

Issue Specific Summary

Introduction and Warnings

21shares Zcash ETP (Ticker: ZCASH) seeks to track the investment results of Zcash (ZEC).

Product Name	Ticker	ISIN	Valor	Currency	Units	Collateral
21shares Zcash ETP	ZCASH	CH1608218801	160821880	USD	5,000 (2026-09-21)	ZEC

The issuer and offeror of the securities is 21Shares AG (LEI: 254900UWHMJRRODS3Z64, Swiss Company Number: CHE-347.562.100), a Swiss based stock corporation. The base prospectus was approved by the Swedish Financial Supervisory Authority (SFSA) on 20 February 2026. The SFSA approval of the base prospectus should not be understood as an endorsement of these securities.

21Shares AG	SFSA
Pelikanstrasse 37, 8001, Zurich, Switzerland etp@21shares.com +41 44 260 86 60	finansinspektionen@fi.se +46 (0)8 408 980 00

Warnings:

- (a) this issue-specific summary should be read as an introduction to the base prospectus and the final terms in respect of these securities;
- (b) any decision to invest in the securities should be based on a consideration of the base prospectus as a whole by the investor and together with the final terms in respect of these securities;
- (c) the investor could lose all or part of the invested capital;
- (d) a claim relating to the information contained in a prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the prospectus before the legal proceedings are initiated;
- (e) civil liability attaches only to those persons who have tabled this issue-specific summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the base prospectus and the relevant final terms, or where it does not provide, when read together with the other parts of the base prospectus and such final terms, key information in order to aid investors when considering whether to invest in these securities;
- (f) you are about to purchase a product that is not simple and may be difficult to understand

Key Information on the Issuer

Who is the issuer of the securities?

Domicile and legal form etc.

21Shares AG is the issuer of these securities. 21Shares AG was established (at a meeting of its founders) on 20 July 2018 and was incorporated and registered on 27 July 2018. 21Shares AG is registered in the Commercial Register of the Canton of Zurich, Switzerland, under the number CHE-347.562.100. Its LEI is 254900UWHMJRRODS3Z64. 21Shares AG has its registered address at Pelikanstrasse 37, 8001 Zurich, Switzerland.

Principal activities

21Shares AG was set up to issue collateralised exchange traded securities (Products) linked to Underlyings or a basket of Underlyings providing exposure to the price development of a range of Crypto Assets and/or, where applicable, Commodity Assets, Equity Assets and/or other eligible Underlyings. Such Products may have long or short exposure to the daily performance of the referenced index. The Issuer will also engage in other activities related to the maintenance of the Programme and the creation of new crypto-linked financial products. It does not have any other revenue generating business activities.

Major shareholders and control

21Shares AG is a wholly owned subsidiary of Jura Pentium AG, a company registered in Switzerland under Company Number CHE-345.211.664. The ultimate parent company is FalconX Holdings Limited, a company registered in the Cayman Islands under Company Number 387395. One individual currently holds around 21% of the shares of FalconX Holdings Limited, while the rest is owned by several, smaller shareholders.

Key management

The Board of Directors currently comprises three members (including the Chairman), all of which are executive directors: Russell Barlow, Duncan Moir, and Edel Bashir.

Auditors

For the purposes of auditing the Issuer's financial statements for the financial year ending 31 December 2024, the Issuer has appointed KPMG AG, Zürich (CHE-106.084.881) (the Auditor). The Auditor is a member of EXPERTsuisse, the Swiss Expert Association for Audit, Tax and Fiduciary.

The Issuer's annual reports for the year ended 31 December 2023 have been audited by Copartner Revision AG, St. Alban-Anlage 46, 4052 Basel, Switzerland. The auditor is a member of EXPERTsuisse, the Swiss Expert Association for Audit, Tax and Fiduciary.

What is the key financial information regarding the issuer?

