

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 5 April 2024. 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 5 April 2024 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of importance, material errors or material inaccuracies will not be applicable when the Base Prospectus is no longer valid.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

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 digital currencies (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 Digital Currencies as collateral. The ETP's Underlying can be a digital currency, several digital currencies or an index where the index components consist of Digital Currencies.

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.

The Digital Currencies	The Digital Currencies refer to the digital currencies that are Underlying or the digital currencies that are index components of the applicable Underlying Index. Underlying in the form of Indexes or relevant digital currencies are specified in the final terms of each Series.
Warning regarding termination and additions	This Base Prospectus was approved by the Financial Supervisory Authority on 5 April 2024. The Base Prospectus and is valid for 12 months after approval. The Issuer shall draw up a supplement (each, a " Supplement ") 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.
Transaction structure.....	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.
Issuance of series of ETPs	ETPs issued under the Program are issued in series (each a " Series "), and each Series may include one or more Tranches (each a " Tranche ") 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.
Collateral Agent.....	The Law Debenture Trust Corporation plc. or such other Collateral Agent as specified in the applicable Final Terms.
Custodial institute.....	Coinbase Custody Trust Company, LLC, or any successor or such other Custodian specified in the applicable Final Terms.
Administrator	Formidium Corp., or such other Administrator as specified in the applicable Final Terms.
Issuing Agent.....	Nordic Issuing AB, or such other Issuing Agent as specified in the applicable Final Terms.
Authorized Participant.....	Flow Traders BV, Jane Street Financial Limited, DRW Europe B.V., Enigma Securities Limited or such other Authorized Participant as specified in the applicable Final 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 BV, or other 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 (Trade name: Vinter) or such other Index Calculation Agent as specified in the applicable Final Terms.

Index Administrator..... Invierno AB, reg. no. 559207-4172, Box 5193, 102 44 Stockholm.

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 bear interest.

Security..... 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.

Security of ETPs, further described in the "Security and Summary of Security 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 security leads to insufficient realization proceeds or, in extreme circumstances, the security 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 Security. 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 security, 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 value of ETPs proves to be incorrect, the security of the ETPs may be insufficient to meet the investors' claims or may also be too high a security in which case the investors may not participate in any such upside.

Underlying and underlying components..... The underlying or underlying components of each series of ETPs will be specified in the applicable Final Terms.

Collateral provided by the Issuer in respect of ETPs..... The security created for the Security 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 Digital Currencies for those ETPs in accordance with the relevant Authorized Participant agreement. Redemption by Authorized Participants will take place by settlement in Digital Currencies (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 Digital Currencies, 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 digital currencies.

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.

Investing in the ETPs involves the risk of losing part or all of your investment. There may be other factors that may result in a partial or total loss of the investment, which the Issuer may not consider to be significant risks based on available information or may not be predictable.

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

Digital currencies 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 digital currencies is distinguished from, for example, the valuation of a share. Market volatility reflects the degree of instability and expected instability of digital currencies 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 Digital Currencies, 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 digital currencies decreases sharply or if the Underlying Digital Currencies 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 realize its business plan in time or that there are no longer conditions for operating of the business.

Risk level: high.

The issuer operates in an industry subject to increased regulation

In addition to the fact that Virtune's ability to conduct its business is dependent on its registration as a financial institution with the Financial Supervisory Authority, the Issuer must comply with other applicable legislation, rules and market practices. The legal status of digital currencies differs greatly between different countries, some jurisdictions of which still lack definitions of what type of asset class digital currencies are. There are also countries that have banned individual digital currencies or all digital currencies.

In Europe, the MiCa regulation will begin to be applied during 2024, which is expected to clarify the regulatory framework around digital currencies. If the Issuer were to fail in its compliance with rules and regulations, it could lead to financial sanctions such as fees, fines and/or fines but also significant negative publicity which could have a significant negative impact on the business and the Issuer's operating results and financial position. New laws, decisions of authorities or changes regarding the application of or interpretation of existing legislation, regulations or decisions of public authorities applicable to the Issuer's business, the ETPs and/or the Underlying Digital Currencies may adversely affect the Issuer's business or an investment in the ETP : the.

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 Digital Currencies. Should Authorized Offerors stop supporting the Underlying Digital Currencies, 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, competition is relatively low in Sweden according to the Issuer. There are a number of major players that have taken larger market shares regarding ETPs related to digital currencies around Europe. The crypto market is in constant change where new companies are continuously formed that want to take market shares of the growing industry¹. 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 new player, cannot achieve profitability or offer sufficiently attractive products on the market.

Risk level: high.

The issuer operates a newly established business with limited personnel resources

The Issuer is a relatively new player on the market and thus is dependent on continuously growing its assets under management. As Virtune intends to continue to improve brand and product awareness, customer experience and infrastructure, 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 continues to incur future operating losses. These efforts may be more expensive than Virtune currently anticipates before profitability is reached. 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, unfavourable external

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

developments regarding the Underlying Digital Currencies and thus the ETPs, which may be unforeseeable or beyond Virtune's control, may hinder the Issuer's ability to realize its business plan and achieve profitability. The issuer is currently not profitable and is thus dependent on external investment capital. Virtune raised new capital in the beginning of 2024 with an amount that is expected to facilitate the Issuer's journey to profitability. If Virtune fails to attract new managed capital to the ETPs, it may also mean delays in the realization of the Issuer's business plan or, in the worst case, prevent the Issuer from continuing to conduct its business.

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 digital currencies 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 Security in the form of Underlying Digital Currencies. 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 Digital Currencies that the Issuer posts as Security 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 Security in the form of Underlying Digital Currencies 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 Digital Currencies

The Issuer is a company with the sole purpose of issuing ETPs and managing the Underlying Digital Currencies that constitute Security 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 achieve the expected levels of AUM or, even if it does, 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 attract capital 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 Digital Currencies 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 Digital Currencies 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 Security in the form of Underlying Digital Currencies" 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 and Index Administrator. The issuer has not yet entered into an agreement with a

lending partner, but plans to do so within the next twelve months. 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 digital currencies 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 Digital Currencies. If the Custodian suffers an operational outage, it could mean that the Issuer temporarily lacks access to the Underlying Digital Currencies 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 Digital Currencies, handling of the Security in the form of Digital Currencies when issuing new ETPs, staking, lending and how its Underlying Digital Currencies 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 Digital Currencies, 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 management fees 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 is dependent on its registration as a financial institution with the Financial Supervisory Authority

Virtune is registered as a financial institution at the Financial Supervisory Authority. A prerequisite for the Issuer's registration as a financial institution is that the Issuer acts in accordance with the regulations governing financial institutions' operations. If Virtune violates these regulations, Virtune risks losing its registration, which in turn means that the Issuer loses its approval to manage and trade with the Digital Currencies that form the Security for the ETPs. There is also a risk that the Financial Supervisory Authority changes the conditions for the Issuer's registration, and that the Issuer does not have the ability and/or conditions to meet these changes.

The European Securities and Markets Authority ("ESMA") can further make decisions and implement changes to practices that affect the Financial Supervisory Authority and its regulations, which can consequently also affect the Issuer's opportunities for continued registration as a financial institution. If the Issuer fails to maintain its registration, this may have significantly negative effects on the Issuer's results and financial position. Furthermore, changed requirements regarding the Issuer's registration may mean that the Issuer must allocate significant time and resources to comply with the new requirements, which may mean that the realization of Virtune's business plan and the achievement of a positive operating result will be delayed.

Risk level: low.

Risk factors related to the ETPs

The ETPs lack capital protection

The ETPs issued under this Base Prospectus do not provide capital protection for any amount payable under the terms of the ETPs. This poses a risk to investors in the ETPs as part or all of the amount invested may be lost due to the market risk associated with investing in the ETPs. When investors redeem ETPs, the Redemption Amount is calculated based on the coin entitlement to the Collateral in the form of the Digital Currencies and the reference value rate for the relevant Digital Currency at the time of redemption. That is, if the price of the Underlying Digital Currencies constituting Security for the ETPs developed in a way that is negative for the investor, the investor will bear the entire loss corresponding to the negative development of the Underlying Digital Currencies upon redemption of the ETPs. A decline in the market valuation of the relevant Underlying Digital Currencies (which may be driven by both realized and feared price falls) will have a negative impact on the value of the ETPs and the returns from the ETPs.

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, DKK or SEK (or where applicable, another currency) and thus follow the value of the Underlying Digital Currencies in those currencies. The Underlying Digital Currencies 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 Digital Currencies. In case of sharp exchange rate changes, an investor may lose part of his investment even though the Underlying Digital Currencies 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 Digital Currencies. 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 Digital Currency(s) or Underlying Index. Historically, digital currencies 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 registered according to the EU's Benchmark Regulation. The price of such ETPs will thus be determined on the basis of the Underlying Digital Currencies, whereby the price of the respective Digital Currency 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 Digital Currencies 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 a broader exposure to several digital currencies. In the crypto market, it is common for volatility to rise the lower the total market value of the current digital

currency circulating asset is. Although the purpose of an Index or Basket-Related ETP is to create diversification and spread risk, it can lead to higher volatility compared to a Single Asset ETP. There is also the risk that an individual Digital Currency is exposed to negative events that cause a price drop, which causes the Index- or Basket-related ETP to have a negative price trend even though other Digital Currencies have a positive price trend. The purpose of an Index is to produce a rule-based methodology that governs how the Underlying Digital Currencies are to be managed, there is no guarantee that the Issuer will completely succeed in following the current Index, which means that differences may arise between the ETP's development and the Index that the ETP must follow (so-called tracking error). Although the purpose of an index is to create reliability in pricing, there are no guarantees that the index calculation will reduce speculative or manipulative price trends in the underlying components. Should the risk occur, slashing will have a negative impact on the value of and returns from the affected ETPs.

