

BASE PROSPECTUS

dated 24 April 2023

of



Helveteq AG

(a company with limited liability established under the laws of Switzerland)

Structured Products Program

Under this document (together with all information incorporated by reference herein or otherwise forming part of this document and any and all supplements approved by the Reviewing Body (as defined below) and published by Helveteq AG, the **Base Prospectus**), Helveteq AG (the **Issuer** or **Helveteq**), established on 6 April 2023 a program for the issuance of structured products (the **Program**) under which the Issuer may, from time to time and subject to compliance with all applicable laws and regulations, issue structured products (the **Products**) in the form set out in this Base Prospectus, as amended and/or supplemented from time to time, and as completed by the final terms and conditions of each Product completing this Base Prospectus (the **Final Terms**). In the event of any inconsistency between the Base Prospectus and the Final Terms, the Final Terms shall prevail. **This Base Prospectus and the Final Terms replace any pre-existing individual documentation for the Products.**

This Base Prospectus is dated 24 April 2023 and has been approved by and registered with SIX Exchange Regulation Ltd. as reviewing body (the **Reviewing Body**) within the meaning of article 52 of the Swiss Financial Services Act (**FinSA**) as a base prospectus within the meaning of article 45 FinSA on 24 April 2023.

The Products may be based on a wide range of underlying instrument(s) (the **Underlying(s)**). Products to be listed on SIX (as further described below) may be based on Underlyings as defined in article 9 through 13 of the Additional Rules for the Listing of Exchange Traded Products (the **ARETP**) of SIX Swiss Exchange Ltd. (**SIX**) to be read in conjunction with Circular No. 3 - Practice for the Listing of Derivatives of SIX (the **CIR3**), on the basis of whose performance the value of these Products will develop or change. Products may also have an inverse exposure to the performance of the Underlying(s), be leveraged by borrowing funds, replicate static strategies, dynamic strategies, discretionary strategies or a combination thereof. The Underlying(s) for Products not intended to be listed on SIX (as further described below) may further consist of any other assets to the extent that such assets may be Collateralized (as defined below) under the Collateral concept and set-up under this Program. The specific Underlying(s) on which a specific Product is based may be found in the Final Terms, which are solely authoritative. Neither the Products nor the Issuer are or are expected to be rated.

The Products may be issued in the form of exchange traded products (**ETPs**) or as non-listed and non-exchange-traded products (**nETPs**). The Issuer may issue securities (the **Securities**) for the Products and may decide to apply for listing and/or admission to trading on or inclusion of any Securities into (as applicable) (together referred to as the listing or trading of the Securities) the SIX. In addition or as an alternative, the Issuer may decide to apply for the listing of the Securities on any other regulated stock exchange or unregulated market. However, the Issuer may also decide not to apply for listing and/or trading of the Products on any securities exchange. Any listing and/or trading of the Securities will be specified in the relevant Final Terms or the Final Terms will specify that no such application for listing and/or trading will be made.

The Products issued under the Program will be structured products and qualify as derivative financial instruments (debt instruments) according to Swiss law. The Products do not constitute collective investment schemes within the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA), as amended from time to time, and are, therefore, neither governed by the CISA nor subject to authorization and supervision by the Swiss Financial Market Supervisory Authority (FINMA). Accordingly, holders of these Products do not have the benefit of the specific investor protection provided under the CISA. The Issuer is not and will not be regulated by any regulator as a result of issuing the Products. The Issuer is neither licensed nor registered with the Swiss Financial Market Supervisory Authority (FINMA). The Products are not and will not be issued, guaranteed or secured in an equivalent manner by a supervised institution within the meaning of article 70 (1) FinSA. However, the Issuer will for each Product provide collateral corresponding to the requirements under article 70 (2) FinSA.

The Products have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) or with any securities regulatory authority of any State or other jurisdiction of the United States

and (i) may not be offered, sold or delivered within the United States to, or for the account or benefit of U.S. Persons (as defined in Regulation S (**Regulation S**) under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws and (ii) may be offered, sold or otherwise delivered at any time only to transferees that are Non-United States Persons (as defined by the U.S. Commodities Futures Trading Commission).