Income Statement (in USD)	31 December 2023 (audited)	30 June 2024 (unaudited)	31 December 2024 (audited)	30 June 2025 (unaudited)
Total Comprehensive Income for the Year	38,788	42,191	2,629,538	49,500
Balance Sheet (in USD)	31 December 2023 (audited)	30 June 2024 (unaudited)	31 December 2024 (audited)	30 June 2025 (unaudited)
Net Financial Debt (Long Term Debt plus Short Term Debt minus Cash)	2,397,989,451	3,367,446,378	4,754,947,809	3,950,835,223
Current Ratio (Current Assets / Current Liabilities)	n/a	n/a	n/a	n/a

Debt to Equity Ratio (Total Liabilities / Total Shareholder Equity)	n/a	n/a	n/a	n/a
Interest Coverage Ratio (Operating Income / Interest Expense)	n/a	n/a	n7a	n/a
Cash Flow Statement (in USD)	31 December 2023 (audited)	30 June 2024 (unaudited)	31 December 2024 (audited)	30 June 2025 (unaudited)
Net Cash Flows from Operating Activities	(1,559,177,590)	(964,952,032)	(800,684)	16,934,243
Net Cash Flows from Investing Activities	-	-	1,064,971	(16,600,030)
Net Cash Flows from Financing Activities	1,558,133,630	965,131,676	98,25	80,976

What are the key risks that are specific to the issuer?

Market risk

Market volatility reflects the degree of instability and expected instability of the performance of, for example, the market for structured products over time. The level of market volatility is not purely a measurement of actual market volatility, but is largely determined by the prices for derivative instruments that offer investors protection against such market volatility. The prices of these derivative instruments are determined by forces such as actual market volatility, expected market volatility, other economic and financial conditions and trading speculations. Market volatility may result in the Issuer incurring losses despite hedging arrangements.

Risk Rating: High

Risks related to the limited business objective of the Issuer

The business activities of the Issuer concerns securities related to the Crypto Assets. The Issuer is a special purpose vehicle for the purpose of issuing debt securities within the meaning of the applicable Swiss laws and regulations. The protocols for the Crypto Assets are publicly available which means that further innovation is possible meaning that these crypto-currencies may not mark the end of the evolution of digital currencies. If the Crypto Assets do not become successful or become less successful going forward and if the Issuer cannot adapt to such changed circumstances, the Issuer may be unsuccessful in carrying out its business which may lead to a decrease in the value of the ETP.

Risk Rating: Medium

Credit risk

Investors are exposed to the credit risk of the Issuer and the Custodian. An Investor’s ability to obtain payment in accordance with the General Terms and Conditions is dependent on the Issuer’s ability to meet these obligations. The Products are not, either directly or indirectly, an obligation of any other party. As a result, irrespective of the collateralisation, the creditworthiness of the Issuer may affect the market value of any Products and, in the event of a default, insolvency or bankruptcy, Investors may not receive the amount owed to them under the General Terms and Conditions. In addition to direct credit risks, the Investors are indirectly exposed to any credit risk that the Issuer is exposed to. For example, the Issuer may incur losses and/or fail to obtain delivery under any arrangements in place in respect of any crypto-denominated assets held as Collateral.

Risk Rating: Medium

Key Information on the Securities

What are the main features of the securities?

21shares Zcash ETP (ZCASH) is a non-interest bearing, open-ended debt security. Each series of the product is linked to an index or a specific underlying asset Zcash (ZEC). ZCASH has 5,000 aggregate number of products represented. The ISIN of the product is CH1608218801 with USD as settlement currency. No series of this product has a scheduled maturity date or a maximum number of securities. Additional units of the products may be issued at any time. The securities carry an annual put option and a continuous creation/redemption mechanism for authorised participants. These securities are senior secured debt obligations of the issuer. Investors are first lien creditors against allocated pools of crypto assets on a per series basis. The notes are considered transferable securities under MIFID II and do not carry any transferability restrictions.

Where will the securities be traded?