Risk level: medium.

Realization of the Security in the form of Underlying Digital Currencies

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 Security 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 Digital Currencies, which means that its value may decrease due to exchange rate fluctuations and there is no guarantee that the Collateral in the form of Digital Currencies 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 Security 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 Digital Currencies may result in a lack of liquidity

Virtune may enter into lending agreements which mean that the Issuer lends a share of the Underlying Digital Currencies 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 Digital Currencies 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 security assets, for example, digital currencies, the market value of which corresponds to at least 100 percent of the market value of the Digital Currencies 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 Digital Currencies fails to return the Digital Currencies upon the Issuer's request or alternatively upon the loan's due date. If this happens at the same time as the Digital Currencies 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 digital currencies 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 digital currencies 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 downtime². Each individual digital currency used for staking is connected to a validation node that is built and intended for staking to a specific digital currency. Slashing is something that happens to a particular validation node. In the event of slashing, only the digital currencies connected to the slashed validation node will be penalized. Thus, the risk is spread across all of the digital currencies used for staking. The punishment in case of slashing is that the holder of the digital currencies loses a percentage of the digital currencies used for staking. The percentage differs with the different digital currencies, for example Polkadot has a penalty of seven percent of the number of Polkadot 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.

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

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 Digital Currencies that constitute the Collateral for the ETPs for staking purposes. According to Virtune's internal regulations, the proportion of a Digital Currency used for staking will be evaluated on a monthly basis and adjusted based on current market conditions and its partners to ensure liquidity. When digital currencies are used for staking, they may, in certain cases predetermined for each individual digital currency, have a lockup period for a predetermined number of days. The lockup period for the digital currencies that constitute Virtune's Underlying Digital Currencies varies between zero and 28 days. During the lockup period, there is no possibility for the Issuer to sell the Digital Currency. 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 in the absence of a partner who can guarantee temporary liquidity, a situation may arise where all the Underlying Digital Currencies belonging to an ETP are under lockup. Such a situation could mean that ETPs cannot be redeemed at the desired time.

Risk level: low.

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 ETP's 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 Security in one day, and the redemption proceeds may take longer than redemption in kind. The price of the Security 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 Security 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 digital currency. For the new update to take effect, it is required that a majority of users of the digital currency 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 digital currency chose to approve the new update. An example of a fork is Bitcoin Cash, which as of November 26, 2022 is the 26th largest digital currency 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 digital currency created in the fork. If this occurs in any of the Underlying Digital Currencies constituting the Security 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 Digital Currencies

Incidents at individual crypto companies can affect the legitimacy of the crypto market and have major effects on the price of digital currencies

In 2022, three major incidents occurred in the crypto market; Terra Luna crashed and Celsius and FTX went bankrupt³. These events caused price drops in the majority of all digital currencies 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/digital currencies went bankrupt. An example is BlockFi which was one of the major loan providers of digital currencies, 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 digital currencies.

Risk level: high.

Incidents with major digital currencies or major crypto companies may affect the Issuer's ability to conduct its

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

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 digital currencies 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 Digital Currencies. Should one of the Issuer's Custodians go bankrupt, it could temporarily affect the operational operations of the ETPs whose Underlying Digital Currencies 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 Digital Currencies are valued

The value of Digital Currencies 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 digital currency 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 Digital Currencies. Additionally, the valuation of digital currencies can vary widely based on geography as some local exchanges may not support all digital currencies, making it difficult to move digital currencies 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 digital currencies, and this can continue to contribute to volatility and potentially inflate prices at any given time. Therefore, the pricing of digital currencies 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' digital currencies 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 digital currencies falls.

Risk level: medium.

Tax-related risks to Digital Currencies

The taxation of digital currencies 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.

Digital currencies are based on innovative technology with limited testing and review

The crypto market is largely based on innovation and development. New digital currencies are constantly being created whose purpose is to solve new problems. Historically, new digital currencies 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 digital currency has become popular, which can lead to large price drops for the digital currency.

Risk level: low.

Technical incidents, thefts and cyber-attacks against digital currencies can affect the value of Virtune's underlying digital currencies

Thefts and cyber-attacks can affect the reputation of the digital currencies or the relevant marketplace and thereby have a negative effect on the market price of digital currencies. 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 digital currencies other than those constituting Collateral may also adversely affect the market price, value or liquidity of the Digital Currencies used as Underlying and Collateral for a specific ETP.

Digital currencies are constructed entirely on a source code. Many new digital currencies strive to be innovative and create smarter protocols and faster transactions than their competitors. This means that every digital currency, 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 digital currency, causing it to lose its entire value. An example of a digital currency that was exposed to an actor who exploited the digital currency's technical weakness was Terra Luna, which was the sixth largest digital currency 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 digital currency 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 digital currency. 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 digital currency and thus its value.

If any of the above factors materialize, it could mean that the exposed digital currency loses its entire value and that it affects confidence in the crypto market as a whole and thus affects other digital currencies. In a scenario where a digital currency is built on a blockchain belonging to another digital currency, where the latter is affected, it can lead to both digital currencies 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 digital currency (Single -Asset ETP), multiple digital currencies (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 Digital Currencies in the ETPs always need to be approved and in line with any regulations concerning digital currencies of the exchange or multilateral trading platform on which the relevant ETP is listed. Digital currencies 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 digital currencies for the Issuer

The digital currencies that form part of the exposure and the Security for the Issuer's ETPs are set out in the associated Final Terms. Digital Currencies that constitute Underlying to the Issuer's Single Asset ETPs or Basket ETPs must be among the 110 largest digital currencies 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;
- (2) if current data is not available under (1), the most recently published set of data on 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 26 March 2024 at 14:40 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	\$71 102,63	\$1 398 219 766 010
2	ETH	Ethereum	\$3 645,44	\$437 723 004 190
3	USDT	Tether USDt	\$1,00	\$104 238 772 187
4	BNB	BNB	\$593,47	\$88 743 702 778
5	SOL	Solana	\$194,84	\$86 548 380 631
6	XRP	XRP	\$0,6447	\$35 382 750 830

7	USDC	USDC	\$0,9999	\$32 196 440 248
8	DOGE	Dogecoin	\$0,1852	\$26 601 808 477
9	ADA	Cardano	\$0,6752	\$24 024 735 227
10	AVAX	Avalanche	\$58,05	\$21 896 500 578
11	TON	Toncoin	\$5,18	\$17 959 525 931
12	SHIB	Shiba Inu	\$0,000031	\$18 283 471 596
13	DOT	Polkadot	\$9,93	\$14 163 048 954
14	LINK	Chainlink	\$20,43	\$11 995 679 217
15	TRX	TRON	\$0,1222	\$10 725 798 377
16	MATIC	Polygon	\$1,06	\$10 529 934 879
17	BCH	Bitcoin Cash	\$493,00	\$9 702 069 434
18	NEAR	NEAR Protocol	\$7,96	\$8 383 930 093
19	ICP	Internet Computer	\$18,74	\$8 672 379 995
20	UNI	Uniswap	\$12,78	\$7 657 778 394
21	LTC	Litecoin	\$91,04	\$6 774 010 990
22	APT	Aptos	\$18,14	\$7 191 444 776
23	LEO	UNUS SED LEO	\$6,09	\$5 626 450 556
24	DAI	Dai	\$0,9999	\$5 347 660 589
25	STX	Stacks	\$3,58	\$5 188 213 555
26	FIL	Filecoin	\$9,58	\$5 062 885 055
27	ATOM	Cosmos	\$12,29	\$4 805 006 915
28	ETC	Ethereum Classic	\$32,80	\$4 799 299 499
29	ARB	Arbitrum	\$1,73	\$4 604 748 631
30	IMX	Immutable	\$3,16	\$4 504 888 369
31	RNDR	Render	\$11,45	\$4 382 016 338
32	TAO	Bittensor	\$614,47	\$3 980 304 729
33	HBAR	Hedera	\$0,1215	\$4 098 501 875

34	XLM	Stellar	\$0,1392	\$4 006 824 063
35	CRO	Cronos	\$0,152	\$4 043 427 132
36	OKB	OKB	\$67,97	\$4 071 761 294
37	OP	Optimism	\$3,94	\$3 969 563 118
38	GRT	The Graph	\$0,4115	\$3 884 993 827
39	INJ	Injective	\$40,35	\$3 774 724 007
40	PEPE	Pepe	\$0,000008432	\$3 594 322 979
41	KAS	Kaspa	\$0,1481	\$3 441 808 326
42	FTM	Fantom	\$1,11	\$3 104 641 229
43	VET	VeChain	\$0,04596	\$3 337 476 348
44	RUNE	THORChain	\$9,67	\$3 259 402 435
45	MKR	Maker	\$3 328,56	\$3 075 865 998
46	THETA	Theta Network	\$3,15	\$3 135 537 211
47	LDO	Lido DAO	\$3,22	\$2 876 159 640
48	AR	Arweave	\$41,81	\$2 735 162 224
49	MNT	Mantle	\$0,9232	\$2 980 244 223
50	WIF	dogwifhat	\$3,29	\$3 288 068 560
51	XMR	Monero	\$139,98	\$2 593 965 110
52	FDUSD	First Digital USD	\$0,9993	\$2 626 109 462
53	TIA	Celestia	\$14,31	\$2 473 232 164
54	FLOKI	FLOKI	\$0,0002506	\$2 408 612 779
55	FET	Fetch.ai	\$2,95	\$2 481 490 399
56	SEI	Sei	\$0,8563	\$2 299 709 355
57	ALGO	Algorand	\$0,2808	\$2 277 377 011
58	SUI	Sui	\$1,80	\$2 224 823 406
59	FLOW	Flow	\$1,43	\$2 144 449 908
60	GALA	Gala	\$0,06923	\$2 098 482 573