The Products and the underlying collateral in respect of the Products are highly speculative and involve a high degree of risk, including the risk of a total loss of all capital invested. See "Risks Factors".

Potential investors in the Products (the **Investors**) should ensure that they understand the nature of the Products and the extent of their exposure to risks and they should also consider the suitability of the Products as an investment in the light of their own circumstances and financial condition. Investors must also ensure that they have sufficient knowledge, experience and professional advice in order to make their own legal, financial, tax, regulatory, accounting and other business evaluation of the merits and risks of investing in Products issued under the Program. In particular, if a Termination Event (as defined below) occurs, neither the Issuer nor any other person shall be liable to compensate Investors for any losses that they may bear.

IMPORTANT NOTICE

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES, MAY BE USED FOR THE PURPOSE OF, OR MAY BE CONSTRUED AS, AN INVITATION, AN OFFER OR A SOLICITATION OF SECURITIES FOR SALE OR FOR SUBSCRIPTION IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

THE PRODUCTS ARE NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR ANY PERSON OR ADDRESS IN THE UNITED STATES OR IN ANY OTHER JURISDICTION TO WHICH A DISTRIBUTION WOULD BE UNLAWFUL.

You must read the following before continuing. The following applies to the Base Prospectus following this notice, and you are therefore advised to read this carefully before reading, accessing, or making any other use of the Base Prospectus. In accessing the Base Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from the Issuer or the other involved parties as a result of such access. This Base Prospectus should be read and construed with any supplement hereto and with any other documents (and any supplement thereto) incorporated by reference into or otherwise forming part of this Base Prospectus and, in relation to any Product, with the relevant Final Terms.

Confirmation of your representations: In order to be eligible to view the Base Prospectus or make an investment decision with respect to the Products being offered, Investors must be permitted under applicable law and regulation to receive the Base Prospectus. This Base Prospectus is being sent to you at your request and by accepting the email and accessing the Base Prospectus, you shall be deemed to have warranted to the Issuer, the Authorized Participant (as defined below and if any) and the other involved parties that (i) you and any customers you represent are outside the United States and any jurisdiction in which receiving or accessing the Base Prospectus cannot lawfully be made without compliance with registration or other legal requirement, (ii) the electronic or physical mail address that you gave the sender of this transmission and to which this transmission has been delivered is not located in the United States or any jurisdiction in which receiving or accessing the Base Prospectus cannot lawfully be made without compliance with registration or other legal requirements, (iii) you are a person who is permitted under applicable law and regulation to receive the Base Prospectus, (iv) you consent to delivery of the Base Prospectus and any amendments or supplements thereto by electronic transmission, (v) you will use this Base Prospectus for the sole purpose of evaluating a possible investment in a Product, and (vi) you acknowledge that no person is authorized to give any information or make any representation in connection with a Product or an offering that is not contained in this Base Prospectus and the related Final Terms.

You are reminded that the Base Prospectus has been delivered to you on the basis that you are a person into whose possession the Base Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver the Base Prospectus to any other person.

The Base Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently, neither the Issuer, any other party involved nor any person who controls them nor any director, officer, employee nor agent of them or affiliate or any such person accepts any liability or responsibility whatsoever in respect of any difference between the Base Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Issuer and any other party involved. Please ensure that your copy of the Base Prospectus is complete. You are responsible for protecting against viruses and other destructive items. Your use of this e-mail transmission is at your own risk, and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

This Base Prospectus does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If the laws or regulation of a jurisdiction require that an offering of securities described herein be made by a licensed broker or dealer and any other party involved or any affiliate of any other party is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such other party or such affiliate on behalf of the Issuer or holders of the applicable securities in such jurisdiction.