The products are traded on: Euronext Amsterdam, Euronext Paris and a number of other MTFs. Additional MTF venues may be added from time to time without Issuer knowledge or consent. For the most current list of available trading venues, see www.21shares.com.

No guarantor

The Products will be obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity.

What are the key risks that are specific to the securities?

Market risk due to lack of capital protection

The ETPs issued under this Base Prospectus do not provide for any capital protection of any amount payable under the ETPs. This causes a risk for investors in the ETPs since parts of or the entire invested amount may be lost due to the market risk associated with the exposure of the ETPs. In other words, if the price of the relevant Index, Underlying or Underlying Components develops in a manner which is unfavourable for the Investors then the terms do not provide for any level of protected capital and the Investors will sustain the full loss corresponding to the unfavourable development of the relevant Index, Underlying or Underlying Components. Where the ETPs provide a long exposure (i.e. the relevant ETPs have been designed to benefit in the event of a rise in the price of the relevant index, Underlying or Underlying Component) and the relevant price instead remains flat or falls this would have a material adverse effect on the market value of such ETPs and the Investors would sustain losses. Conversely, where the ETPs provide a short exposure (i.e. the relevant ETPs have been designed to benefit in the event of a fall in the price of the relevant index, Underlying or Underlying Component) and the relevant price instead remains flat or rises this would have a material adverse effect on the market value of the ETPs and the Investors would sustain losses. Depending on the performance of the relevant Index, Underlying or Underlying Components Investors may sustain a loss up to their entire investment.

Risk Rating: High

Risk factors relating to digital assets: Regulatory risks

The legal status of crypto assets varies widely from country to country. In many countries, the legal status is not yet defined or is changing. Some countries have made the use of crypto-assets such as Bitcoin illegal. Other countries have banned crypto-assets or securities or derivatives relating to them (including for certain categories of investors, e.g., products such as those offered by the Company may not be sold to retail investors in the United Kingdom), prohibited local banks from working with crypto-assets or otherwise restricted crypto-assets. In addition, the legal treatment of crypto-assets is often unclear, and there is uncertainty as to whether the underlying crypto-assets are a security, money, commodity or property (although a counter-example to this is, for example, German law, which has included so-called crypto-assets as financial instruments in German law since the beginning of 2020). In some countries, such as the United States, different government agencies define crypto assets differently, leading to regulatory conflict and uncertainty. This uncertainty is exacerbated by the rapid evolution of regulations. Some countries may explicitly restrict, prohibit or limit the acquisition, use, trading or redemption of crypto-assets in the future. In such a scenario, the ownership or trading of securities replicating or linked to crypto-assets, such as the Company's products, could be deemed illegal and subject to sanctions.

However, in recent years, numerous large and established banks and asset managers have invested in companies in the cryptocurrency space or have become involved with investments in cryptocurrencies. This trend is to be significant and ongoing in nature these days. Numerous financial regulators have now generally accepted that cryptocurrencies are likely to remain as an asset class and, accordingly, have adopted a pragmatic stance to address this growing interest in cryptocurrencies by the investment community. The Company is therefore pursuing the objective of making its products more geographically accessible to a wider audience in part as a diversification strategy to mitigate this risk.

However, it is visibly difficult to predict how the regulatory outlook and policies regarding cryptocurrencies could and will change. A shift to a generally more negative view could lead to risk for investors as tightening regulations may restrict access for investors.

Risk Rating: High

The value of a Crypto Asset can change quickly and could even drop to zero

The price of any Crypto Asset can be volatile and may be affected by a variety of factors. Should demand for a Crypto Asset decrease, e.g. due to a sudden loss of confidence in such crypto Asset attributed to it by market participants, or should it fail to achieve adoption among the Crypto Asset community or should it suffer technological or coding failures or hacks, for example, then its value could drop sharply and permanently, which in turn would adversely affect the price at which investors are able to trade the ETPs in the secondary markets. Such a course of events would probably worsen the liquidity, disposal opportunities and the market value for the ETPs and thus create risks of losses for investors. The value of a Crypto Asset and consequently the relevant ETPs could even drop to zero and Investors may experience significant difficulties in divesting their positions in the relevant ETPs.