61	CFX	Conflux	\$0,5293	\$2 040 418 653
62	AAVE	Aave	\$130,13	\$1 919 480 116
63	BEAM	Beam	\$0,03655	\$1 923 202 375
64	JUP	Jupiter	\$1,37	\$1 855 749 855
65	BSV	Bitcoin SV	\$90,72	\$1 789 049 029
66	QNT	Quant	\$145,27	\$1 754 399 567
67	EGLD	MultiversX	\$64,00	\$1 713 528 992
68	STRK	Starknet	\$2,33	\$1 691 783 235
69	BONK	Bonk	\$0,00002662	\$1 744 936 028
70	SNX	Synthetic	\$5,07	\$1 661 619 642
71	DYDX	dYdX (Native)	\$3,69	\$1 712 284 899
72	SAND	The Sandbox	\$0,7093	\$1 598 955 708
73	AXS	Axie Infinity	\$11,31	\$1 609 450 796
74	BTT	BitTorrent (New)	\$0,000001606	\$1 560 185 975
75	AGIX	SingularityNET	\$1,23	\$1 569 003 096
76	PYTH	Pyth Network	\$0,9728	\$1 462 677 520
77	ORDI	ORDI	\$68,45	\$1 443 412 866
78	KCS	KuCoin Token	\$14,42	\$1 390 119 665
79	WLD	Worldcoin	\$9,14	\$1 457 612 224
80	FLR	Flare	\$0,03735	\$1 377 261 599
81	MINA	Mina	\$1,30	\$1 400 756 284
82	AKT	Akash Network	\$5,72	\$1 325 539 030
83	XEC	eCash	\$0,00006885	\$1 361 328 702
84	BGB	Bitget Token	\$0,9478	\$1 326 687 835
85	XTZ	Tezos	\$1,38	\$1 343 302 563
86	CHZ	Chiliz	\$0,1504	\$1 337 475 863
87	RON	Ronin	\$4,35	\$1 325 012 516

88	MANA	Decentraland	\$0,6873	\$1 311 657 351
89	ONDO	Ondo	\$0,8984	\$1 248 528 049
90	APE	ApeCoin	\$2,11	\$1 276 606 011
91	AXL	Axelar	\$2,01	\$1 222 470 647
92	EOS	EOS	\$1,09	\$1 226 769 955
93	1000SATS	SATS	\$0,0005309	\$1 114 993 128
94	NEO	Neo	\$16,43	\$1 159 026 946
95	HNT	Helium	\$6,71	\$1 079 953 518
96	AIOZ	AIOZ Network	\$1,01	\$1 095 317 291
97	IOTA	IOTA	\$0,3661	\$1 168 444 927
98	CAKE	PancakeSwap	\$4,52	\$1 099 807 640
99	JASMY	JasmyCoin	\$0,02365	\$1 166 753 072
100	KAVA	Kava	\$1,02	\$1 107 104 226
101	HNT	Helium	\$6,63	\$1 067 371 331
102	ROSE	Oasis Network	\$0,149	\$1 000 196 074
103	KLAY	Klaytn	\$0,2799	\$999 416 825
104	LUNC	Terra Classic	\$0,0001677	\$978 165 650
105	GNO	Gnosis	\$368,16	\$953 386 904
106	CKB	Nervos Network	\$0,02138	\$936 965 022
107	PENDLE	Pendle	\$3,95	\$940 294 823
108	BLUR	Blur	\$0,612	\$916 839 881
109	WEMIX	WEMIX	\$2,50	\$914 367 864
110	ZRX	0x Protocol	\$1,06	\$899 392 607

Data on total market capitalization and price per unit in USD is taken from 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 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 digital currencies can be downloaded from <https://cryptocompare.com> by selecting the relevant Digital Currency, e.g. : <https://www.cryptocompare.com/coins/btc/overview/USD>. Each digital currency 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 Digital Currencies and these need to meet the same criteria as described above in the section "Eligible digital currencies 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 digital currencies 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, DKK 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 digital 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 digital securities. 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 digital currency(s) described in the " *Pricing of the ETPs* " section
- Value development of the Index the ETP follows, if applicable
- The value development of the digital currencies that are Underlying alternative Index components
- Issuer's annual management fee
- Supply and demand
- The exchange rate between USD and the relevant settlement currency in either EUR, DKK or SEK

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 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 Digital Currency(s). The exposure to the Underlying Digital Currencies is always indirect.

Price movements of the ETPs will always be in 1:1 correlation to the Underlying Digital Currencies 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 Digital Currencies with the Issuer's Custodian.

The price of the ETPs is controlled by the Underlying Digital Currency(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 Digital Currency(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 digital currency is taken from the same reference value that the Index uses for the Digital Currencies. For Single Asset and Basket ETPs, the price of the single Digital Currency that the ETP tracks is taken from a reference value of the single digital currency at Index Administrator Vinter or from cryptocompare.com. For Single Asset, Basket or Index ETPs that follow reference values from the Index Administrator, information on how the pricing of Digital Currencies takes place is available at <https://methodology.vinter.co/vinter/reference-rates>. For Single Asset or Basket ETPs that follow benchmarks from Cryptocompare, more information is available at <https://www.cryptocompare.com/>. The purpose of reference values is to ensure that each Digital Currency is valued correctly through rule-based and transparent methods. The total value of the Underlying Digital Currency(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 Digital Currencies 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 Digital Currency(s). The rights ratio is calculated by calculating the value of the ETPs in relation to the value of the Underlying Digital Currency. For example, for a Single Asset ETP with a value of SEK 100, which follows a digital currency whose value is SEK 1,000, the rights ratio for the ETP to the Underlying Digital Currency will be 0.1. ETPs are always issued and redeemed based on coin entitlement relationship to the Underlying Digital Currency(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:

$$\text{Net Asset Value} = \sum_{i=1}^n r_i \times q_i$$

The meaning of the variables is:

i = Represents a digital currency

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

r_i = The reference price of each individual digital currency taken from the same source as the index for Index ETPs or reference price from Index Administrator Vinter⁴ or cryptocompare.com for Single Asset and Basket ETPs.

q_i = Coin entitlement between the underlying digital currencies and the ETP.

This allows the price of the ETP to be a fraction of what the actual underlying digital currency 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 Digital Currency instead of to several Digital Currencies. 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 Digital Currencies 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 x 0.0001 + Ethereum \$3,000 x 0.003 + Polkadot \$30 x 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 Digital Currency.

For an Index ETP, the same calculation and methodology had been applied, where the reference price for the respective Digital Currency 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.

⁴<https://methodology.vinter.co/vinter/reference-rates>

- The ETP has an annual management fee of 2 percent. The management fee is charged daily, which means that the right to the respective digital currency has decreased by 0.000002 for Bitcoin, 0.00006 for Ethereum and 0.004 for Polkadot.
- The Coin Entitlement to the respective Digital Currency 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 Digital Currency has decreased by 0.000002 for Bitcoin, 0.00006 for Ethereum and 0.004 for Polkadot.
- The right to the respective digital currency 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 Digital Currencies 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 Digital Currency has decreased by 0.000002 for Bitcoin, 0.00006 for Ethereum and 0.004 for Polkadot.
- The coin entitlement to the respective Digital Currency 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.

Fees from the Issuer

The issuer's income is correlated to the Underlying Digital Currencies 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 fees 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 digital currencies 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 digital currencies 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 Crypto Top 10 Index

Virtue The Top 10 Index tracks the ten largest digital currencies based on the average of the total market value per day for each digital currency 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 digital currency's total market value, each Digital Currency 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.

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.

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.

Digital Currency means any digital currency that is among the 110 largest digital 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 digital currencies for the Issuer".

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

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) 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.

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.

Index Sponsor means the sponsor of the Index specified in the Final Terms applicable to the relevant Series.

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. This may be the same as or different than the Authorised Participant(s) for the Product.

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.

ETP Calculation Agent means the calculation agent specified in the relevant 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 **Cryptocurrency 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.

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- (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>, 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, ⁵including investment advisory, portfolio management, non-advisory sales and pure execution services] [OR: (ii) all channels for distribution of the ETPs ⁶to peer-to-peer counterparties 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 ⁷]. For the avoidance of doubt, the Issuer is not a manufacturer or distributor within the meaning of MiFID II.]

FINAL TERMS DATED [•]

Virtune AB (Publ)

(incorporated in Sweden)

LEI: 636700EWO37NE7B7GW19

Issuance of

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

according to

the Issuer's Program for Exchange-Traded Products

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

⁵ Include for non-Esma complex ETPs under the Guidelines on Complex Debt Instruments and Structured Deposits (Esma/2015/1787) (**Esma Guidelines**).

⁶ 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.

⁷ If there is advice of sale, a suitability determination will be necessary.

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.]⁸

[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.]⁹

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 5 April 2024[, supplemented by the amendments 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

⁸ Include this explanation for an exempt offer of ETPs.

⁹ Include this explanation for a Non-Excluded Offer.

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.

[The Base Prospectus, together with the Final Terms, constitutes the listing prospectus for the ETPs described herein in the sense referred to in the listing rules of Nasdaq Stockholm Stock Exchange.] The issuer intends to submit a listing application to Nasdaq Stockholm.

