's financial position or profitability.

#### **The interests of natural or legal persons involved in the Issue**

There are no material interests, including conflicts of interest, of natural or legal persons involved in the Issue and/or the ETPs.

## BOARD OF DIRECTORS AND COMPANY MANAGEMENT

### Board

Name	Title
Erik Fischbeck	President
Christopher Kock	CEO and Board member
Fredrik Djavidi	Board member
Laurent Kssis	Board member

#### **Erik Fischbeck, Chairman of the Board**

Erik Fischbeck is a professional board member, serial entrepreneur, and co-founder of Hexatronic Group. He has held various senior positions, including experience in M&A, international sales, and business across all continents, as well as being an entrepreneur and private investor in the telecom and tech industries.

#### **Christopher Kock, Board Member and CEO**

Christopher Kock is a co-founder/partner and Chief Executive Officer of the Issuer. Christopher Kock has thirteen years of experience in business development, leadership, and entrepreneurship.

#### **Fredrik Djavidi, Board Member**

Fredrik Djavidi is an entrepreneur and investor with over 30 years of experience in developing companies in Sweden and internationally, primarily within digital marketing, gaming, and e-commerce. He has also served as a Senior Advisor to Virtune since 2022.

#### **Laurent Kssis, Board Member**

Laurent Kssis has previously been the CEO of XBT Provider AB. He has run CEC Capital trading & consultancy in London since 2013. He was also the former CEO of Hashdex for the Swiss setup in 2022.

All board members can be reached via the Issuer's postal address, c/o RKO AB, Sibyllegatan 47, 114 42 Stockholm, Sweden.



## **Business management**

<b>Name</b>	<b>Title</b>
Christopher Kock	Chief Executive Officer
Peter Arvidsson	Chief Operating Officer
Daniel Lundberg	Chief Financial Officer

### ***Christopher Kock, Chief Executive Officer***

*See section "Board".*

### ***Peter Arvidsson, Chief Operating Officer***

Peter Arvidsson is co-founder/part owner of the Issuer and has seven years of experience in machine learning, artificial intelligence and computer technology. Peter Arvidsson studied for a master's degree in computer technology at Linköping University of Technology.

### ***Daniel Lundberg, Chief Financial Officer***

Daniel Lundberg is Chief Financial Officer of the Issuer. Daniel has eight years of experience as Chief Financial Officer in scale up company where he worked on establishing financial models, M&A's, restructuring work and listing processes.

All senior executives can be reached via the Issuer's postal address, c/o RKO AB, Sibyllegatan 47, 114 42 Stockholm, Sweden.

## **Conflicts of interest**

No board members or senior executives have any private interests that may conflict with the Issuer's interest. No board members or senior executives have any external employment that is significant in relation to the Issuer.

## **Admission to trade**

The issuer intends to apply for the relevant Series of ETPs to be admitted to trading on Nasdaq Stockholm AB. In accordance with point 18 of the Final Terms, however, the Issuer may apply for admission to trading of the ETPs on another regulated market or on a multilateral trading platform.

## Financing of the Issuer's operations

The Issuer's revenue is directly linked to the volume of assets under management in the ETPs. The Issuer has incurred significant costs both to start its operations and for ongoing business activities. The Issuer has previously financed its operations through external investment capital but has recently achieved positive profitability.

## Use of Proceeds

The Issuer intends to use the income from the ETPs' management fees to, in accordance with the Issuer's strategic plan, create the conditions for expansion by both issuing new financial instruments and by adding staff for, among other things, marketing activities and the maintenance and development of customer relationships. The issuer has initiated its expansion outside the Swedish market which requires additional resources in the form of capital. The Issuer's revenue has recently generated positive profitability and positive cash flow, meaning the Issuer is currently not dependent on external financing.

## Information after issuing ETPs

Except for publishing the Net Asset Value on the Issuer's website on a daily basis, the Issuer does not intend to regularly report any specific information following the issuance of each Series.

## Information Incorporated by Reference

The following parts of the document set out below are incorporated into the Base Prospectus by reference and shall be read as an integral part of this Base Prospectus:

No	Document	Embedded part	Page
1.	Annual report (audited) for the financial year ended 31 December 2023, including auditor's report.	- Report on income and other comprehensive income	7
		- Balance sheet	8
		- Statement of changes in equity	9
		- Cash flow analysis	
		- Notes	10
		- Audit report	
			11-27
			30-33
2.	Annual report (audited) for the financial year ended 31 December 2024, including auditor's report.	- Report on income and other comprehensive income	8
		- Balance Sheet	9
		- Statement of changes in equity	10
		- Cash flow analysis	
		- Notes	11
		- Audit report	

11-29

31-34

The above document is available electronically on the Issuer's website [www.virtune.com/investor-relations](http://www.virtune.com/investor-relations) and in physical format at the Issuer's address Sibyllegatan 47, 114 42 Stockholm. The parts of the above documents that have not been incorporated are either not relevant to the investor or are covered by other parts of this Base Prospectus.

## **DOCUMENTS AVAILABLE FOR VIEWING REGARDING THE ISSUER**

### **Documents available for viewing**

Copies of the following documents are available electronically on the Issuer's website [www.virtune.com/ investor -relations](http://www.virtune.com/investor-relations). Paper copies of documents are also available at the Issuer's office at c/o RKO AB, Sibyllegatan 47, 114 42 Stockholm, Sweden, during the validity period of this Base Prospectus:

- The issuer's articles of association in its latest version and certificate of registration;
- Annual report for the financial year 2023 (revised), including auditor's report;
- Annual report for the financial year 2024 (revised), including auditor's report; and
- The Base Prospectus.

## General description of crypto assets

### Summary

This is a summary description of crypto assets that may be used as Underlying for the ETPs issued by the Issuer in the Program. Investment decisions should not be made solely on the basis of this summary description which is limited in scope. It is the investor's responsibility to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, financial, tax, regulatory, accounting and other business assessment of the benefits and risks of investing in ETPs issued in the Programme.