The offering or sale of the Products in certain jurisdictions may be restricted by law. For a more detailed description of some restrictions on the offer and sale of Products and on the distribution of this Base Prospectus, see "Selling Restrictions". Persons who obtain possession of this Base Prospectus and/or the Final Terms are required to inform themselves about and to adhere to any such restrictions. Neither this Base Prospectus nor the Final Terms constitute or may be used

for the purposes of, an offer or solicitation to subscribe for or to purchase any Product in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. Accordingly, this Base Prospectus and the Final Terms should not be used by anyone for this purpose.

No person is authorized to provide any information or to make any representation not contained in or not consistent with this Base Prospectus, the Final Terms or any other information supplied by the Issuer in connection with the Program. Investors should not rely upon information or representations that have not been given or confirmed by the relevant Issuer. Except in the circumstances described below, the Issuer has not authorized the making of any offer by any offer or, and the Issuer has not consented to the use of this Base Prospectus by any other person in connection with any offer of the Products in any jurisdiction. Any offer made without the consent of the Issuer is unauthorized and the Issuer does not accept any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorized offer.

The Issuer and its affiliates (which directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Issuer) may hold, retain, buy or sell Products, or the Underlying(s) at any time. See "*Risk Factors—Risk factors relating to the Issuer—Potential conflicts of interest*". They may also enter into transactions relating to Products or derivatives of Products, in such amounts, with such purchasers and/or counterparties and at such prices (including at different prices) and on such terms as any such entity may determine, be it as part of its business and/or any hedging transactions as described in this Base Prospectus or for any other reason. There is no obligation upon the Issuer to sell all of the Products of any issue. The Products of any issue may be offered or sold in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer, subject as provided above.

Neither this Base Prospectus nor any other information supplied in connection with the Program (i) is to be used as the basis of any credit assessment or other evaluation or (ii) is to be considered as a recommendation by the Issuer that any recipient of this Base Prospectus (or any other information supplied in connection with the Program) should purchase any Products. Each Investor contemplating the purchase of any Products should make its own independent enquiries regarding the financial condition and business development of the Issuer and its own appraisal of their creditworthiness.

Neither this Base Prospectus nor any other information supplied in connection with the Program constitutes an offer or an invitation by or on behalf of the Issuer or any person to subscribe for or to purchase any Products. The delivery of this Base Prospectus does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Program is correct as of any time subsequent to the date indicated in the document containing the same.

The Products may not be a suitable investment for all Investors. Each potential Investor in the Products must determine the suitability of that investment in light of its own circumstances. In particular, each potential Investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Products, the merits and risks of investing in the Products and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Products and the impact the Products will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Products, including Products with principal in one or more currencies, or where the currency for principal is different from the potential Investor's currency;
- (iv) understands thoroughly the terms of the Products; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Issuer shall prepare a supplement (each a **Supplement**) to this Base Prospectus or publish a new base prospectus if there is a significant change affecting any matter contained in this Base Prospectus or a significant new matter arises, the inclusion of information in respect of which would have been so required if it had arisen when this Base Prospectus was prepared or in any other situation required under the FinSA.

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under additional law.

This Base Prospectus contains information extracted from a range of technical and non-technical digital sources, including (but not limited to) documents provided by service providers to the Issuer, their websites, and industry publications. Where third-party information is used in this Base Prospectus, the source of such information is stated. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by each of the relevant sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

An investment into any of the Products does not have the status of a bank deposit and is not within the scope of any deposit protection scheme. The Issuer is not and will not be regulated by any regulator as a result of issuing the Products.

Collateralization of the Products, as further described in the section headed "*Economic overview over the Products—Collateral*" herein, eliminates credit risk to the Issuer only to the extent that the proceeds from the liquidation or realization of Collateral (as defined below) (less the costs of liquidation fees and expenses of the Security Agent (as defined below) and payout) meet the Investors' claims. The Investor bears the following risks, among others: the market risk associated with the Collateral results in insufficient liquidation proceeds or, in extreme circumstances, the Collateral might lose its value entirely, including through theft, hacking, or fraud, prior to the liquidation taking place. The costs for the service with respect to the collateralization of the Products may be taken into account for the pricing of a specific Product and may therefore be borne by the Investors. With regard to the payment to the respective Investors of the relevant share of the net liquidation proceeds, each Investor shall bear the solvency risks of the Issuer.