(i) Issue date	[•]
(ii) Series	[•]
(iii) Tranche	[•]
(iv) Date on which the ETPs become fungible	[Not applicable/ The ETPs shall be consolidated and form a single Series with the existing parts on [Issue Date] / [Enter Date]].
(v) Total number of ETPs represented by this Tranche	[•] / [Up to [•]]
(vi) Issue price	The original Security in Digital Currency consists of the following Digital Currencies 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>
(vii) Underlying	[•] [Basket] [Index] [Relevant Underlying Exchange: [•]] [Relevant Currency: [•]] Information on past performance, additional performance and volatility of the Underlying is available free of charge at [•]
(viii) Basket	[Applicable] [Not applicable]
(ix) Index	[Applicable] [Not applicable] [Index: [Winter 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 [•].]
(x) [Underlying Components]	[[•] Weight: [•] Relevant Underlying Exchange: [•] Relevant Currency: [•]] [[•] Weight: [•] Relevant Underlying Exchange: [•] Relevant Currency: [•]] [[•] Weight: [•] Relevant Underlying Exchange: [•] Relevant Currency: [•]] [[•] Weight: [•] Relevant Underlying exchange: [•] Relevant Currency: [•]] [Not applicable]
(xi) Redemption amount	<p>The redemption amount is calculated as follows:</p> <p><i>[insert for long exposure ETPs:</i></p> $\text{Inlösenbelopp} = \sum_{i=1}^n p_i * q_i - rf$ <p><i>Where (for each Digital Currency (i)):</i></p> <p>$n =$ [number of Underlying]/[•]/[Insert where staking is applicable: increased, from time to time, with realized staking rewards allocated to Investors.],</p> <p>$p_i =$ price of asset sold (USD),</p> <p>$q_i =$ amount sold,</p> <p>$rf =$ redemption fee equal to [\$150] / [•] plus [4] / [•] redemption amount interest points per redemption order]</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>
(xii) Amount of any expenses and taxes specifically charged to the Subscriber or Purchaser:	[Investor fee of [•]% of the total value of Collateral in Digital Currency 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 Digital Currency 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 Security in Digital Currency 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 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>[If lending arrangements are applicable, include: [25]/[•]% arranger fee to be paid for lending agreements used to generate additional revenue 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 fee of up to [[25]/[•]]% of the earned staking rewards, if applicable.]/[The staking rewards are expected to generate an annual reward rate - beyond the development of the Underlying Digital Currency - of up to [•]% per year before the investor fee. The actual earned staking rewards may vary in size over time and may be earned at varying times. If the actual earned staking rewards correspond to a lower annual reward rate, the reward rate is reduced accordingly. If the actual earned staking rewards exceed an annual reward rate corresponding to [•]% per year, the entire excess portion of the staking rewards accrues to the Issuer and the Custodian.]</p>
(xiii) Investor's Sale Date:	[•] every year
(xiv) [Final Determination Date:]	[•]
(xv) [Initial Determination Date:]	[•]
(xvi) ETP Calculation Agent:	Name: [•] Address: [•]
(xvii) Index Calculation Agent:	Name: [•] Address: [•]
(xviii) Administrator:	Name: [•] Description: [•]
(xix) Issuing Agent:	[•] / [Not applicable]
(xx) [Additional Paying Agent:]	[•] / [Not applicable]
(xxi) Custodian:	[•]
(xxii) [Cash settlement:]	[•]
(xxiii) Settlement currency:	[SEK] / [EUR] / [other]
(xxiv) Exchange	[details of the respective exchange] []
(xxv) [Trading Day]	[As stated in the General Terms and Conditions] / [Other, please specify]

(xxvi) Market Maker:	[*] <i>[Enter the main terms of the Market Maker's commitment if not described in the Base Prospectus]</i>
(xxvii) Authorized Participant:	[*]
(xxviii) Minimum Investment Amount:	[Not applicable] / [*]
(xxix) Minimum Trading Post:	[Applicable] [Not applicable] [Euro] [SEK] [*]
(xxx) Responsibility:	The Issuer accepts responsibility for the information in these Final Terms.
(xxxi) [Information from third parties:]	[[<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

(i) Listing and admission to trading	[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]
(ii) [Notification]	[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.] ¹⁰
(iii) The interests of natural and legal persons involved in the offer	[To the knowledge of the Issuer, no person involved in the offering of the ETPs has an interest material to the offering] / [give details]
(iv) Acceptability at the ECB	The ETPs in this Series are [not] expected to be acceptable to the ECB.
(v) [Distribution]	[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.] ¹¹
(vi) Additional Sales Restrictions	[Not applicable] [specify]
(vii) ISIN and other securities codes	[•]
(viii) Names and addresses of Clearing systems	[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]
(ix) Reasons for the offer and the use of the issue proceeds:	[As stated in the Base Prospectus.] / [If otherwise, state].
(x) Estimated total costs of the issue/offer and the estimated	[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 [●].]

¹⁰ 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.

¹¹ Only applicable to Non-Excluded Offers; Otherwise, this section can be removed.

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

trading can be started before notification is made	
(xxiii) Name and address(es), to the extent known to the issuer, of the investors in the various countries where the offer takes place	[Not applicable] / <i>[enter details]</i>
(xxiv) Name and address of the financial intermediary(s) authorized to use the base prospectus, in accordance with these Final Terms (the Authorized Offerors)	[*] [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 Digital Currencies.

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 digital currency 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 Digital Currencies. For these purposes, the Custodian maintains accounts or sub-accounts, as applicable to the ETPs. The relevant Digital Currencies are held in digital wallets according to the security practices described in "Security and Summary of Security Arrangements". The Issuer has entered into a Custodian agreement with Coinbase Custody Trust Company, LLC. Coinbase will receive transfers of Digital Currencies 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 digital currencies 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 "Security and Summary of Security 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 or around 31 March 2023, the Issuer entered into an agreement with each 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.

Custodian 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 may also use Coinbase for staking, trading in digital currencies, 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 Digital Currencies.

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 security.

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

The Issuer entered into an agreement with Figment Inc (Figment) on February 2, 2024, where Figment may act as a staking provider for the Issuer. The agreement means that the Issuer may stake Digital Currencies through Figment's validation nodes, which is done through 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 reference value administrator and index calculation agent for the Issuer. Vinter is registered with the Financial Supervisory Authority as a reference value administrator under Article 36 of the Reference Values Ordinance 12. ESMA has also included Vinter in its register of registered benchmark administrators. According to the agreement, Vinter shall provide and maintain indexes on behalf of the Issuer and maintain the relevant methodologies. Vinter undertakes under the agreement to provide the index without interruption, except for maintenance and updates of their application programming interface. The agreement runs for 24 months, after which it is automatically extended by 24 months at a time if neither party terminates the agreement no later than 90 days before such an extension. According to the agreement, the respective party's liability is limited to direct damages. Furthermore, Vinter's liability is limited to an amount corresponding to the fees paid by the Issuer to Vinter regarding the current order from which such damage arises. As benchmark administrator, Vinter is responsible for developing indexes and overseeing all aspects of benchmark provision. Vinter has a permanent oversight function and established an effective governance processes that are subject to periodic reviews and audits. Furthermore, Vinter has governing documents regarding complaints, ethics, conflicts of interest and contingencies, and has established a clear internal organizational structure with consistent roles and responsibilities to identify, prevent, disclose, mitigate and manage conflicts of interest.

Account control agreement

On or around 31 March 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 pursuant to the terms of the relevant Collateral Agreement to perfect the Security interest in favour of the Collateral Agent in favour of the Investors with respect to the Secured Accounts and Property.

Administrator agreement

¹²REGULATION (EU) 2016/1011 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 8 June 2016 on indices used as benchmarks for financial instruments and financial contracts or to measure the performance of investment funds, and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.

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 Digital Currencies) on a T+0 basis.
- h) Preparation of ETPs ledger (in fiat currencies and Digital Currencies) on T+0 basis.
- i) Arrange full transaction ledger of Custodian and transactions.
- j) Calculation of management fees, as applicable (in fiat currencies and Digital Currencies)
- k) Generate NAV reports/packages.
- l) Reconciliation of NAV with PCF or NAV provided by the Issuer.
- m) Deliver read-only logins 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.

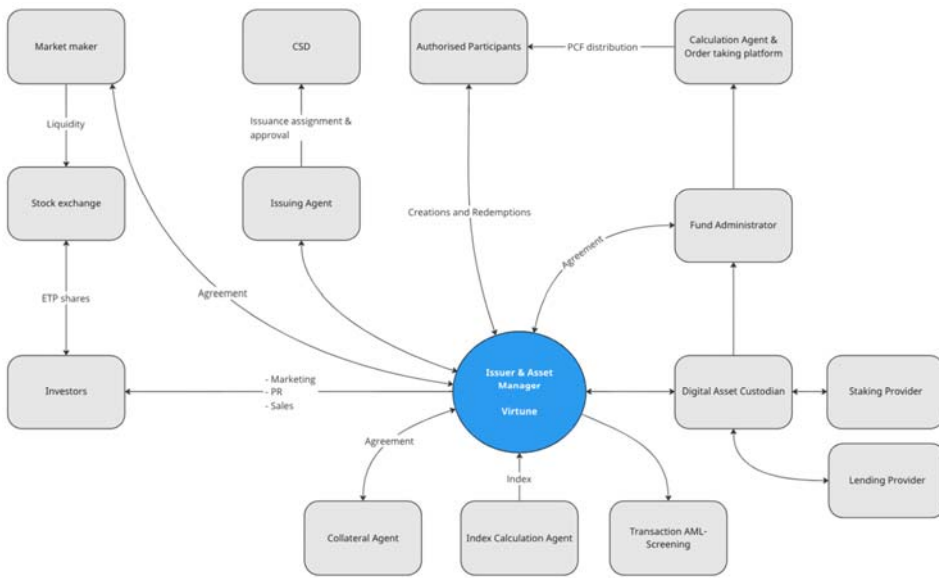
ETP Calculation Agent Agreement

On 1 March 2023, the Issuer entered into a ETP Calculation Agent Agreement with Ultumus LTD. The ETP Calculation Agent Agreement sets out the terms for Ultumus LTD's role as ETP Calculation Agent in relation to ETPs issued under the Programme.