### Crypto assets

Crypto assets are based on a decentralized system based on cryptography and can, according to the Issuer's judgment, be considered an alternative to regular currencies (fiat money), this can be called decentralized finance.<sup>15</sup>

Perhaps the most well-known crypto asset, Bitcoin, was invented by Satoshi Nakamoto<sup>16</sup> and was launched in 2009. The purpose of Bitcoin was to create a so-called peer -to- peer network that enables secure transactions between two parties without a third party monitoring and securing the transaction, for example a bank, which is made possible through the so-called blockchain technology (blockchain). Bitcoin and other crypto assets are based on a digital register called a blockchain. A blockchain is linked data consisting of units called blocks that contain information about each transaction, including date and time, total value, buyer and seller, and a unique identification code for each transaction.<sup>17</sup>

Another well-known crypto asset, Ethereum, was launched in 2015 and as of 29/12/2024 is the second crypto asset in terms of total market value. Ethereum is a decentralized, open-source software platform that enables developers to create contracts and build distributed applications that run on the Ethereum blockchain. The crypto asset of Ethereum is ETH. Ethereum's blockchain can also host other crypto asset, known as "tokens".<sup>18</sup>

Other well-established crypto assets are Ripple (XRP), Solana (SOL), Polkadot (DOT), Chainlink (LINK), Avalanche (AVAX), and Cardano (ADA).<sup>19</sup>

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<sup>15</sup><https://cryptocurrencyfacts.com/>

<sup>16</sup>Bitcoin: <https://bitcoin.org/bitcoin.pdf>

<sup>17</sup>Forbes: <https://www.forbes.com/advisor/investing/cryptocurrency/what-is-bitcoin/>

<sup>18</sup>Coin market cap: <https://coinmarketcap.com/currencies/ethereum/>

<sup>19</sup><https://coinmarketcap.com/>

Crypto assets are stored in a digital wallet of which the digital wallet has a public and private key, through the public key the holder of the digital wallet can receive crypto assets. There are no proofs of ownership established for each digital wallet or ownership information stored with any authority, whoever controls the digital wallet is the one who has access to the private key, which, together with the public key, can be used to transfer ownership of crypto assets.<sup>20</sup>

As a result, storage or custody of crypto assets occurs to maintain secure and private ownership of the private key. Private keys can be stored mainly in two ways:

"warm" storage, where the private key is kept in a system or "wallet" that is online and easily accessible to the user. A "hot" wallet is similar to an online bank account, traditionally maintained by a third party that allows the user to open an account, which in turn is connected to the wallet that "holds" the key and the underlying crypto asset<sup>21</sup>.

"cold" storage, where the private key is kept inaccessible unless provided by the holder of the key. Keys held in cold storage are typically located in a hardware wallet that is not connected to the Internet. A cold wallet is more akin to storing gold or bearer bonds in a physical vault, and often the private keys are stored off-line. A common way to use "cold" storage is to use a physical unit in the form of a physical device, such as a Ledger wallet, a hardware wallet specifically designed for the secure storage of Crypto Assets.<sup>22</sup>

Additional security to protect crypto assets can come from placing them in "multi-party computation" transaction structures, whereby the crypto assets require more than one private key to enable use. This can be done optionally with "n" and "m", where n is the required number of keys required to spend the crypto assets and m is the total number of keys. Additionally, individual private keys can be split into multiple pieces, requiring some or all (depending on the cryptographic technique used) fragments to be reassembled for the key to work.<sup>23</sup>

#### Inflation on blockchains

Inflation on blockchains means that the total supply of a crypto asset on a blockchain increases through the addition of new tokens, which in turn can lead to a decrease in the value of the crypto asset.

The cause of inflation is mainly due to either proof of work or proof of stake:

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<sup>20</sup> <https://www.gemini.com/cryptopedia/public-private-keys-cryptography>

<sup>21</sup> <https://www.gemini.com/cryptopedia/crypto-wallets-hot-cold#section-hot-wallets-pros-and-cons>

<sup>22</sup> <https://www.gemini.com/cryptopedia/crypto-wallets-hot-cold#section-hot-wallets-pros-and-cons>

<sup>23</sup> <https://www.fireblocks.com/what-is-mpc/>

i) proof of work, a mechanism where transactions on a blockchain are validated through so-called Mining. By contributing to the blockchain network through mining, you are rewarded in the form of new crypto assets that are created belonging to the blockchain. Bitcoin is an example of a crypto asset whose blockchain is based on proof of work.<sup>24</sup>

ii) proof of stake, a mechanism where transactions on a blockchain are validated through so-called Staking, by contributing to the blockchain network through staking, you are rewarded in the form of new crypto assets that are created belonging to the blockchain. Ethereum is an example of a crypto asset whose blockchain is based on proof of stake.<sup>25</sup>

### *Fork*

Many blockchains have open-source code and are maintained by their users. In order for an update to take effect, it is typically required that the majority of network participants approve the new update. If only a minority chooses to accept the update, a so-called fork occurs – a split where a new version of the blockchain and a new crypto asset are created. One example of a fork is Bitcoin Cash, which is a fork of Bitcoin and, as of December 29, 2024, is the 20th largest crypto asset in the world. A fork can mean that the value of the original asset is negatively affected if many users leave the original asset to instead use the new crypto asset created in the fork.

It is not possible to predict with accuracy the impact of an expected spin-off. In the event of a future fork of a particular Crypto Asset blockchain, the Issuer will assess and decide whether the Issuer will participate in the current fork or not. The conditions of the Custodian as well as of the Index administrator and rules regarding crypto assets at the current stock exchange or multilateral trading platform may affect the Issuer's decision regarding the current fork. However, it is not possible to predict all possible scenarios in a conversion event. The issuer will always openly inform you about the choice you have made in the spin-off on its website as soon as possible.

### Cryptography

Cryptography is used as the basis for the security of crypto assets.<sup>26</sup> For this purpose, public key cryptography and hashing algorithms are mainly used.

Public key cryptography is an asymmetric cryptography system where information is encrypted and decrypted using a pair of different but mathematically related keys. The private key consists of a very large random number of variables (which are impossible to guess), and the public key is a mathematical derivation of the private key. While the public key can be derived from the private key, the reverse is not possible. It is called a one-way or a trapdoor function. The public key is broadcast to everyone while the private key is kept secret.