Risk Rating: High

Valuation

Crypto Assets do not represent an underlying claim on income or profits, nor do they represent a liability that must be repaid. Their price reflects the assessment of value by market participants (or a particular marketplace) and supply and demand dynamics. As a result, the value of Crypto Assets may be more speculative and more volatile than traditional assets which represent claims on income, or profits or debts.

The speculative nature of the underlying Crypto Assets can make it difficult to apply consistent valuation methods for the Crypto Assets and thereby the ETPs. Furthermore, extreme volatility can impact the ability of market participants to provide reliable, consistent pricing, which, in turn, could adversely affect the price at which investors are able to trade the ETPs in the secondary markets.

Risk Rating: High

Risks associated with development of protocol

The protocols for cryptocurrencies such as the Crypto Assets are publicly available and under development. Further development and acceptance of the protocols is dependent on a number of factors. The development of any of these digital currencies may be prevented or delayed, should disagreements between participants, developers and members of the network arise. New and improved versions of the source code will be "voted" in by a majority of the members/miners of the network carrying out the changes in their nodes, meaning upgrading their nodes to the latest version of the code. Should a situation arise where it is not possible to reach a majority in the network regarding the implementation of a new version of the protocol, this may mean that, among other things, the improvement of that protocol's scalability may be restrained. Should the development of one of the Crypto Assets' protocols be prevented or delayed, this may adversely affect the value of the currencies. Further, as the structure of the protocols for the Crypto Assets are public, there is no direct compensation for protocol developers, which may reduce incentives for further development. Without further development, the value of the associated digital currency may decrease, affecting the value of the ETPs.

Further, without direct compensation for protocol developers, it could lead to decreased incentives for continuous development of the protocols. Should these protocols not develop further, the value of the associated digital asset will decrease, which in turn would affect the value of the ETPs. As protocols develop and mature and adoption increases among developers, this reduces both the probability that this risk would occur and the magnitude of the consequences of this risk would occur.

The risk rating is assessed to be medium. In relation to Crypto Assets with the largest market capitalization, the risk rating is assessed to be low in light of the large number of developers. For Crypto Assets with fewer active developers, (which is often correlated to a low market capitalization), the risk rating is higher, assessed to be at medium.

Risk Rating: Medium

Secondary market risk

The market prices in the secondary market will become both higher and lower than the rate to which investors have purchased their ETPs. The market rates in the secondary market may not accurately reflect the price of the relevant Index or Underlying or Underlying Components. Although the price determination in the secondary market is based on established calculation models, it is dependent upon the underlying development of the market and the market's conception of the Issuer's credit status, the ETPs' probable remaining duration and the sales opportunities on the secondary market. In light of the volatility which can be observed in the historical prices for the Crypto Assets, it seems possible that the price determination of the ETPs in the secondary market may be very volatile. If one or more regulated markets decide that the ETPs no longer should be so admitted to trading, regardless of whether this is due to circumstances assignable to the Issuer, the ETPs, the Crypto Assets, the market maker and / or changed rules or any other reason, there is a risk that the Issuer will not succeed in having the ETPs admitted to trading on another regulated market, MTF or other marketplace. Such a course of events could reduce the liquidity, disposal opportunities and the market value for the ETPs and thus create risks of losses for investors. In the event of a delisting the Issuer may exercise its right to redeem the ETPs early. Such early settlement will only occur following a notice period and investors face the risk that the market price and liquidity as well as the final settlement amount are negatively impacted in such a scenario.