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 relevant exchange or multilateral trading platform is priced based on the coin entitlement to the Underlying Digital Currency(s). Except under special circumstances described in the General Terms and Conditions, only the Authorized Participants have the right to issue or redeem ETPs. Processes for redemption at the request of Authorized Participants and the Issuer are described in this section.

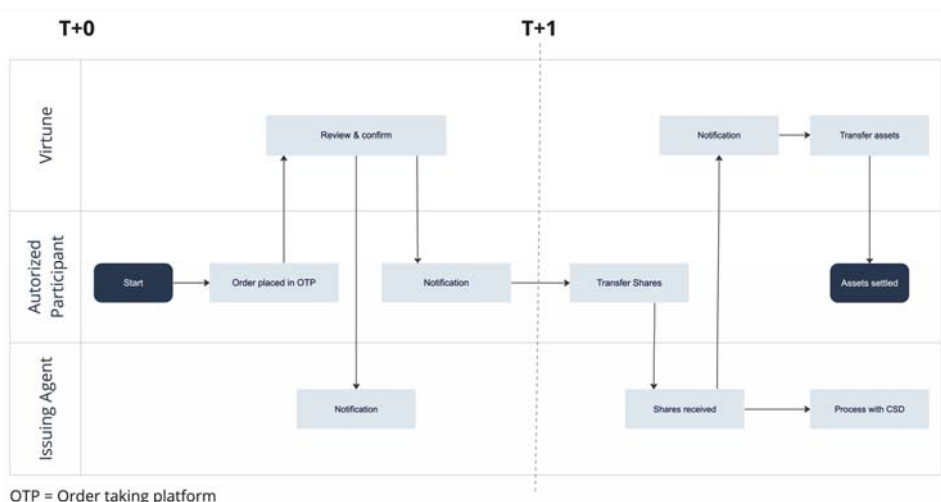
The process for issuance at the request of an Authorized Participant takes place according to the following process, which is also reflected in the Agreement with Authorized Participants:

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 Digital Currencies from a trading venue or alternatively uses digital currencies already in their custodian and transfers the digital currencies 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 Digital Currencies 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 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. Digital currencies corresponding to the ETPs redeemed are sent from the Issuer's custodian to the Authorized Participant's Custodian (T+1).

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 Digital Currency 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 Digital Currencies, net of applicable fees and taking into account any tracking errors) against the debit of ETPs to his/her securities account.

Additional Regarding Issuances and Redemptions in Relation to the Market in Denmark

The following is a summary overview of the additional steps involved in the issuance or redemption of securities intended for trading on Nasdaq Copenhagen.

Process for Regular Issuances:

1. Virtune accepts a creation request from an Authorized Participant indicating that the creation is intended for the Danish market, and the Authorized Participant sends the corresponding amount of Collateral to the Custodian.
2. Nordic Issuing receives an issuance request from an Authorized Participant and the Issuer regarding the Danish issuance.
3. Nordic Issuing receives new final terms signed by Virtune for the specific security (only if the number of securities needs to be adjusted).
4. Nordic Issuing orders the number of securities from Euroclear Sweden.
5. Nordic Issuing transfers this number of securities to a specific account for Virtune securities held by Nordic Issuing in Euroclear's system VPC.
6. Nordic Issuing issues the same number of securities in the VP securities system.
7. Nordic Issuing transfers the Danish securities to the Authorized Participant who sells the securities in the secondary market.

Process for Regular Redemption:

1. Nordic Issuing receives a redemption request from an Authorized Participant and Virtune regarding the Danish issuance.
2. Nordic Issuing receives the securities to be redeemed in the VP system from the Authorized Participant.
3. Nordic Issuing cancels the specific number of securities in the VP securities system.
4. Nordic Issuing transfers the number of securities from the special account for Virtune securities held by Nordic Issuing in Euroclear's system VPC to Euroclear's main account.
5. Nordic Issuing requests redemption of the relevant number of securities at Euroclear.
6. Virtune settles by transferring the corresponding amount of Securities to the Authorized Participant.

Security and Summary of Security Arrangements

Security method

The collateral approach requires that each ETP issued under the program must be secured by a pool of Digital Currencies 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 Digital Currencies. 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 digital currencies but rather in assets denominated in digital currencies, 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 digital currencies will be moved to another Custodian. On the date of this Base Prospectus custodial services are provided in the United States.

The security 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 digital currencies) 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 digital currencies 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 digital currencies. 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 Digital Currencies 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 trade for the ETPs together with the liquidity guarantor in order to create a frictionless and functioning secondary market. The Authorized Participant can also have the role of Market Maker. 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, Enigma Securities Limited, DRW Europe B.V. and Flow Traders BV)". 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 security for underlying digital currencies 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 money¹³ or the Underlying Digital Currencies 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 Digital Currencies. According to the Issuer's Agreement with the Authorized Participant, as large a proportion as possible of all settlements must take place in digital currency. According to the Issuer's assessment, settlement in digital currency means that the risk of delays

¹³A 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.

in transactions is reduced and thus reduces the risk that an ETP's Underlying Digital Currencies should not include a Collateral corresponding to less than 100 percent.

Regulations regarding issuance of ETPs

In accordance with the Issuer's agreement with the Authorized Participant, the minimum volume is 20 000 new ETPs in connection with an issue of a new Tranche. Issuance of ETPs to the Swedish market can be carried out according to T+2, provided that the Issuer's Custodian has received the Collateral no later than 13:00 CET on T+1.

Regulations regarding the redemption of ETPs

In accordance with the General Terms and Conditions, the Authorized Participant is only entitled to redeem entire Tranches, corresponding to minimum 20 000 ETPs, and not only parts of a Tranche. The Authorized Participant has the right to redeem more Tranches on the same day, but not exceeding five percent of all ETPs belonging to a Series.

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+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 current digital currencies from a trading venue or alternatively uses digital currencies already in their custodian and transfers the digital currencies 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 digital currencies 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. Digital currencies 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 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 digital currencies. 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.

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.

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 Base Prospectus, the Issuer is conducting a new share issue that increases the share capital and the number of shares. Subject to the issue being fully subscribed and registered, the Issuer's share capital will amount to SEK 8,993,514.06, consisting of 60,093 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 issue is completed, all issued shares will be fully paid and subject to pre-emption rights and rights of first refusal according to 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 telephone number is +46 (0)70 073 45 64.

The issuer's website is available at 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 and stock market listings. The Issuer has six employees and two consultants who work operationally in the Issuer. The issuer's vision is to create innovative and smart financial products that can provide broad exposure to the market for digital currencies in various forms to meet the needs of investors on a broad scale. The issuer follows the development of digital currencies 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 Digital Currency (Single Asset ETP), a basket of Digital Currencies (Basket ETP) or an Index with Digital Currencies as index components, including crypto-related

management tools (e.g. Staking ¹⁴or Lending ¹⁵) for increased returns combined with traditional management methods (e.g. Rebalancing ¹⁶).

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 Digital Currencies as Underlyings or Indices with Digital Currencies as index components. The Issuer manages and stores these Underlying Digital Currencies through the Custodian and thereby controls the entire product chain.

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 digital currencies through financial instruments. The issuer intends to combine several areas within digital currencies regarding crypto-related management tools, decentralized finance, trading platforms and custodians in order to achieve a broad exposure to digital currencies. The business model has been developed based on the Issuer's vision to lower the threshold to digital currencies 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 digital currencies, 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 digital currencies other than Bitcoin, which has long been the dominant digital currency.

It is further the Issuer's assessment that digital currencies as an asset class will gradually become more common. In line with such a possible development, competition between digital currencies and other asset classes, such as raw materials, is enabled. The Issuer intends to be a door opener and introducer to digital currencies as an asset class for institutional investors through its offering of financial instruments as well as by contributing knowledge and business relationships. The Issuer must be

¹⁴Staking means that the holder of the digital currency can earn rewards through their holding.

¹⁵Lending involves the lending of digital currencies, from which the lender receives an interest rate effect.

¹⁶In Rebalancing, parts of the holdings in a portfolio of digital currencies are bought or sold to restore the original allocation of the digital currencies in the portfolio.

characterized by transparency and will work to spread information and news about digital currencies 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 2024-02-29	Number of shares	Share of stocks and votes
1	Violet AI AB	12 530	21%
2	Gert Nordin	12 294	20%
3	Happyman AB	10 421	18%
4	Peter Arvidsson	6 000	10%
5	Christopher Kock	6 000	10%
6	Henry Mischa Forelius	2 743	5%
7	Charles Reichardt	1 000	2%
8	MP Games Aktiebolag	971	2%
9	M. Sesemann AB	971	2%
10	Niki Mia Invest AB	573	1%
Total		53 503	90%
	Other Shareholders	5 098	10%
	Total number of shares	60 093	100%

The Issuer is indirectly and directly owned 100 percent by Violet AI AB, Happyman AB, Gert Nordin, Christopher Kock, Peter Arvidsson, Henry Forelius, Charles Reichardt, MP Games Aktiebolag, M. Sesemann AB, Niki Mia Invest AB and 37 shareholders in the form of 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 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 Digital Currencies and the hedging of the obligations created by such instruments. The Issuer also manages the Underlying Digital Currencies 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 Digital Currencies. 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 Digital Currencies. By retrieving the value of the ETP and the value of the

Underlying Digital Currencies from the Custodian, the Issuer can monitor in real time and ensure that the ETPs always hold at least 100 percent Security in Underlying Digital Currencies. Through the Issuer's product structure, it is ensured that the Underlying Digital Currencies are traded or received before new ETPs are being issued and admitted to trading. The Issuer records the value of the Underlying Digital Currencies 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 2024 available in Sweden, Denmark, Norway, Finland and Germany.