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<sup>24</sup> <https://www.investopedia.com/terms/p/proof-work.asp>

<sup>25</sup> <https://www.investopedia.com/terms/p/proof-stake-pos.asp>

<sup>26</sup> <https://www.coinbase.com/learn/crypto-basics/what-is-cryptography>

Information encrypted with the public key can only be decrypted by the private secret key. This allows users to create encrypted messages that can only be decrypted by the intended recipient. Similarly, a message that has been encrypted with a private key can be decrypted with its corresponding public key. Consequently, anyone aware of the public key knows that the message must have been encrypted by the holder of the private key. This is called a digital signature.

Hashing algorithms are encryption functions that scramble the original data (input) into a random output. The same input always produces the same output, but it is impossible to know which input produced a particular output, or what the output of a particular input will be before running it through the function. Hashing algorithms are also one-way or trapdoor functions. They are easy to calculate in one direction, but very difficult to calculate in the opposite direction.

In crypto assets, public key pairs are used to protect funds and authorize spending, enabling the enforcement of ownership rights in the absence of a referee. A crypto asset is sent to addresses derived from public keys and can only be spent from its corresponding private key via a digital signature.<sup>27</sup>

## Mining

Crypto assets based on proof of work are created via a technological process called mining. Mining is the process by which the participants in a crypto asset network reach a distributed consensus - that is, how they agree on a shared transaction history in the absence of a central clearing counterparty. The rule for determining which ledger is the real book is simple - it's the ledger that was the cheapest to produce.<sup>28</sup>

Miners prove that they have incurred real costs through proof -of- work. In essence, a proof -of- work is an output from a hashing algorithm that fits certain strict criteria. As previously mentioned, outputs of hashing algorithms cannot be predicted based on its input, and finding such an output proves that the miner must have spent a certain amount of processing power, and thus electricity, in the search for the output.

As a reward for spending electricity to solve the mathematical problem required for proof-of-work, miners are rewarded with newly issued units of the crypto asset. Mining is therefore both the process of reaching a distributed consensus on the transaction history of the blockchain and the process of creating new units of the crypto asset.

## Validators and proof -of-stake

Some crypto assets (such as Polkadot, Ethereum, Cardano and Avalanche) do not rely on proof -of- work or miners to reach a distributed consensus. Instead, they rely on another method, known as “ proof of stake,” to agree on, approve and document transactions on the network.

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<sup>27</sup> <https://www.investopedia.com/tech/explaining-crypto-cryptocurrency/>

<sup>28</sup> <https://www.investopedia.com/tech/how-does-bitcoin-mining-work/>



While proof -of- work requires real costs in terms of energy and computing power, proof -of-stake requires holders of a protocol's crypto asset that their holdings be used to validate the network and its transactions. It is implemented by crypto assets connecting to a so-called validation node, the validation node is in turn responsible for verifying, voting and maintaining a record of transactions. In proof -of- work, the network relies on the miner who solves the computational problem the fastest, while a proof -of-stake network rewards validators who contribute to the network by verifying transactions and adding new blocks to the blockchain. Like proof -of- work, the validator of a transaction earns a reward in the protocol's crypto asset. Individual holders can participate with their assets to create large pools and earn such rewards. This is known as “ staking ”.

Staking generally involves contributing a protocol's crypto asset to a pool of assets held by validators, who manage the nodes. Staking can be done through escrow, which means that a holder must deliver the crypto assets subject to staking to another digital wallet, or without escrow, whereby the holders can contribute the crypto asset to the pool of assets without transferring coins, so called non- custodial strike. The issuer will only use non- custodial staking so that the crypto assets never have to leave the Custodial Institute in connection with staking. Holders appoint a validator, who manages the nodes and, in general, the higher the number of coins subject to staking, the higher the probability that a particular validator will be asked to validate a transaction according to the protocol<sup>29</sup>.

As with proof -of- work, the validation of a transaction on a proof -of-stake protocol results in a reward being earned in that protocol's crypto asset. All participants in the pool share the reward, which is distributed by the validator. Validators who do not follow the rules of the protocol can be punished, either in the form of reduced rewards or in the form of actual loss of part of the coins subject to staking.

#### Price formation and evaluation

Crypto asset rates are affected by both supply and demand, with the major trading venues serving as the most reliable channels for determining the price of a crypto asset. Given the somewhat fragmented nature of the market, liquidity and efficiency of any given trading venue can also affect the exchange rate of the respective crypto asset of the trading venue. As a result, crypto exchanges can often display different rates, although for the larger crypto exchanges, such variations are generally limited. In general, the order depth and volume of crypto asset is substantially lower than that of more established asset classes, which can result in higher volatility (which can be observed by looking at historical price trends). For smaller crypto assets that are represented on fewer crypto exchanges with lower liquidity, the rate may have a greater variation at different exchanges. The Issuer will only issue ETPs that follow the value development of crypto assets that meet the Index Administrator's criteria to avoid risks related to rate diversification. Other factors that affect a crypto asset's valuation include the circulated supply in relation to the maximum supply of a crypto asset, for example there are, as of 30<sup>th</sup> of December 2024, around 19.8 million Bitcoins in circulation and the maximum supply of Bitcoins is set at 21 million pieces. The reward frequency and reward volume from staking and mining in various crypto asset protocols determines the inflation of the crypto asset and this in turn affects the valuation.

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<sup>29</sup> <https://university.cex.io/custodial-and-non-custodial-staking-explained/>

Crypto assets include innovative technologies, emerging but rapidly growing networks, and crypto assets that represent a store of value, a unit of account, and a medium of exchange. There have been several academic proposals for valuation models for cryptoassets<sup>30</sup> The issuer makes no recommendation or assessment of the advantages or disadvantages of any of them. These models all use fundamental factors outside of the existing price of Bitcoin and can therefore be used to model value based on expectations.