Risk Rating: High

Risk of the Occurrence of an Extraordinary Event

Condition 17 (*Extraordinary Event*) provides that, in the case of a fraud, theft, cyber-attack, change in regulations and/or a similar event (each, 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 (*Notices*), and the Redemption Amount for such Products shall be reduced accordingly, potentially to zero (i.e., U.S.\$0.00, €0.00, CHF 0.00, £0.00 or the equivalent in other Settlement Currencies) per Product. Accordingly, Investors bear the risks of the occurrence of an Extraordinary Event and of a partial or complete loss of their investment. Moreover, the risks of an Extraordinary Event are greater than for similar events with respect to other asset classes (such as investments in securities, funds and deposits) and, unlike in the case of other asset classes, are unable to be mitigated. In addition, it is not presently practical to insure against an Extraordinary Event.

Risk Rating: High

Risks related to ETPs linked to Equity Assets

The ETPs linked to Equity Assets are subject to risks inherent in equity investments. Prospective investors should be familiar with global equity markets and should carefully consider the value, price volatility and risk profile of the relevant Equity Assets by reference to which amounts payable under the ETP are calculated.

The ETPs constitute obligations solely of the Issuer. They do not constitute, and do not give rise to, any rights or obligations against any issuer of the Equity Assets included in the Underlying. No such issuer has participated in the preparation of this Base Prospectus or the relevant Final Terms, nor in the establishment of the terms of the ETPs. Accordingly, the Issuer and the Authorised Participants have not conducted, and are under no obligation to conduct, any investigation or due diligence with respect to such equity issuers beyond publicly available information. There can therefore be no assurance that all events occurring prior to the relevant issue date that may affect the market price of the relevant Equity Assets have been publicly disclosed.

The value of Equity Assets included in the Underlying may fluctuate significantly and may be affected by issuer-specific factors, general market conditions and broader economic, financial or political developments. The value of such Equity Assets may decline as well as increase, and the value on any given date may not reflect their performance in any prior period. Past performance of any Equity Asset is not indicative of future performance. There can be no assurance as to the future value of any Equity Asset, the continued listing or existence of any such Equity Asset, or the ongoing viability of the relevant issuer. As a result, ETP investors may lose some or all of their investment in the ETP.

Where a Series of ETP Securities provides exposure to Equity Assets, the value of such Series will be affected by general equity market movements and changes in market rates or prices, including interest rates, foreign exchange rates, commodity prices and overall equity market conditions.

Where the Underlying consists of a single Equity Asset, the ETP is subject to a high degree of idiosyncratic (issuer-specific) risk compared to products providing exposure to a diversified basket of assets. Such risks may arise from factors including, without limitation, management decisions, capital allocation policies, operational disruptions, litigation or regulatory actions, labour or supply chain issues, cybersecurity incidents, public health events or natural disasters affecting the relevant issuer.

In addition, *Jurisdiction of Equity Assets*

Products may be related to shares of companies with their corporate seats and core business located in countries other than where the Products are listed or traded. The legal, regulatory and economic environment of these jurisdictions may vary significantly from the Investor's local market or the market of listing. Risks related to such shares include, but are not limited to, rates of inflation, volatile interest rate levels, balance of payments, the extent of governmental surpluses or deficits in the relevant country, the possibility of expropriation of assets, confiscatory taxation and political or social instability or diplomatic developments. All of these factors are sensitive to the monetary, fiscal and trade policies pursued by the governments of the related countries. Further, certain financial markets, while generally growing in volume, have, for the most part, substantially less volume than more developed markets, and securities of many companies may be less liquid and their prices more volatile than securities of comparable companies in more sizeable markets, which may affect the value of the Underlyings. Such circumstances may lead to the value of the Products falling below the value of such Products at the time of the initial purchase and this might lead to a partial loss to an Investor if an Investor is selling its Products at the time these events are taking place.

Corporate actions linked to the Equity Assets

Corporate actions affecting an Equity Asset included in the Reference Assets may have a material adverse effect on the ETP Securities. ETP Securityholders will not participate directly in corporate actions such as rights issues, stock splits or similar events. Certain corporate events, including mergers, acquisitions or the delisting of a relevant Equity Asset, may result in the early termination or mandatory redemption of the relevant Series of ETPs, potentially at a time when the value of the ETPs is adversely affected. Prospective investors should carefully assess whether an investment in ETPs linked to Equity Assets is suitable for them in light of their financial circumstances, investment objectives and risk tolerance.