The Products will be obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity. Investing in the Products, therefore, entails an Issuer credit risk (which is only mitigated due to collateralization), meaning that Investors must bear losses if the Issuer defaults, becomes insolvent, or in any other case of negative changes in the financial condition of the Issuer. The collateral is held by the Custodian (as defined below) in segregated accounts, which are intended to be protected in the event of insolvency of the Custodian, but the insolvency of the Custodian (or the Security Agent) may result in delayed access to the collateral. In such a situation, Investors may face a loss due to asset price fluctuation and therefore bear an indirect credit risk of the Security Agent and the Custodian.

Any payment to the Investors may be delayed for factual or legal reasons. To the extent the calculation of the current value of Products proves to be incorrect, the collateralization of the Products may be insufficient.

No representation, warranty, or undertaking, express or implied, is made and no responsibility or liability is accepted by any other involved party (as described in the Base Prospectus) as to the accuracy or completeness of the information contained herein, or any other further information supplied in connection with the Product or its distribution.

For so long as Products remain outstanding, the documents specified in section "*General Information—Documents on display*" of this Base Prospectus will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the registered office of the Issuer in printed form free of charge.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

Some statements in this Base Prospectus may be deemed to be forward-looking statements. Forward-looking statements include statements concerning the Issuer's plans, objectives, goals, strategies, future operations and performance, 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 any similar expressions generally identify forward-looking statements. These forward-looking statements are contained in the sections captioned "*Risk Factors*", "*Information about the Issuer and Collateral Provider*", "*Economic overview over the Products*" and other sections of this Base Prospectus. The Issuer has based these forward-looking statements on its current view concerning future events and financial performance. Although the Issuer believes that the expectations, estimates, and projections 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 materialize, including those identified in the section captioned "*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 inaccurate, events relating to the Issuer and the Issuer's actual results may be materially different from those expected, estimated or predicted.

Without prejudice to any requirements under applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of this Base Prospectus any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward-looking statement is based.

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SUMMARY

This summary (the **Summary**) contains all the information required to be included in a summary within the meaning of article 40 paragraph 3 and article 43 FinSA.

This Summary is to be read and understood as an introduction to the Base Prospectus (as supplemented from time to time) only. Whilst it contains material information about the Products, it does not contain or summarize all of the information about the Product, the Issuer, and the Underlying(s) that is material and that may be important to you. Key information on the Product, the Securities and, if applicable, listing and/or admission to trading of the Securities will be provided in the relevant Final Terms. You should read this entire Base Prospectus, including the section "*Risk Factors*" beginning on page 14, and the material incorporated by reference herein before making an investment decision about the Products. Terms not defined in this Summary shall have the meanings given to them elsewhere in this Base Prospectus.

ANY LIABILITY FOR THE CONTENT OF THIS SUMMARY IS LIMITED TO CASES WHERE THE INFORMATION CONTAINED IN THIS SUMMARY IS MISLEADING, INACCURATE OR INCONSISTENT WHEN READ TOGETHER WITH THE OTHER PARTS OF THE BASE PROSPECTUS.

The Program

Issuer and Collateral Provider Helveteq AG (the **Issuer, Collateral Provider or Helveteq**). Helveteq is incorporated and domiciled in Switzerland and operates under the Swiss Code of Obligations as an *Aktiengesellschaft*, a corporation limited by shares. The registered office of Helveteq is Churerstrasse 25, 8808 Pfäffikon, Switzerland. Helveteq is not authorized or subject to prudential supervision by Swiss Financial Market Supervisory Authority (**FINMA**) or any other regulatory authority.