In other non-academic examples, an anonymous analyst models the Plan B value of monetary assets with scarcity via a stock-to-flow strategy, a method originally used in the precious metals industry. The approach provides highly accurate results when applied not only to Bitcoin, but also scarce commodities with monetary properties such as gold and silver <sup>31</sup>. Johnny Antos and Reuben McCreanor use an efficient valuation framework for crypto assets using Black-Scholes Option Theory <sup>32</sup>and John Pfeffer uses a mixed method including the Equation of Exchange to value crypto assets <sup>33</sup>. In addition to these valuation models, there are a variety of price indicators that use various fundamental metrics in some relation to asset prices to provide investors with insight into current asset prices compared to a variety of correlated benchmarks. As an example can is

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<sup>30</sup> Pagnotta & Buraschi 2018, Li & Wang 2016 och Wheatley et. al. from Imperial College London, City University of Hong Kong respectively ETH Zurich

<sup>31</sup> PlanB. [Online] March 22, 2019. <https://medium.com/@100trillionUSD/modeling-bitcoins-value-with-scarcity-91fa0fc03e25>

<sup>32</sup> Antos, Johnny and McCreanor, Reuben. [Online] March 2018. <https://medium.com/blockchain-advisory-group/an-efficient-markets-valuation-framework-for-cryptoassets-using-black-scholes-option-theory-a6a8a480e18a>

<sup>33</sup> Pfeffer, John. [Online] December 2017. <https://s3.eu-west-2.amazonaws.com/johnpfeffer/An+Investor's+Take+on+Cryptoassets+v6.pdf>

mentioned Realized Capitalization<sup>34</sup>, Delta Capitalization<sup>35</sup>, Thermo Capitalization<sup>36</sup>, Network Value to Transactions (NVT) Ratio<sup>37</sup>, NVT Signal (Kalitchkin's NVT)<sup>38</sup>, Mayer Multiple<sup>39</sup>, Difficulty Ribbon<sup>40</sup> and Bitcoin Network Momentum<sup>41</sup>

#### Trading venues for crypto assets

To hedge its exposure to each crypto asset, the Issuer relies on Crypto Asset marketplaces and the Authorized Participants to be able to guarantee the hedging of the Crypto Assets that the ETPs adhere to. Some of these marketplaces may be unregulated and exposure to these marketplaces may be associated with risks. The Issuer applies a strict policy for counterparty risks, which means that the Issuer is only exposed to these markets to the extent necessary for daily operations.

#### Platforms for historical data

Information for historical data on crypto assets is available free of charge on any of these company websites (among others):

- Bitstamp.com
- Coingecko.com
- Kraken.com
- Coinbase.com
- CoinMarketCap.com
- CryptoCompare.com

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<sup>34</sup> CoinMetrics. [Online] December 2018. <https://coinmetrics.io/realized-capitalization/> 8 Puell, David. [Online] Adaptive Capital, February 2019. <https://medium.com/adaptivecapital/bitcoin-delta-capitalization-1d51a7b256b4>

<sup>35</sup> Puell, David. [Online] Adaptive Capital, February 2019. <https://medium.com/adaptivecapital/bitcoin-delta-capitalization-1d51a7b256b4>

<sup>36</sup> Carter, Nic. [Online] September 2018. <https://www.docdroid.net/FbgH1WS/bitcoin-institution-riga.pdf#page=8>

<sup>37</sup> Woo, Willy. [Online] October 2017. <https://woobull.com/introducing-nvt-ratio-bitcoins-pe-ratio-use-it-to-detect-bubbles/>

<sup>38</sup> —. [Online] February 2018. <https://woobull.com/nvt-signal-a-new-trading-indicator-to-pick-tops-and-bottoms/>

<sup>39</sup> —. [Online] <http://charts.woobull.com/bitcoin-mayer-multiple/>

<sup>40</sup> —. [Online] August 2019. <https://woobull.com/introducing-the-difficulty-ribbon-the-best-times-to-buy-bitcoin/>

<sup>41</sup> Swift, Philip. [Online] October 2018. <https://blog.goodaudience.com/bitcoin-network-momentum-a42346b2f0ce>

## Regulations

Regulations regarding crypto assets around the world vary, with some jurisdictions having implemented regulations while others lack them. In Europe, the MiCA regulation began to be applied at the end of 2024, and it is expected to clarify the regulatory framework for crypto assets within the EU. This will, among other things, regulate crypto asset activities within the EU that fall under the MiCA regulation with clearer rules. The issuer's assessment of the MiCA regulation's impact is that it will lead to increased trust in crypto assets, and jurisdictions outside the EU may adopt the MiCA regulation.

## Offer and sale

This Base Prospectus has been prepared in such a way that it allows offers in Sweden and in jurisdictions that belong to the European Economic Area. Only companies with an approval from the Issuer (“ Authorized Bidders ”) are entitled to submit offers regarding the Issuer's ETPs.

The Issuer is responsible for the content of the Base Prospectus towards the investors who accept an offer from the Issuer or its Authorized Offeror during the offer period. The offer period for the Issuer's ETPs is set out in the Final Terms for each ETP. Only the Issuer and the Authorized Bidders are entitled to issue offers for the Issuer's ETPs, in accordance with the conditions below:

- Authorized Offerors have the right to issue offers for 12 months from the date this Base Prospectus has been approved by the Financial Supervisory Authority.
- The terms of the transaction between the Authorized Offeror and investors who accept the Authorized Offeror's offer are governed by the General Terms and Conditions of the authorized offer and thus of the Authorized Offeror, such as price and settlement method. The General Terms and Conditions between investors and Authorized Offerors do not appear in this Base Prospectus.
- New relevant information from the Issuer that was known at the time of approval of this Base Prospectus that may affect the Authorized Bidders will be published on the Issuer's website.
- The Issuer bears no responsibility for the actions of the Authorized Offeror.
- The Issuer bears full responsibility for this Base Prospectus, even in connection with a subsequent resale or final placement of the securities by a financial intermediary who has received approval to use the Base Prospectus.
- Financial intermediaries issuing an offer must provide investors with information on the General Terms and Conditions of this Base Prospectus.

The issuer authorizes financial intermediaries to issue offers provided that one of the following conditions is met:

- The financial intermediary is listed as an Authorized Provider in the General Terms and Conditions.
- The financial intermediary is listed as Authorized Participant incl. full name and address on the Issuer's website: <https://virtune.com/investor-relations/authorised-participant>.

Apart from the above, the Issuer has not given an approval for any entity to use the Base Prospectus to issue an offer in Sweden or any other jurisdiction within the European Economic Area. Offers issued without the Issuer's approval are considered invalid and the Issuer bears no responsibility for the investors who choose to accept such an offer or for the entity issuing the offer. In the event that an investor receives an offer from a party that is not an Authorized Offeror, the recipient of the offer should investigate who is responsible for the base prospectus and, if in doubt, include legal advice on the matter.