In case of an event where the Equity Assets constituting the Equity Asset Collateral (i) can no longer be made available by the issuer, (ii) are no longer available due to the Equity Asset reaching their maturity date (if any), (iii) any type of corporate event or similar occurs, or (iv) are otherwise cancelled or terminated, the Asset Entitlement of the relevant Products shall be adjusted to take into account securities held as Underlyings being fully or partially unavailable as a result of being cancelled or terminated at which point the Issuer may replace the securities in question. This might result in an adjustment of the Equity Assets held as Equity Asset Collateral with an Equity Entitlement consisting of (i) solely the additional share(s) or (ii) the Equity Assets and the additional share(s). Accordingly, the Issuer may in certain circumstances effect such adjustment, which might – although the Issuer is required to take into account the interests of the Investors – have a negative impact on the return for Investors of that Series. Should such negative impact materialise, it may lead to the value of the Products decreasing which could lead to the Investor losing parts or all of their initial investment if such Investor is selling its Products at the time these events are taking place.

Dividends or dividend-equivalent payments

The determination of whether a distribution constitutes a dividend, a dividend equivalent, or another form of income is made solely by the issuer of the Underlying or determined by the applicable tax and regulatory authorities in the relevant jurisdiction. The Issuer of the Products has no discretion, control, or input into these determinations. Consequently, the Issuer does not assess the legal or tax nature of such payments and will rely entirely on the classification provided by external sources. Investors should not assume that the Underlyings will consistently pay dividends or generate income. The decision to declare dividends rests entirely with the governing bodies of the underlying entities and may be influenced by the entity's financial performance and retained earnings, changes in corporate policy or local legal restrictions or regulatory interventions that may limit or suspend distributions. Further, dividend or dividend equivalent payments may be subject to various withholding taxes or other deductions at the source. Because the Issuer of the Products does not determine the nature of the income, it cannot guarantee the availability of tax credits or the applicability of tax treaties. Any such deductions or recharacterizations of income by third parties may reduce the net amount of any distributions passed through to the Investor, result in an adverse adjustment to the value or the terms of the products or lead to unforeseen tax liabilities for the Investor in their own jurisdiction.

Risk rating: High

Risk factors relating to Basket ETPs and Index ETPs

Please refer to the foregoing risk factors for the relevant Crypto Assets within the relevant basket or, as the case may be, index. In addition, a small basket or index composition will generally be more vulnerable to changes in the value of the relevant Crypto Assets and a change in composition of a basket or an index may have an adverse effect on the basket's or index's performance. Given the higher weighting of each component in a small basket or small index composition, the impact of an unfavourable development for one or more single components will be greater on the basket's or index's performance compared with a more diverse basket or index. A high correlation of components, i.e. where the values of the relevant components tend to fluctuate in a similar direction and magnitude as the other components, may have a significant effect on amounts payable on the ETP since all of the correlated components may move in the same unfavourable manner at the same time and thus not achieve diversification of the market risk. The negative performance of a single component, i.e. a single Crypto Asset, may outweigh positive performance on the part of one or more other components and may have a negative impact on the return of the ETP. If the Index provides a leveraged exposure to the relevant Crypto Assets referenced by the Index, the effect of any negative or positive changes in the price thereof on the level of such Index will be magnified as compared to the effect of any such negative or positive changes on the level of an otherwise identical Index that does not employ leverage. Prospective investors should note that such leverage will mean that any fall in the level of the Index will lead to a magnified negative impact on the return on the ETP.