Overview of the market

Because the Issuer operates on the market for structured products in Sweden, the Issuer competes with other issuers of structured products and other financial products in Sweden. If the Issuer does not act in accordance with applicable laws and regulations, it may be harmful to the Issuer's business and to the Issuer's market position because the Issuer may lose its competitive position as one of the first issuers, to the Issuer's knowledge, of ETPs related to digital currencies in Sweden.

Interest in digital currencies has also increased in recent years and thus the number of issuers has also increased. The Issuer believes that the Issuer has great opportunities to assume a prominent position in the Swedish market for structured products within digital currencies in the coming years. The issuer's strategy is also to expand its geographical presence over time by, for example, passporting the Base Prospectus to markets outside Sweden.

In 2023, the market for digital currencies showed a positive market development in terms of market value. The development has partly correlated with other financial and real assets and is partly due to the global interest rate trend, partly due to economic prospects. However, it is the Issuer's view that interest in digital currencies, both from an institutional perspective and from private individuals, continues to increase.

On 24 September 2020, the European Commission presented a proposal for a regulation on Markets in Crypto Assets (hereafter the "**MiCA regulation**") and a proposal for a regulation establishing a pilot regime for infrastructure with distributed database technology (distributed ledger technology, DLT). The MiCA regulation is part of the strategy for digitization of the financial sector, which aims, among other things, to ensure that the EU regulatory framework for financial services is innovation-friendly and does not create obstacles in the use of new technologies. The MiCA regulation is coming into force during 2024.

The purpose of the MiCA regulation is to create uniform regulation for digital currencies that are not currently covered by the EU's existing regulatory framework for financial services. The regulations must ensure a high level of consumer and investor protection, create legal certainty and counter risks to financial stability. The proposal contains harmonizing rules for issuers and service providers of crypto-assets.

It is the Issuer's assessment that the MiCa regulation and other prospective regulations speak for a normalization of the crypto market and, by extension, that it will mean a greater interest for above all legal entities to invest in such assets. Through increased regulation, and thereby increased security and legitimacy, it is the Issuer's assessment that more and more investors

will open up to trading in alternative assets. Furthermore, the regulation of the crypto market has increasingly been discussed from a political point of view in the United States, where Spot Bitcoin ETFs were approved by the American SEC in January 2024.

Competitive situation

As the crypto market develops, more actors are added that offer various investment services within digital currencies. The global competitive landscape consists of a multitude of platforms where investors can trade directly in digital currencies as well as players offering ETPs or funds that track the price of underlying digital currencies. These are usually synonymous with gaining exposure to a single digital currency and thus place great importance on the investor having to assess the investment in the digital currency. The Issuer's assessment is thus that diversified products combined with decentralized finance are in line with how the market need for digital currencies looks today and the direction in which the market is expected to develop according to the Issuer's assessment.

The market for financial products in Sweden is characterized by high competition, which is why compliance with applicable laws and regulations is crucial. According to the Issuer's knowledge, there are currently three major players in Europe that are established on Swedish stock exchanges or multilateral trading platforms, whose main business is based on issuing crypto ETPs. These are Valour Inc., 21Shares AG and XBT Provider AB (publ). These players are represented on Nasdaq Stockholm, Nordic Growth Market and Nasdaq First North Growth Market. These actors have usurped large market shares and are present in several markets both in and outside Europe.

According to the Issuer's assessment, it is common, among actors whose main business is based on issuing crypto ETPs, that they are registered in offshore jurisdictions, which means that there may be a partial lack of regulations and transparency around the companies. According to the Issuer's assessment, the Issuer has an advantage over its competitors by being a fully regulated Swedish operator that protects transparency, review and future regulations.

The Issuer has started building a brand in the Nordic market during 2023 and will need to further develop brand building and continue to reach out to media, institutions, and individuals to be able to take market shares from competitors.. In order for the Issuer to succeed in its business purpose, 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 taken place in Virtune's future prospects since the last published audited annual accounts. 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 fiscal year. Furthermore, it is the Issuer's assessment that no significant changes to the Issuer's financial position have occurred during the period from the end of the most recent accounting period for which financial information has been published to the date of the Base Prospectus.

Significant change in the Issuer's financial position

After the end of the fiscal year which concluded on December 31, 2023, the Issuer completed a convertible bond issue that was finalized on January 12, 2024. Through the convertible bond issue, the Issuer was provided with 10,000,000 SEK, which resulted in a significant change in the Issuer's financial position. The purpose of the capitalization has been to comply with Nasdaq's capitalization requirements as well as to ensure liquidity in the Issuer for the fiscal year 2024. As of the end of the fiscal year 2023, the Issuer has a share capital of 8,827,541 SEK consisting of 58,894 shares (of which 1,702 shares are not registered as of the end of 12/31/2023 and were registered with the Swedish Companies Registration Office on 01/11/2024). The company has also carried out additional share issues, resulting in the company having a share capital of SEK 8,993,514.06 consisting of 60,093 shares (of which 851 shares are under registration with the Swedish Companies Registration Office) as of the end of February 29, 2024.

Significant change in the Issuer's financial results

The financial result for the latest fiscal year 2023 amounted to SEK -13,423,256, where the company is still in a growth phase with a continued focus on expanding the product portfolio and reaching a broad base of investors, including both private individuals and institutional investors. The Issuer continues to prioritize growth and expansion of our product offering over results, and financing is thus still sourced from external funds until profitability is achieved.

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 Digital Currencies

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
John Dalling	President
Christopher Kock	Board member
Gert Nordin	Board member

John Dalling, Chairman of the Board

John Dalling acts as chairman of the board in several startups. Between the years 2003 and 2021, John Dalling worked with financial management and M&A in Sweden and abroad, of which the most recent position was Head of M&A at Tietoevry. John Dalling has a bachelor's degree in economics from Stockholm School of Economics and has studied political science at Lund University.

Christopher Kock

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

Gert Nordin, board member

Gert Nordin has a background as an entrepreneur and business manager. In 1993, Gert Nordin founded Hexatronic AB, where he also worked as CEO and managing director for 25 years. The issuer underwent strong growth with international expansion in several parts of the world. Gert Nordin was present at the listing of Hexatronic on Nasdaq Stockholm.

All board members can be reached via the Issuer's postal address, c/o RKO AB, Sibyllegatan 47, 114 42 Stockholm, Sweden.

Business management

Name	Title
Christopher Kock	Chief Executive Officer
Peter Arvidsson	Chief Operating Officer

Daniel Lundberg	Chief Financial Officer
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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 six 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 seven 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 income is directly linked to the volume of assets under management in the ETPs. The issuer has incurred substantial costs to partly be able to start its operations and partly for ongoing operations. The Issuer thereby finances its operations through external investment capital whose purpose is to spend the necessary liquidity until the Issuer has reached a sufficiently high volume of assets under management to achieve 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. In the long run, the issuer's income must also be able to generate positive profitability and positive cash flow so that the Issuer does not have to depend 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 2022, including auditor's report.	- Changes in equity	3
		- Income statement	
		- Balance sheet	4
		- Cash flow analysis	
		- Notes	
		- Audit report	5-6
			7
			8-9
			11
2.	Annual report (audited) for the financial year ended 31 December 2023, including auditor's report.	- Statement of Comprehensive Income	7
		- Balance Sheet	8
		- Report on changes in equity	9
		- Cash flow analysis	
		- Notes	10
		- Audit report	
			11-27
			30-33

The above document is available electronically on the Issuer's website 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. 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 2022 (revised), including auditor's report;
- Annual report for the financial year 2023 (revised), including auditor's report; and
- The Base Prospectus.

General description of digital currencies

Summary

This is a summary description of digital currencies 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.

Digital currencies

Digital 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.¹⁷

Perhaps the most well-known digital currency, Bitcoin, was invented by Satoshi Nakamoto¹⁸ 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, e.g. a bank, which is made possible through the so-called blockchain technology (blockchain). Bitcoin and other digital currencies 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.¹⁹

Another well-known digital currency, Ethereum, was launched in 2015 and as of 14/2/2024 is the second digital currency 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 digital asset of Ethereum is ETH. Ethereum's blockchain can also host other cryptocurrencies, known as "tokens".²⁰

Other well-established digital currencies are Polkadot, Chainlink, Bitcoin Cash, Solana, Tether and Cardano.²¹

Digital currencies 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 digital currencies. There are no proofs of ownership established for each digital

¹⁷<https://cryptocurrencyfacts.com/>

¹⁸Bitcoin: <https://bitcoin.org/bitcoin.pdf>

¹⁹Forbes: <https://www.forbes.com/advisor/investing/cryptocurrency/what-is-bitcoin/>

²⁰Coin market cap: <https://coinmarketcap.com/currencies/ethereum/>

²¹<https://coinmarketcap.com/>

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 digital currencies.²²

As a result, storage or custody of digital currencies 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 digital currency²³.

"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 ledger, better known as a "ledger".²⁴

Additional security to protect currency units can come from placing them in "multi-party computation" transaction structures, whereby the currency units 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 currency units 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.²⁵

Inflation on blockchains

Inflation on blockchains means that the volume of a digital currency on a blockchain increases through supply, this in turn can lead to the digital currency decreasing in value.