**If an offer is made by a financial intermediary, the financial intermediary will provide information to investors about the terms of the offer at the time the offer is made. Financial intermediaries using the Base Prospectus must state on their website that they are using the Base Prospectus in accordance with the approval and the conditions attached thereto.**

## **Taxation**

The tax laws of the Investor's home Member State and the Issuer's country of registration may affect the income from the ETPs. Every investor must be aware that an investment in an ETP with crypto assets as an underlying asset may have tax consequences, such as income tax, capital gains tax and/or other tax. Each investor must individually investigate whether such tax effects may arise in their respective country.

## General information

*The following overview of the Program and the ETPs does not purport to be complete and is subject to and qualified by the detailed information contained elsewhere in this Base Prospectus and in the final terms of each series of ETPs. Words and expressions not defined in this overview shall have the meaning given to them elsewhere in this Base Prospectus.*

This Base Prospectus has been approved by the Financial Supervisory Authority (**Finansinspektionen**), as the competent authority under Regulation (EU) 2017/1129. The Financial Supervisory Authority approves this Base Prospectus only to the extent that it meets the requirements for completeness, comprehensibility and consistency set out in Regulation (EU) 2017/1129 and this approval should not be considered as any kind of support for the issuer referred to in this Base Prospectus. This endorsement should also not be considered as any kind of endorsement of the quality of the ETPs referred to in this Base Prospectus and investors should make their own judgment as to whether it is appropriate to invest in these ETPs.

The Base Prospectus permits offers to the public in Sweden and/or admission to trading of ETPs with a single crypto asset as underlying (**Single Asset ETP**), ETPs with multiple crypto assets as underlying and (**Basket ETP**) ETPs: er with an index as underlying (**Index ETP**). For each index, an index methodology is drawn up which includes a set of rules which indicate which underlying crypto assets may be included. Reference to **ETP** includes reference to both Single Asset ETP, Basket ETP and Index ETP. Virtune may request that the Financial Supervisory Authority notifies the approval of the Base Prospectus to other Member States in accordance with the Prospectus Regulation for the purpose of making an offer to the public in such Member States or for the admission to trading of all or some ETPs on a regulated market in such Member States.

### **Warning regarding the validity of this Base Prospectus and any supplementary prospectus**

The Base Prospectus was approved by the Financial Supervisory Authority on 5 April 2025 and is valid for a period of twelve months after approval. The Issuer shall draw up a supplement (each, a **Supplement**) to this Base Prospectus upon any new material fact, factual error or material inaccuracy in connection with the information Base Prospectus which may affect the assessment of the securities and which arise or are noticed between the time of approval of the Base Prospectus and the end of the offer period. The obligation to provide supplements to a prospectus in the event of a new circumstance of importance, material error or material inaccuracy does not apply when a prospectus is no longer valid.

### **The program**

The program described in this Base Prospectus enables Virtune to continuously issue ETPs and apply for the admission of such ETPs to trading on one or more regulated markets as well as multilateral trading platforms. The ETPs can be offered to the public in Sweden and/or, subject to the relevant notification measures being carried out, other Member States within the EEA. The ETPs will be created under and regulated by Swedish law.

The ETPs are freely transferable, but Holders may be subject to purchase or transfer restrictions with respect to the ETPs under local laws to which a Holder may be subject. Each Holder must ensure compliance with such restrictions at their own expense. Virtune will initially often apply for admission to trading on Nasdaq Stockholm in Sweden at the introduction of new ETPs. Virtune may also issue one or more series of the ETPs that are not intended to be admitted to trading.

The ETPs will either have a single crypto asset, multiple crypto assets or an index with crypto assets as index components as the underlying asset. The possible return that an investor will receive will depend on the performance of the underlying and,

where the relevant settlement currency (i.e. the currency in which the relevant series of ETPs is denominated) is other than USD, the exchange rate between USD and relevant settlement currency.

The issuer is registered as a financial institute with the Swedish Financial Supervisory to manage and trade crypto assets. The issuer will issue and settle ETPs with the Swedish central securities depository Euroclear Sweden AB for all ETPs listed on Swedish stock exchanges and multilateral trading platforms.

The General Terms and Conditions in this Base Prospectus apply to all ETPs issued under this Program as modified and supplemented in accordance with the provisions of the applicable Final Terms.



## APPENDIX I – LIST OF DEFINITIONS

**Account Operator** means, in relation to any Series of Products registered for clearing and settlement through the Swedish CSD, the bank or other institute authorised to act as an account operator (Sw. *kontoförande institut*) in accordance with the Swedish CSD Rules through which that the relevant Investor has opened a Swedish CSD Account for the relevant Products.

**Additional Pledges** means any pledge agreement other than the Pledge of Collateral Account Agreement between the Issuer and the Collateral Agent granted in respect of the Collateral specified in the Final Terms applicable to the relevant Series.

**Administrator** means Formidium Corporation and any successor administrator(s).

**Administration Agreement** means the agreement dated on or about 9 March 2023 between the Issuer and the Administrator as may be amended and/or supplemented and/or restated from time-to-time.

**ACA** (i) the account control agreement dated on or about 31 March 2023, governed by the laws of New York, entered into between the Issuer, the Custodian and the Collateral Agent with respect to the respective Collateral Account or (ii) any other account control agreement specified in the Final Terms applicable to the relevant Series, as applicable.

**Airdrop** means the equivalent of a special dividend in kind which results in the creation or allocation of new units of an existing asset serving as an Underlying or Underlying Component (as defined below) to participants in the blockchain. The new units of crypto assets are allocated to some but not necessarily all participants on a blockchain and are typically designed to incentivise specific behaviour in the network (*i.e.*, increased participation, maintaining infrastructure, *etc.*).

**AP Redemption Date** means the transaction date specified by a relevant Authorised Participant in its Form of Order Request, or such other date as may be agreed in writing between the Issuer and the relevant Authorised Participant.

**Appointee** means any agent, delegate, custodian or nominee appointed by the Collateral Agent.

**Authorised Participant** means an entity that is specified in the Final Terms and has entered into an Authorised Participant Agreement with the Issuer and any additional or subsequent Authorized Participants.