The Program On 6 April 2023, the Issuer established a program for the issuance of structured products (the **Program**) under which the Issuer may, from time to time and subject to compliance with all applicable laws and regulations, issue structured products (the **Products**). The Products may be issued in the form of exchange traded products (**ETPs**) or as non-listed and non-exchange-traded products (**nETPs**). The Issuer may issue securities (the **Securities**) for the Products and may decide to apply for listing and/or admission to trading on or inclusion of any Securities SIX or any other regulated stock exchange or unregulated market. However, the Issuer may also decide not to apply for listing and/or trading of the Products on any securities exchange

The Products may be based on a wide range of underlying instrument(s) (the **Underlying(s)**), including but not limited to those defined in article 9 through 13 of the Additional Rules for the Listing of Exchange Traded Products (the **ARETP**) of the SIX, on the basis of whose performance the value of these Products will develop or change. The Underlying may further consist of any other assets to the extent that such assets may be Collateralized (as defined below) under the Collateral concept and set-up under this Program.

The specific Underlying(s) on which a Product is based may be found in the final terms, which are solely authoritative (the **Final Terms**).

The Program and the Products issued under the Program are intended to offer Investors means of gaining market exposure to a wide range of Underlying(s), including equity securities, bonds, collective investment schemes, derivatives, futures, indices, foreign currencies, reference rates, precious metals, commodities and baskets or any other assets capable of being Collateralized under the Collateral concept and set-up under this Program. With regard to Products issued as ETPs and which are listed on SIX, the Underlyings are as defined in articles 9 through 13 of the ARETP and may also include digital assets whose origin are derived from a blockchain, such as cryptocurrencies and digital assets representing physical commodities and other physical assets (the **Digital Assets**) without the necessity of taking delivery of or storing the Digital Assets in

personal wallets, as defined in Circular No. 3 - Practice for the Listing of Derivatives of SIX (**CIR3**).

Products may also have an inverse exposure to the performance of the Underlying(s), be leveraged by borrowing funds, replicate static strategies, dynamic strategies, discretionary strategies, or a combination thereof.

The details of the Underlying as well as any potential listing or application to trading of the Products are set out in the Final Terms applicable.

Neither the Products nor the Issuer are or are expected to be rated.

Issue and Redemption

With regard to Products listed on SIX or any other regulated securities exchange, it is intended that the Securities shall be subject to a continual issuance and redemption mechanism, under which additional Securities of such Product may be issued, and Securities may be redeemed by Authorized Participants (as defined below), in any case as further described in the section "*Economic overview over the Products—Structure of the Program*" of the Base Prospectus and the Final Terms, as applicable.

Parties to the Program

Security Agent

ADEXAS Rechtsanwälte AG, Seefeldstrasse 224, 8008 Zurich, Switzerland, or any other Security Agent specified in the relevant Final Terms.

Custodian

Bitcoin Suisse AG, Grafenauweg 12, 6300 Zug, Switzerland, **Taurus SA**, 11 rue d'Italie, 1204 Geneva, Switzerland, or any other Custodian as specified in the relevant Final Terms.

Paying Agent

ISP Securities AG, Bellerivestrasse 45, 8008 Zurich, Switzerland, or any other Paying Agent as specified in the relevant Final Terms.

The Issuer may appoint additional Paying Agents in relation to certain Products if required by the rules of any trading venue on which those Products are listed or admitted to trading.

Administrator

Apex Corporate Services (Schweiz) GmbH, Seestrasse 5, 8002 Zurich, Switzerland, or any other Paying Agent as specified in the relevant Final Terms.

Authorized Participant(s)

Goldenberg Hehmeyer LLP, London E14 9NN, United Kingdom, **Flow Traders B.V.**, Jacob Bontiusplaats 9, 1018 LL Amsterdam, the Netherlands, or any other authorized participant as specified in the relevant Final Terms (the **Authorized Participant(s)**). For Products listed on SIX or any other regulated securities exchange Authorized Participants are entitled to request that Securities are created or redeemed for the Products in accordance with this Base Prospectus and the Final Terms. A person or entity can only be considered an Authorized Participant if it is: (a) a securities house or other market professional approved by the Issuer (in its absolute discretion); and (b) an account holder on SIX (or any other regulated securities exchange, as applicable). An Authorized Participant must also have entered into an Authorized Participant Agreement (as defined below) with the Issuer dealing with, amongst other things, the rights and obligations of the Authorized Participant in relation to applying for and redeeming the Products. The Issuer reserves the right to change, increase or decrease the number of Authorized Participants or any individual firm.