The reason for inflation is mainly due to either proof of work or proof of stake:

²² <https://www.gemini.com/cryptopedia/public-private-keys-cryptography>

²³ <https://www.gemini.com/cryptopedia/crypto-wallets-hot-cold#section-hot-wallets-pros-and-cons>

²⁴ <https://www.gemini.com/cryptopedia/crypto-wallets-hot-cold#section-hot-wallets-pros-and-cons>

²⁵ <https://www.fireblocks.com/what-is-mpc/>

i) proof of work, blockchains where transactions are validated through so-called Mining. By contributing to the blockchain network through mining, you are rewarded in the form of new digital currencies that are created belonging to the blockchain. Bitcoin is an example of a digital currency whose blockchain is based on proof of work.²⁶

ii) proof of stake, blockchains where transactions are validated through so-called Staking, by contributing to the blockchain network through staking, you are rewarded in the form of new digital currencies that are created belonging to the blockchain. Ethereum is an example of a digital currency whose blockchain is based on proof of stake.²⁷

Fork

All blockchains are maintained by its users, regardless of whether they are centralized or decentralized. The network on which a digital currency is based can be updated by its users. For an update to take effect, it is required that a majority of users of the digital currency choose to approve the new update. If only a minority of users choose to approve the new update, a so-called fork occurs, that is, a spin-off of the original currency.²⁸ An example of a fork is Bitcoin Cash, which is a spin-off of Bitcoin, which as of January 22, 2023 is the 26th largest digital currency in the world.²⁹ A fork can mean that the value of the original currency is negatively affected if several of the users leave the original currency to instead use the new digital currency 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 Digital Currency 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 digital currencies 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 digital currencies.³⁰ 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

²⁶ <https://www.investopedia.com/terms/p/proof-work.asp>

²⁷ <https://www.investopedia.com/terms/p/proof-stake-pos.asp>

²⁸ <https://www.coinbase.com/learn/crypto-basics/what-is-a-fork>

²⁹ <https://coinmarketcap.com/>.

³⁰ <https://www.coinbase.com/learn/crypto-basics/what-is-cryptography>

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.

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 digital currencies, public key pairs are used to protect funds and authorize spending, enabling the enforcement of ownership rights in the absence of a referee. A currency is sent to addresses derived from public keys and can only be spent from its corresponding private key via a digital signature.³¹

Mining

Digital currencies based on proof of work are created via a technological process called mining. Mining is the process by which the participants in a digital currency 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.³²

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 find proof-of-work, miners are rewarded with newly "mined" digital currency units. Mining is therefore both the process of arriving at a distributed agreement on the transaction history of the currency account and the creation of new currency units.

Validators and proof-of-stake

³¹ <https://www.investopedia.com/tech/explaining-crypto-cryptocurrency/>

³² <https://www.investopedia.com/tech/how-does-bitcoin-mining-work/>

Some digital currencies (such as Polkadot, Solana, Stellar and Cardano) 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.

While proof-of-work requires real costs in terms of energy and computing power, proof-of-stake requires holders of a protocol's digital currency that their holdings be used to validate the network and its transactions. It is implemented by digital currencies 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 digital currency. 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 digital currency 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 digital currencies subject to staking to another digital wallet, or without escrow, whereby the holders can contribute the digital currency to the pool of assets without transferring coins, so called non-custodial strike. The issuer will only use non-custodial staking so that the digital currencies 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 protocol³³.

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 digital currency. 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.

Course formation and evaluation

Digital currency 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 digital currency. 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 digital currency 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 digital currency cryptocurrencies 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 digital currencies 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 digital currencies that meet the Index Administrator's criteria to avoid risks related to rate diversification. Other factors that affect a

³³ <https://university.cex.io/custodial-and-non-custodial-staking-explained/>

digital currency's valuation include the circulated supply in relation to the maximum supply of a digital currency, for example there are currently around 19 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 digital currency protocols determines the inflation of the digital currency and this in turn affects the valuation.

Digital currencies include innovative technologies, emerging but rapidly growing networks, and digital 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 cryptoassets³⁴ 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 silver³⁵. Johnny Antos and Reuben McCreanor use an efficient valuation framework for digital currencies using Black-Scholes Option Theory³⁶ and John Pfeffer uses a mixed method including the Equation of Exchange to value digital currencies³⁷. 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

³⁴ Pagnotta & Buraschi 2018, Li & Wang 2016 och Wheatley et. al. from Imperial College London, City University of Hong Kong respectively ETH Zurich

³⁵ PlanB. [Online] March 22, 2019. <https://medium.com/@100trillionUSD/modeling-bitcoins-value-with-scarcity-91fa0fc03e25>

³⁶ 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>

³⁷ Pfeffer, John. [Online] December 2017. <https://s3.eu-west-2.amazonaws.com/johnpfeffer/An+Investor's+Take+on+Cryptoassets+v6.pdf>

is mentioned Realized Capitalization³⁸, Delta Capitalization³⁹, Thermo Capitalization⁴⁰, Network Value to Transactions (NVT) Ratio⁴¹, NVT Signal (Kalitchkin's NVT)⁴², Mayer Multiple⁴³, Difficulty Ribbon⁴⁴ and Bitcoin Network Momentum⁴⁵

Trading venues for digital assets

To hedge its exposure to each digital asset, the Issuer relies on Digital Currency marketplaces and the Authorized Participants to be able to guarantee the hedging of the Digital Currencies 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 digital currencies 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

³⁸ 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>

³⁹ Puell, David. [Online] Adaptive Capital, February 2019. <https://medium.com/adaptivecapital/bitcoin-delta-capitalization-1d51a7b256b4>

⁴⁰ Carter, Nic. [Online] September 2018. <https://www.docdroid.net/FbgH1WS/bitcoin-institution-riga.pdf#page=8>

⁴¹ Woo, Willy. [Online] October 2017. <https://woobull.com/introducing-nvt-ratio-bitcoins-pe-ratio-use-it-to-detect-bubbles/>

⁴² —. [Online] February 2018. <https://woobull.com/nvt-signal-a-new-trading-indicator-to-pick-tops-and-bottoms/>

⁴³ —. [Online] <http://charts.woobull.com/bitcoin-mayer-multiple/>

⁴⁴ —. [Online] August 2019. <https://woobull.com/introducing-the-difficulty-ribbon-the-best-times-to-buy-bitcoin/>

⁴⁵ Swift, Philip. [Online] October 2018. <https://blog.goodaudience.com/bitcoin-network-momentum-a42346b2f0ce>

Regulations

Regulations regarding digital currencies around the world differ where some jurisdictions have implemented regulations and in some jurisdictions there is a lack of regulations. As of the day of this Base Prospectus, registration as a financial institution with the Swedish Financial Supervisory Authority is required in order to run a business within digital currencies. In Europe, the MiCa regulation will begin being applied during 2024, which is expected to clarify the regulatory framework around digital currencies. Among other things, this will regulate activities within digital currencies within the EU that fall under the MiCa regulation with clearer regulations. The issuer's assessment of the effect of the MiCA regulation is that this will lead to increased trust in digital currencies and that jurisdictions outside the EU may follow 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 digital currencies 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 digital currency as underlying (**Single Asset ETP**), ETPs with multiple digital currencies 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 digital currencies 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 2024 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 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 digital asset, multiple digital assets or an index with digital currencies 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 institution with the Swedish Financial Supervisory Authority and has thus obtained the correct registration to be able to manage and trade the underlying digital currencies related to the respective ETP. 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- maintaining Institution means, in relation to a Series of ETPs registered for clearing and settlement through the Swedish CSD, the bank or other institution authorized to act as an account-maintaining institution under the Swedish CSD Rules, through which the relevant The investor has opened a VP account for the relevant ETPs.

Additional Pledges means any pledge agreement other than the Collateral Account Pledge Agreement between the Issuer and the Collateral Agent issued for the Collateral set out in the Final Terms applicable to the relevant Series.

Administrator means Formidium Corporation as set forth in the Final Terms applicable to the relevant Series and any successor administrators.

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

ACA means (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 each Security Account or (ii) any other account control agreement set forth in the Final Terms applicable to the relevant Series, as applicable.

Airdrop means the equivalent of a special distribution *in kind* that results in the creation or allocation of new units of an existing asset that serves as an underlying or underlying component (as defined below) to participants in the blockchain. The new units of digital currencies are assigned to some but not necessarily all participants on a blockchain and are typically designed to incentivize specific behaviour on the network (i.e. increased participation, maintenance of infrastructure, etc.).

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

Appointed Person means any agent, delegate, custodian or representative appointed by the Collateral Agent.

Authorized Participant means an entity specified in the Final Terms and that has entered into an Authorized Participant Agreement with the Issuer.

Agreement with Authorized Participant refers to an agreement between the Issuer and an Authorized Participant regarding the creation, redemption and distribution of ETPs, as this may be amended and/or supplemented and/or renewed, from time to time.

Basket means a basket of Underlyings specified in the Final Terms as 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.

Bank Day means, in connection with payment and settlement procedures, a day on which (i) relevant Clearing Systems are open and ETPs can be settled, (ii) relevant commercial banks and custodians are open, (iii) banks in Sweden are open, (iv) foreign exchange markets make payments in the respective Settlement Currency, (v) transactions in the Underlying or

Underlying Components of the relevant ETP may be settled, and/or (vi) every other day, as set out in the Final Terms applicable to the relevant Series, if applicable.

Cash Settlement refers to the procedures set out in Terms 5.5, as supplemented 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 (iv) any other additional clearing system specified as such in the Final Terms applicable to the relevant Series.

Collateral means the Underlying or Underlying Components credited to the Collateral Account and other assets denominated in the Underlying or Underlying Components and/or any other collateral specified as such in the Final Terms and constituting collateral for the ETP.

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

Collateral Agent means The Law Debenture Trust Corporation plc. and any subsequent Collateral Agents.

Collateral Agent Agreement means the Collateral Agent Agreement, governed by the laws of England, with certain provisions of the Collateral Agent Agreement governed by the laws of New York as set forth in the Collateral Agent Agreement, entered into between the Issuer and the Collateral Agent on or about March 31 2023, as this may amended and/or supplemented and/or renewed, from time to time.

Posting of Security means the procedures set out in Condition 3.2.

Collateral in Digital Currency means the amount of eligible Digital Currencies or other assets denominated in the Underlying or Underlying Components or other eligible assets that constitute collateral for an ETP.