**Authorised Participant Agreement** means an agreement between the Issuer and an Authorised Participant in respect of the creation, redemption and distribution of Products, as may be amended and/or supplemented and/or restated from time-to-time.

**Basket** means a basket of Underlyings as specified in the Final Terms applicable to the relevant Series, as may be adjusted by the Index Calculation Agent, from time-to-time in accordance with these General Terms and Conditions.

**Business Day** in connection with any payment and settlement procedure, means a day on which (i) relevant Clearing Systems are open and Products can be settled, (ii) relevant commercial banks and custodians are open, (iii) banks in Sweden are open, (iv) foreign exchange markets execute payments in the respective Settlement Currency, (v) transactions in Underlyings or Underlying Components of the relevant Product can be settled, and/or (vi) any other day, as specified in the Final Terms applicable to the relevant Series, if applicable.

**Cash Settlement** means the procedures specified in Condition 5.5, as completed by the applicable Final Terms.

**Clearing and/or Clearing System** means, as applicable, (i) the Finnish CSD; (ii) the Norwegian CSD; (iii) the Swedish CSD or (ii) any other additional clearing system specified as such in the Final Terms applicable to the relevant Series.

**Collateral** means the Underlyings or Underlying Components credited to the Collateral Account and other assets denominated in the Underlyings or Underlying Components and/or any other collateral specified as such in the Final Terms and which serve as collateral for the Product.

**Collateral Account** means the account or sub-account, as applicable, administered by the Custodian and opened for the Products.

**Collateral Agent** means The Law Debenture Trust Corporation p.l.c. and any successor collateral agent.

**Collateral Agent Agreement** means the Collateral Agent Agreement, governed by the laws of England, with certain provisions of the Collateral Agent Agreement being governed by the laws of New York as stated within the Collateral Agent Agreement, entered into between the Issuer and the Collateral Agent on or about dated 31 March 2023, as may be amended and/or supplemented and/or restated from time-to-time.

**Collateralisation** means the procedures set out in Condition 3.2.

**Crypto Asset Collateral** means the amount of eligible Crypto Assets or other assets denominated in Underlying or Underlying components or other eligible assets collateralising a Product.

**Crypto Asset** means any crypto asset that is among the 300 largest crypto assets based on total market value in connection with the establishment of the applicable Final Terms and thereby eligible to be used as an Underlying or as an index component of the applicable Underlying Index. These criteria are described in the section "Acceptable crypto assets for the Issuer".

**Custodian** means Coinbase Custody Trust Company, LLC or any additional custodian as specified in the Final Terms applicable to the relevant Series or, as applicable, any successor or replacement to a Custodian..

**Custodial Services Agreement** means (i) the custodial services agreement in relation to the Crypto Assets collateralising Products issued under the Programme dated on or about 31 March between the Issuer and the Custodian, as may be amended and/or supplemented and/or restated from time-to-time or (ii) or any other custodial services agreement specified in the Final Terms applicable to the relevant Series, as applicable.

**Enforcement Notice** means a notice given to the Issuer by Collateral Agent (following receipt of instructions to do so by the Required Threshold of Investors) following the occurrence of an Event of Default or an Insolvency Event as set out in Condition 21.

**ETP Calculation Agent** means the calculation agent specified in the relevant Final Terms or, as applicable, any successor or replacement thereto.

**Event of Default** has the meaning given in Condition 20.

**Exchange** means the trading venues where the Product is listed as specified in the Final Terms applicable to the relevant Series.

**Exchange Business Day** means, if not otherwise specified in the Final Terms:

- (iv)** In relation to Products with a single Underlying or a Basket, if the value of such Underlying or Underlying Components is determined:

  - (a) by way of reference to a price or value source including but not limited to information providers such as Reuters or Bloomberg and the respective pages on their systems, a day on which such price or value source still exists and officially provides for the respective price or value, subject to Market Disruption Events;
  - (b) by way of reference to a publication of an official fixing, a day on which such fixing is scheduled to be determined and published by the respective fixing sponsor, subject to Market Disruption Events;
  - (c) by way of reference to an official cash settlement price, a day, on which such official cash settlement price is scheduled to be determined and published by the respective exchange or any other official announcing party, subject to Market Disruption Events;
  - (d) by way of reference to an official settlement price, a day, on which the Relevant Underlying Exchange is scheduled to be open for trading for its respective regular trading session, notwithstanding any such Relevant Underlying Exchange closing prior to its scheduled closing time.
  
- (v)** In relation to Products with an Index as Underlying, a day, on which the relevant Index is calculated by the Index Calculation Agent or the Successor Index Calculation Agent and published by the Publishing Party or the Publishing Third Party, subject to Market Disruption Events.
  
- (vi)** In relation to Products with more than one Underlying or Underlying Component, irrespective of their nature and number, a day on which all Underlyings or Underlying Components can be determined in accordance with (i) and (ii) above.

**Extraordinary Event** has the meaning assigned to such term in Condition 17.

**Fair Market Value** has the meaning assigned to such term in Condition 9.2.

**Final Fixing Date** means, subject to provisions regarding a Market Disruption Event, the date for the determination of the Redemption Amount, specified in the Final Terms applicable to the relevant Series or in any Termination Notice.

**Finnish CSD** means Euroclear Finland Oy, P.O. Box 1110, FI-00101 Helsinki, Finland, the Finnish central securities depository or any successor or replacement thereto.

**Finnish CSD Rules** means the legislation, regulations, rules and operating procedures applicable to and / or issued by the Finnish CSD, from time to time, including but not limited to the Finnish Act on the Book-Entry System and Clearing Operations (in Finnish: *laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (749/2012)*, as amended) and the Finnish Act on Book Entry Accounts (in Finnish: *laki arvo-osuustileistä (827/1991)*, as amended).

**Fork** means an event where a developer or group of developers split the code base powering a Crypto Asset that serves as an Underlying or Underlying Component into two or more branches of variations of development, resulting in the creation of a new asset which derives from the original blockchain of the respective Underlying or Underlying Component.

**Form of Order Request** means the form of order request in respect of a redemption of Products at the option of an Authorised Participant in accordance with Condition 5.4, as set out in the relevant Authorised Participant Agreement.