The current list of Authorized Participants may be found at www.helveteq.com.

Auditor

For the purpose of the listing of the Securities issued under the Program on SIX, **Grant Thornton AG**, Claridenstrasse 35, 8027 Zurich, Switzerland, have been appointed by the Issuer and Collateral

Provider as independent auditors recognized by the Federal Council under the Federal Audit Oversight Act for the annual audit of its accounts.

Market Maker(s) **Goldenberg Hehmeyer LLP**, London E14 9NN, United Kingdom, **Flow Traders B.V.**, Jacob Bontiusplaats 9, 1018 LL Amsterdam, the Netherlands, or any other market maker(s) as specified in the relevant Final Terms and if any for any specific Product (the **Market Maker(s)**).

Calculation Agent Unless specified otherwise in the relevant Final Terms, **Helveteq** shall act as Calculation Agent.

The Products

Description The Products issued under the Program are, if listed on SIX or any other regulated securities exchange, tracker certificates (structured products, Tracker Certificates (1300), see also Swiss Structured Product Association (www.sspa.ch) and may be based on the performance of any kind of underlying, adjusted by fees and costs (each an **Underlying**), including, without limitation, a digital asset, certain single underlying assets, to a basket of underlying components (the **Basket**) or to an index (the **Index**), as set out in the Final Terms.

Products may, subject to all applicable legal and regulatory requirements, be issued as uncertificated securities or intermediated securities within the meaning of the Federal Act on Intermediated Securities. If applicable, once registered with SIX SIS (as defined below) and entered in the securities account of one or more participants, the Products will qualify as intermediated securities.

Additional information on the form of the Products will be included in the relevant Final Terms.

Terms and Conditions Each Product will be governed by the terms and conditions set out in the section of this Base Prospectus headed "*Terms and Conditions*" as completed by the Final Terms (each a **Condition**, and together the **Terms and Conditions** or **Conditions**).

Not interest-bearing The Products are, if listed on SIX or any other regulated securities exchange, non-interest bearing products.

Index linked Products For Products linked to an index, the applicable index will be specified in the respective Final Terms of the Product and the Products will be exposed to the performance of the applicable index.

Collateral The Underlying(s) for each Product credited to the Collateral Account and/or any other asset, such as but not limited to hedging or financing arrangements as specified in the relevant Final Terms which serve as collateral for the Products (the **Collateral**).

Issue Price The Issue Price in respect of each Product will be set out in the Final Terms.

Redemption The Products are open-ended and do not have a fixed maturity date. Instead, such Products will provide for a redemption right in favor of the Investor (the **Investor Put Option**) subject to certain notice periods set out in the Final Terms and termination rights in favor of the Issuer (the **Issuer Call Option**) as set out in this Base Prospectus. Investors will not be entitled to real assets and only have a claim against the Issuer for the Redemption Amount (as defined below) on the Investor Redemption Date (as defined below).

The Issuer may terminate and redeem a Product in whole but not in part at any time by exercising the Issuer Call Option, at the Issuer's sole discretion and without any further prior consent of the Investors, on Termination Date (as defined below) set out in a Termination

Notice (as defined below) published by the Issuer in accordance with the Terms and Conditions.

The Issuer shall, at the option of any Investor holding Products, upon such Investor exercising the Investor Put Option by providing a Redemption Order (as defined below), via the financial intermediary administering the relevant securities account, within the Redemption Notice Period to the Paying Agent, redeem the Securities held by such Investor, in an amount of Securities corresponding to such Investor's Redemption Notice, on the Investor Redemption Date specified in the relevant Final Terms against payment of the Redemption Amount.