Digital Currency means any digital currency that is among the 110 largest digital 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 digital currencies for the Issuer".

Custodian means Coinbase Trust Company, LLC. or any successor or additional custodian as set forth in the Final Terms applicable to the relevant Series.

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) any other custodial services agreement specified in the Final Terms applicable to the relevant Series, as applicable.

Notice of Enforcement means a notice given to the Issuer by the Collateral Agent (after receiving instructions to do so within the framework of the Required Investor Threshold) following the occurrence of a Termination Event or an Insolvency Event as set out in Condition 21.

Termination Event has the meaning set out in Condition 20.

Exchange means the trading venues where the ETP is listed as set out in the Final Terms applicable to the relevant Series.

Trading Day means, unless otherwise specified in the Final Terms:

- (i) In relation to ETPs with a single Underlying or a Basket, if the value of such Underlying or Underlying Components is determined:
 - (a) by reference to a price or source of value, including, but not limited to, information providers such as Reuters or Bloomberg and respective pages in their systems, on a day when such price or source of value still exists and officially prescribes the respective price or value, subject to Market Disruption Events;
 - (b) by reference to a publication of an official determination, a day on which such determination is scheduled to be determined and published by the respective sponsor of such determination, subject to Market Disruption Events;
 - (c) by 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 stock exchange or any other official announcing party, subject to Market Disruption Events;
 - (d) by reference to an official settlement price, a day on which the Relevant Underlying Exchange is scheduled to be open for trading during its respective regular trading session, notwithstanding that such Relevant Underlying Exchange closes before the scheduled closing time.
- (ii) In the case of ETPs with an Index as Underlying, a day on which the relevant Index is calculated by the Index Calculation Agent or the Subsequent Index Calculation Agent and published by the Disclosing Party or the Disclosing Third Party, subject to Market Disruption Events.
- (iii) In relation to ETPs with more than one Underlying or Underlying Component, regardless of their nature and number, a date on which all Underlying or Underlying Components may 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 Determination Date means, subject to the provisions of a Market Disruption Event, the date of determination of the Redemption Amount, as specified in the Final Terms applicable to the relevant Series or in any Notice of Termination.

Finnish CSD means Euroclear Finland Oy, PB 1110, 00101 Helsinki, Finland, the Finnish Central Securities Depository or any successor or replacement thereof.

Finnish CSD-Rules means the laws, 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 securities settlement system and the clearing operations (in Finnish: *laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (749/2012)*, as amended) and the Finnish Act on keeping of securities accounts (in Finnish: *Laki Arvo-Osuustileistä (827/1991)*, as amended).

Fork means an event where a developer or group of developers splits the code base that powers a Digital Currency that acts as an Underlying or Underlying Component into two or more branches of variations of development, resulting in the creation of a new asset derived from the original the blockchain of the respective Underlying or Underlying Component.

Order Request Form means the order request form for the redemption of ETPs at the option of an Authorized Participant in accordance with Condition 5.4, which can be found in the relevant Authorized Participant Agreement.

Exchange Rate Disturbing Event has the meaning specified in Condition 10.

Exchange Rate Establishment Date has the meaning set out in Condition 10.

Exchange Rate has the meaning set out in Condition 10.

Increased Costs for Posting Security has the meaning set out in Condition 10.

Index means the index set out 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.

Index Sponsor means the sponsor of the Index set forth in the Final Terms applicable to the applicable Series.

Insolvency Event has the meaning set out in Condition 20.

Investor means any holder of ETPs registered as such on the respective relevant day in respect of an ETP in the registers of the relevant Clearing System, including also: (i) any trustee authorized as such by the CSD registered as trustee for any ETP ; and (ii) any such other person who is recorded in the records of the relevant CSD on the relevant day as entitled to receive the relevant payment (or delivery, if any) in each individual case, in accordance with the Relevant CSD Rules.

Form for Investor's Order Request has the meaning specified in Terms 5.4.

The Investor Sale Date is the date specified in the Final Terms applicable to the relevant Series.

Issue Date means the date set out in the Final Terms applicable to the relevant Series on which the relevant ETPs are to be issued.

Issue price per ETP refers to the Security in Digital Currencies specified in the Final Terms applicable to the relevant Series.

Issuer means Virtune AB (publ.), a company formed under Swedish law with registration number 559175-2067.

Collateral from the Issuer refers to the collateral created over the Collateral for the benefit of the Collateral Agent and for the benefit of Investors in accordance with the Collateral Account Pledge Agreement and ACA.

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

Issuing Agent means (i) Nordic Issuing AB, a company registered under Swedish law with organization number 559338-2509; (ii) any other entity identified as such in the Final Terms applicable to the relevant Series; and/or (iii), in each case, each subsequent Issuing Agent.

Issue agent agreement refers to the issue agent agreement between the Issuer and the relevant Issuing Agent in relation to the Programme, as this may be amended and/or supplemented and/or renewed, from time to time.

Issuance and Payment Agent has the meaning specified in Terms 14.1.

Market Disruption Event has the meaning set out in Condition 6.

Market Maker means Flow Traders BV or the market maker identified as such in the Final Terms applicable to the relevant Series. This 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 of all Tranches of ETPs set out in the Final Terms applicable to the relevant Series, if any.

Minimum Trading Item means a minimum trading item set out in the Final Terms applicable to the relevant Series, if any.

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

Norwegian CSD means Verdipapirsentralen ASA, Biskop Gunnerus Gate 14A, PO Box 4, N-0051 Oslo, Norway, the Norwegian Central Securities Depository or any successor or replacement thereof.

Norwegian CSD Rules means the laws, 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 of financial instruments of 2002 5. July No. 64*).

Observation Date has the meaning set forth in the Final Terms applicable to the relevant Series, if applicable.

Collateral Account Pledge Agreement means (i) the Collateral Account Pledge Agreement governed by the laws of [New York] dated on or about March 31 2023 between, the Issuer, as pledgor, and the Collateral Agent, as collateral agent, with

respect to the Collateral, as this may be amended and/or supplemented and/or renewed, from time to time or (ii) the security agreement governed by the laws of England on or about March 31 2023 between, the Issuer, as assignor, and the Collateral Agent, which Collateral Agent, in respect of the Collateral, as this may be amended and/or supplemented and/or renewed, from time to time (iii) any other collateral pledging agreement set out in the Final Terms applicable to the relevant Series, depending on what is applicable.

Deferred Final Determination Date has the meaning set out in Condition 10.

Postponed Observation Day has the meaning set out in Condition 10.

Potential Adjustment Event has the meaning set out in Condition 8.1.

ETP means the exchange-traded products related to an Underlying, as set forth in the Final Terms.

ETP Calculation Agent means the calculation agent specified in the applicable Final Terms.

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

Disclosing Party means the entity identified as the Disclosing Party in the Final Terms applicable to the relevant Series.

Disclosing Third Party means the entity that is the successor to the Disclosing Party.

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

Record Day means the day specified as such in the relevant CSD Rules.

Redemption Amount means an amount in the Settlement Currency that the Issuer shall pay per ETP to the Investors calculated as set out in the Final Terms applicable to the relevant Series; *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 lowest unit 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 Notice of Termination, which date shall be no earlier than 30 days after the publication of the Notice of Termination; or (ii) for each redemption following the exercise of an Investor's option in accordance with Condition 5.2, the relevant Investor Sale Date, as set out in the Final Terms. If a Final Determination Date is postponed as a result 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 each Series of ETPs registered for clearing and settlement through the Finnish CSD, the Finnish CSD Rules ; (ii) in relation to each Series of ETPs registered for clearing and settlement through the Norwegian CSD, the Norwegian CSD Rules ; (iii) in relation to each Series of ETPs registered for clearing and settlement through the Swedish CSD, the Swedish CSD Rules ; (iv) in relation to each Series of ETPs registered for clearing and settlement through another clearing system under the Final Terms applicable to such Series, the laws, regulations, rules and operational 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 are traded on the Relevant Underlying Exchange.

Relevant Underlying Exchanges means the exchange(s) or a listing system 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 replacement exchange or listing system that trading with the Underlying has temporarily moved to. Any alternative exchange or listing system must provide comparable liquidity in relation to the Underlying or Underlying Components as on the original relevant underlying exchange, as determined by the Issuer.

Mandatory Threshold means: (i) in respect of any action relating to or following an Insolvency Event, respectively the Investor; and (ii) in all other cases (including, for the avoidance of doubt, a Terminating Event), Investors representing at least 25% of the ETPs of the relevant Series.

Security Document means the ACA, the Security Account Pledge Agreement and, as 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, organization number 556112-8074, registered address: Klarabergsviadukten 63, Box 191, 101 23 Stockholm, the Swedish Central Securities Depository or any successor or replacement thereof.

Swedish VP Account means, in relation to a Series of ETPs registered for clearing and settlement through the Swedish CSD, an account with the Swedish CSD where an Investor's ETPs are registered.

Swedish CSD Rules means the laws, regulations, rules and operating procedures that apply to and/or are issued by the Swedish CSD, from time to time, including but not limited to, the Act (1998:147) on central securities depositories and account-keeping by financial instruments, with changes.

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

Subsequent Underlying means underlying assets as defined in Condition 8.3.

Underlying Component means, in relation to ETPs related to an Index, each component of such Index and, in relation to ETPs related 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 set out in the Final Terms applicable to the relevant Series.

Wallet (or **Digital Wallet** or **Cryptocurrency Wallet** or **Crypto Wallet**) means a software program in which a private key (secret number) and public address for each Digital Currency address is stored in the wallet of the person or persons owning 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.

ISSUER'S REGISTERED ADDRESS

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ISSUING AGENT

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COLLATERAL AGENT

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THE ISSUER'S AUDITORS

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