**FX Disruption Event** has the meaning given in Condition 10.

**FX Establishment Date** has the meaning given in Condition 10.

**FX Rate** has the meaning given in Condition 10.

**Increased Cost of Collateralisation** has the meaning specified in Condition 10.

**Index** means the index specified in the Final Terms applicable to the relevant Series.

**Index Calculation Agent** means the index calculation agent specified in the Final Terms applicable to the relevant Series or, where applicable, any successor or replacement thereto..

**Index Sponsor** means the sponsor of the Index specified in the Final Terms applicable to the relevant Series or, where applicable, any successor or replacement thereto..

**Insolvency Event** has the meaning given in Condition 20.

**Investor** means each holder of Products registered as such on any relevant date in respect of a Product in the records of the relevant Clearing System, including also: (i) any nominee authorised as such by the CSD registered as the nominee holder in respect of any Product; and (ii) any such other person who is registered in the records of the relevant CSD on the relevant date as being entitled to receive the relevant payment (or delivery, if any), in each case, pursuant to the Relevant CSD Rules.

**Investor Order Request Form** has the meaning given in Condition 5.4.

**Investor Put Date** is the date specified in the Final Terms applicable to the relevant Series.

**Issue Date** means the date specified in the Final Terms applicable to the relevant Series on which the relevant Products shall be issued.

**Issue Price per Product** means the Crypto Asset Collateral specified in the Final Terms applicable to the relevant Series.

**Issuer** means Virtune AB (publ.), a corporation incorporated under the laws of Sweden with registration number 559175-2067.

**Issuer Security** means the security created over the Collateral in favour of the Collateral Agent and for the benefit of Investors pursuant to the Security Documents.

**Issuer Security Enforcement Proceeds** has the meaning assigned to such term in Condition 21.2.

**Issuing Agent** means (i) Nordic Issuing AB, a corporation registered under the laws of Sweden with registration number 559338-2509; (ii) any other entity specified as such in the Final Terms applicable to the relevant Series; and/or (iii), in each case, any successor issuing agent.

**Issuing Agent Agreement** means the agency agreement between the Issuer and the relevant Issuing Agent in relation to the Programme, as may be amended and/or supplemented and/or restated from time-to-time.

**Issuing and Paying Agents** has the meaning given in Condition 14.1.

Issuer Technical Amendment means any amendment, variation or modification to the General Terms and Conditions and/or any Transaction Document which is made:

- (f) in connection with (i) the appointment of an Authorised Participant and/or (ii) the entry into an Authorised Participant Agreement and/or (iii) any change to the terms of an Authorised Participant Agreement which is necessary or desirable in the opinion of the Issuer;
- (g) in connection with (i) the appointment of a Custodian, Administrator or other Issuing Agent and/or (ii) the entry into an additional Custodial Services Agreement, Administration Agent or Issuing Agent Agreement and/or (iii) any change to the terms of a Custodial Services Agreement, Administration Agent or Issuing Agent Agreement which is necessary or desirable in the opinion of the Issuer;
- (h) in connection with any change in the fees or costs payable to any Transaction Party by a party other than the Issuer;
- (i) to comply or align with rules, regulations or procedures of any stock exchange, settlement system, Authorised Participant or Custodian where such compliance or alignment is mandatory or is for the benefit of the Investors; or
- (j) to provide for any actual or reasonably anticipated consequence of a Potential Adjustment Event.

**Market Disruption Event** has the meaning specified in Condition 6.

**Market Maker** means Flow Traders B.V. or the market maker specified as such in the Final Terms applicable to the relevant Series or, where applicable, any successor or replacement to a Market Maker. The Market Maker may be the same as or different from the Authorized Participant(s) for the ETP.

**Minimum Investment Amount** means the minimum investment amount for any Tranche of Products as specified in the Final Terms applicable to the relevant Series, if any.

**Minimum Trading Lot** means a minimum trading lot specified in the Final Terms applicable to the relevant Series, if any.

**Nasdaq** or **Nasdaq Stockholm** means the regulated market operated by the Nasdaq Stockholm stock exchange, Tullvaktsvägen 15, 105 78 Stockholm, Sweden, or its successor.

**Norwegian CSD** means Verdipapirsentralen ASA, Biskop Gunnerus Gate 14A, P.O. Box 4, N-0051 Oslo, Norway, the Norwegian central securities depository or any successor or replacement thereto.

**Norwegian CSD Rules** means the legislation, regulations, rules and operating procedures applicable to and / or issued by the Norwegian CSD, from time to time, including but not limited to, the Norwegian Securities Register Act (in Norwegian: *lov om registrering av finansielle instrumenter av 2002 5. juli nr. 64*).

**Observation Date** has the meaning specified in the Final Terms applicable to the relevant Series, if applicable.

**Pledge of Collateral Account Agreement** means (i) the Pledge of Collateral Account Agreement governed by the laws of New York dated on or about 31 March 2023 between, the Issuer, as pledgor, and the Collateral Agent, as collateral agent, in respect of the Collateral, as may be amended and/or supplemented and/or restated from time-to-time or any other pledge of collateral account agreement specified in the Final Terms applicable to the relevant Series, as applicable.

**Postponed Final Fixing Date** has the meaning given in Condition 10.

**Postponed Observation Date** has the meaning given in Condition 10.

**Potential Adjustment Event** has the meaning given in Condition 8.1.

**Product** means the exchange traded products linked to an Underlying, as specified in the Final Terms.

**Product Documentation** means these General Terms and Conditions and the applicable Final Terms, each as may be amended and/or supplemented and/or restated from time-to-time.

**Publishing Party** means the entity specified as the Publishing Party in the Final Terms applicable to the relevant Series.

**Publishing Third Party** means the entity which is the successor to the Publishing Party.

**Receiver** means a person appointed by the Collateral Agent to assist with the performance of their duties under the Collateral Agent Agreement in accordance with Clause 16 (*Appointment and Removal of Receiver or Administrator*) thereof.

**Record Date** means the date specified as such pursuant to the Relevant CSD Rules.

**Redemption Amount** means an amount in the Settlement Currency payable per Product by the Issuer to the Investors calculated as specified in the Final Terms applicable to the relevant Series; *provided, however*, that in the case of an Extraordinary Event pursuant to Condition 17, the Redemption Amount shall be reduced and may be as low as the smallest denomination of the Settlement Currency (*i.e.*, €0.01, SEK 0.01 or the equivalent in other Settlement Currencies, if any).