The ETP seeks to track, before fees and expenses, the performance of its underlying index. The methodology applied to replicate the Index may differ across jurisdictions and is subject to applicable regulatory and exchange requirements. In most cases, the ETP may hold all of the assets comprising the Index (full replication). In some cases, the ETP may employ a representative sampling methodology, whereby it holds a representative selection of assets that collectively reflect the characteristics of the Index. The performance of the ETP may differ from that of the Index due to a variety of factors, including (without limitation): the composition of the ETP's holdings as compared to the Index, transaction costs, fees and expenses, liquidity considerations, regulatory or investment restrictions, valuation differences, rebalancing practices, and cash holdings. Such factors may result in tracking error, meaning that the return of the ETP may be lower than, or otherwise deviate from, the return of the Index. While the ETP seeks to minimise tracking error through disciplined and methodological selection of assets by mimicking the investment profile of the Index, there can be no assurance that this objective will be met. Investors are entitled to the performance of the ETP's assets, which may differ from the theoretical performance of the Index.

Risk Rating: Medium

Risks associated with Commodity Asset prices

The value of a Product which is linked to an index which also includes one or more Commodity Assets as Underlying Component(s), will be related to the value of an equivalent investment in the relevant Commodity Asset(s). Commodity Asset prices generally may fluctuate widely and may be affected by numerous factors, including but not limited to:

- a) global or regional political, economic or financial events and situations, particularly war, terrorism, expropriation and other activities which might lead to disruptions to supply from countries that are major bullion producers;
- b) global metal supply and demand, which is influenced by such factors as exploration success, mine production and net forward selling activities by metal producers, jewelry demand, investment demand and industrial demand, net of any recycling and any shortages of a particular type of bullion could result in a spike in prices of that type of bullion. Price spiking can also result in volatile forward rates and lease rates which could result in the bid-offer spread on any exchange where Products are traded widening, reflecting short-term forward rates in the relevant bullion;
- c) financial activities including investment trading, hedging or other activities conducted by large trading houses, producers, users, hedge funds, commodities funds, governments or other speculators which could impact global supply or demand;
- d) financial market factors such as investors' expectations with respect to the future rates of inflation, movements in world equity, financial and property markets, interest rates and currency exchange rates, particularly the strength of and confidence in the US dollar. Adverse movements in the price of Commodity Assets may negatively affect the return to Investors who sell their securities when the price of the relevant Commodity Asset has decreased since the time they purchased their Products. General movements in local and international markets and factors that affect the investment climate and investor sentiment could all affect the level of trading and, therefore, the market price of the Products and this may lead to a fall in the price of Products which will have an adverse impact on any Investor that purchased Products at a higher price; and
- e) extreme weather events, such as droughts or floods, can severely affect the supply of agricultural commodities and energy. Environmental regulations, social issues, in producing regions, and governance concerns can disrupt supply chains. The development of new technologies can alter long-term demand for certain commodities.

Risk Rating: Medium

Realisation of Collateral

If the amounts received upon the realisation of Collateral are not sufficient to fully cover the fees and expenses of the Collateral Agent and the Issuer's payment obligations to Investors, then there is a risk that Investors may incur a loss, which may be significant. Realisation of Collateral only takes place in the Event of Default or an Insolvency Event. Thus, the collateralisation can mitigate the credit risk of the Issuer only to the extent that the proceeds cover the Investors' claims. However, the contractual claims of the Investors are not limited to the value of the Collateral although in an insolvency of the Issuer a loss would occur if the Collateral does not suffice. On the other hand, the Investors are not entitled to receive a surplus from the realisation of Collateral, should it exceed their contractual claims.

Risk Rating: Medium

Large intra-day and overnight market movements

In the event of large movements in the value of any underlying asset(s) referenced by an Index during the course of a scheduled valuation day, it is possible that an intra-day reset may be triggered with respect to such Index. An intra-day reset is designed as a stop-loss to restrict (to a certain extent) the loss in value of an Index during periods of extreme market movement by providing a new base level for determining the movement in the value of any underlying asset(s). The effect of an intra-day reset is that an Index will for the remainder of that day provide relevant leveraged long or short exposure to the movement in the value of such underlying asset(s) measured from the time the intra-day reset took place (or thereabouts). If an intra-day reset were to take place then, for the reasons described above, an Index (and the corresponding ETPs which reference such Index) will not provide leveraged exposure to the movement in the value of the underlying asset(s) throughout the course of that day. If the value of the underlying asset(s) were to fall (or rise) significantly during the course of a day resulting in an intra-day reset occurring with respect to the corresponding Index but then during the remainder of the day the underlying asset(s) were to recover their losses (or lose their gains) then the relevant Index and, therefore, the corresponding ETPs would still incur a significant loss during such day due to the intra-day reset providing a lower (higher) base level for determining the movement in the value of the underlying asset(s) throughout the remainder of the day. As a result, where an intra-day reset occurs, an investor's losses may still be significant. The level of any intra-day reset triggers will vary between different Indices. An intra-day reset may not occur with respect to overnight movements in the value of the underlying asset(s) (i.e. from close of an exchange on one day to open of the exchange the following day). Accordingly, in the event of a large overnight movement in the value of the underlying asset(s) referenced by an Index, the value of the ETP could plummet. In such a scenario, an investor that holds a corresponding ETP could lose all or part of their investment.

Risk Rating: Medium

Key Information on the offer of securities to the public and/or the admission to trading on a regulated market

Under which conditions and timetable can I invest in this security?

These securities will be offered to the public in a number of EU countries (currently Austria, Belgium, Bulgaria Croatia, Czech Republic, Cyprus, Denmark, Estonia, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain and Sweden). The offer for these securities is continuous until the expiry of the base prospectus (19 February 2027) (Offer Period) and additional investors may enter any given series at any time. Additional tranches of a series may be issued at any time pursuant to further final terms. However, these additional issuances are not dilutive and will be collateralized with an equivalent amount of digital assets as further described in the prospectus.

Who is the offeror and/or person asking for admission to trading?

The issuer has given its consent for the Authorised Participants to use the base prospectus in connection with any non-exempt offer of these securities in the countries listed above during the Offer Period by or to each of the following financial intermediaries (each, an Authorised Offeror):

The Issuer is: 21Shares AG, Pelikanstrasse 37, 8001 Zurich, Switzerland (LEI: 254900UWHMJRRODS3Z64, Swiss Company Number: CHE-347.562.100), a Swiss based stock corporation, place of jurisdiction: Switzerland.

The **Authorised Offerors** are:

- Flow Traders B.V. Jacob Bontiusplaats 9, 1018LL Amsterdam, The Netherlands. The legal form of this company is 54M6 and is subject to the jurisdiction of NL law.
- Jane Street Financial Limited, 2 & A Half, Devonshire Square, London, EC2M 4UJ, UNITED KINGDOM. The legal form of this company is H0PO and is subject to the jurisdiction of GB law.
- and any Authorised Participant expressly named as an Authorised Offeror on the Issuer's website: <https://21shares.com/ir/aps>

An investor intending to acquire or acquiring any securities from an Authorised Offeror will do so, and offers and sales of the securities to such investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between that Authorised Offeror and such investor including as to price, allocations and settlement arrangements.

These securities contain a base annual fee of 2.5% for investors as well as a subscription/redemption fee to authorised participants. Investors in the product may pay additional brokerage fees, commissions trading fees, spreads or other fees when investing in these products.

Why is this prospectus being produced?

This base prospectus is being produced for the purpose of offering these securities to the public in a number of EU member states (currently Austria, Belgium, Bulgaria Croatia, Czech Republic, Cyprus, Denmark, Estonia, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain and Sweden). The entire value of the proceeds from issuance of these securities will be used to acquire a corresponding amount of underlying assets relevant to that series.

Estimated use of proceeds

n/a

Indication of whether the offer is subject to an underwriting agreement

The offer of the securities is not subject to an underwriting agreement on a firm commitment basis.

Indication of most material conflicts of interest pertaining to the offer of admission to trading

No material conflict of interests exists.