**Redemption Date** means (i) the date specified in the Termination Notice, which date shall be no earlier than 30 days after publication of the Termination Notice; or (ii) in respect of any redemption following the exercise of an Investor's option in accordance with Condition 5.2, the relevant Investor Put Date, as specified in the Final Terms. Where a Final Fixing Date is postponed as a consequence of a Market Disruption Event, the Redemption Date will be postponed accordingly.

**Redemption Order** has the meaning set out in Condition 5.2.

**Redemption Period** has the meaning set out in Condition 5.2.

**Relevant CSD Rules** means, (i) in relation to any Series of Products registered for clearing and settlement through the Finnish CSD, the Finnish CSD Rules; (ii) in relation to any Series of Products registered for clearing and settlement through the Norwegian CSD, the Norwegian CSD Rules; (iii) in relation to any Series of Products registered for clearing and settlement through the Swedish CSD, the Swedish CSD Rules; (iv) in relation to any Series of Products registered for clearing and settlement through another Clearing System pursuant to the Final Terms applicable to such Series, the legislation, regulations, rules and operating procedures applicable to and / or issued by the CSD specified in such Final Terms.

**Relevant Currency** means the currency in which the Underlying or Underlying Components is trading on the Relevant Underlying Exchange.

**Relevant Underlying Exchange(s)** means the exchange(s) or a quotation system as specified in the Final Terms applicable to the relevant Series on which the relevant Underlying or Underlying Components are traded, or any successor to such Relevant Underlying Exchange or any substitute exchange or quotation system to which trading in the Underlying has temporarily relocated. Any substitute exchange or quotation system must provide comparable liquidity relative to the Underlying or Underlying Components as on the original Relevant Underlying Exchange, as determined by the Issuer.

**Required Threshold** means: (i) in respect of any action relating to or following an Insolvency Event, any Investor; and (ii) in any other case (including, for the avoidance of doubt, an Event of Default), Investors representing not less than 25% of Products in the relevant Series.

**Security Documents** means the ACA, the Pledge of Collateral Account Agreement and, where applicable, the Additional Pledges.

**Settlement Currency** means the currency specified in the Final Terms applicable to the relevant Series in which the Redemption Amount is settled.

**Swedish CSD** means Euroclear Sweden AB, registration number 556112-8074, registered address: Klarabergsvidadukten 63, Box 191, SE-101 23 Stockholm, the Swedish central securities depository or any successor or replacement thereto.

**Swedish CSD Account** means, in relation to any Series of Products registered for clearing and settlement through the Swedish CSD, an account with the Swedish CSD in which an Investor's Products are registered.

**Swedish CSD Rules** means the legislation, regulations, rules and operating procedures applicable to and / or issued by the Swedish CSD, from time to time, including but not limited to, the Swedish Central Securities Depository and Financial Instruments Accounts Act (in Swedish: *lag (1998:147) om centrala värdepappersförvarare och kontoföring av finansiella instrument*), as amended.

**Successor Index Calculation Agent** means the entity that is the successor to the Index Calculation Agent.

**Successor Underlyings** means underlying assets as defined in Condition 8.3.

**Transaction Documents** has the meaning given to it in the Collateral Agent Agreement.

**Transaction Party** has the meaning given to it in the Collateral Agent Agreement.

**Underlying Component** means, in relation to Products linked to an Index, each component of such Index and, in relation to Products linked to a Basket, each component of such Basket.

**Underlying Illiquidity** has the meaning assigned to such term in Condition 7.1.

**Underlying** means the underlying specified in the Final Terms applicable to the relevant Series.

**Wallet** (or **Digital Wallet** or **Crypto Wallet** or **Crypto Wallet**) means a software program where a private key (secret number) and public address for every Crypto Asset address that is saved in the wallet of the person or person who owns the balance.



### **Responsibility of all persons for the Base Prospectus, etc**

The Issuer is responsible for the information in this Base Prospectus and declares that the information in this Base Prospectus, as far as the Issuer is aware, corresponds to the facts and that no information that could likely affect its meaning has been omitted. The board of the Issuer is, to the extent that follows from Swedish law, responsible for the information in this Base Prospectus and declares that the information in this Base Prospectus, as far as is known by the board, corresponds to the facts and that no information that could likely affect its meaning has omitted.

Information in the Base Prospectus stated to have been obtained from third parties has been correctly reproduced and, as far as the Issuer knows and can judge from other information published by the third party concerned, no facts have been omitted that would make the reproduced information incorrect or misleading. Reference to sources in the form of footnotes or through other statements is made on an ongoing basis in connection with the provision of information from third parties.

The Issuer has obtained all necessary resolutions, authorizations and approvals required in connection with the ETPs and the performance of its obligations in connection therewith.

The base prospectus was approved by the Swedish Financial Supervisory Authority on April 4, 2025. The prospectus is valid for a period of twelve months after the approval. The obligation to provide supplements to the base prospectus in the event of new circumstances of significance, inaccuracies, or material errors will no longer apply once the base prospectus is no longer valid.

**ISSUER'S REGISTERED ADDRESS**

**Virtune AB (Publ.)**  
Kungsgatan 26  
SE-111 35 Stockholm  
Sweden

**ISSUING AGENT**

**Nordic Issuing AB**  
Stortorget 3  
SE-211 22 Malmö  
Sweden

**COLLATERAL AGENT**

**The Law Debenture Trust Corporation plc**  
Eighth Floor, 100 Bishopsgate  
London EC2N 4AG  
UK

**THE ISSUER'S AUDITORS**

**Öhrlings PricewaterhouseCoopers AB**  
Torsgatan 21  
113 21 Stockholm  
Sweden

**LEGAL ADVISORS**

*The issuer's Swedish legal advisor*

**AG Advokat KB**  
Regeringsgatan 38  
Box 3124  
SE-103 62 Stockholm  
Sweden

*To the Collateral Agent in terms of English law*

**Linklaters LLP**  
One Silk Street  
London EC2Y 8HQ  
UK

*To the Collateral Agent in terms of New York law*

**Linklaters LLP**  
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