If listed on SIX or any other regulated securities exchange, only Authorized Participants may request the Issuer to terminate and redeem all or part of its holding of Products by delivery of the Underlying(s) for such Products to the Collateral Account in accordance with Condition 6.4 (Authorized Participant Redemption) unless the Issuer permits such redemption to be settled by Cash Settlement in accordance with Condition 6.3 (Cash Settlement).

Redemption Amount

The amount per Product payable by the Issuer will be calculated by the Calculation Agent on a Termination Date or an Investor Redemption Date, unless set out otherwise in the Final Terms (the **Final Valuation Date**) in the Settlement Currency (as defined below) in accordance with the formula set out in the relevant Final Terms (the **Redemption Amount**), provided, however, that in the case of any fraud, theft, cyber-attacks, change in regulations and/or any analogous or similar event (an **Extraordinary Event**), the Redemption Amount shall be reduced and may be as low as the smallest denomination of the Settlement Currency (i.e., USD 0.01, EUR 0.01, Swiss Franc (**CHF**) 0.01, British Pound Sterling (GBP) 0.01 or the equivalent in other Settlement Currencies).

On any Investor Redemption Date and any Termination Date, the redemptions will be settled by payment of the Redemption Amount through Cash Settlement payable by the Issuer to the Investors against delivery of the Securities to be redeemed as described further in this Base Prospectus.

Investors will not be entitled to ask for In-Kind Settlement (as defined below) In the case of an Authorized Participant Redemption, redemptions by Authorized Participants shall be settled on an in-kind basis unless the Issuer permits such redemption to be settled by Cash Settlement in accordance with Condition 6.3 (Cash Settlement).

Default, Insolvency and Enforcement

If an Event of Default (as defined below) occurs, then Investors holding at least 25% of the outstanding Product may, by notice in writing to the Issuer (at its registered office) and the Security Agent (at its specified office and with a copy to the Administrator), declare the relevant Product to be, and whereupon it shall become, immediately redeemable without further action or formality (**Acceleration**).

An event of default (the **Event of Default**) occurs when the Issuer is in breach of the issuance conditions of the Product that results in a claim for the Investors, where Issuer does not honor a payment or delivery commitment under the Product when it falls due according to the issuing conditions, or does not honor such a commitment in good time or without defects, unless those defects are remedied within ten (10) Business Days.

Upon the Issuer being declared bankrupt within the meaning of article 736 paragraph 3 Swiss Code of Obligations and the Swiss Debt Enforcement and Bankruptcy Act of 11 April 1889, as amended (the **DEBA**) by a competent court (an **Insolvency Event**), all Products shall become immediately redeemable without further action or formality in accordance with Condition 22 (*Default and Insolvency*).

The Security Agent shall upon the occurrence of an Event of Default or Insolvency Event, subject to being indemnified and/or secured and/or prefunded to its satisfaction, serve an Enforcement Notice on the Issuer and, at any time and without notice, institute such proceedings and/or take such action, steps or proceedings as it may think fit against, or in relation to, the Issuer or any other person to enforce its rights under this Base Prospectus and the relevant Final Terms, if

- (i) in the case of an Event of Default, instructed in writing by Investors representing not less than 25% of the relevant Product (a **Required Threshold**), or
- (ii) in the case of an Insolvency Event, if so instructed by any Investor (a **Required Threshold**) in writing, subject to the provisions of the Security Agent Agreement, the Pledge Agreement and the Account Control Agreement.

The instructions and/or notices to the Security Agent according to Conditions 22.1 and 22.2 can be combined.

Obligations of the Issuer

The Products will be obligations solely of the Issuer.

In particular, the Products will not be obligations or responsibilities of, or guaranteed by, the Security Agent, the Paying Agent, the Calculation Agent, or any other partner or affiliate of the Issuer, any direct or indirect shareholder of the Issuer or any Authorized Participant.

Governing Law / Jurisdiction for Products

The Products are governed by and shall be construed in accordance with Swiss law (without reference to the principles of conflicts of law rules). In relation to any proceedings in respect of the Product, the Issuer has submitted to the jurisdiction of the courts of Zurich, the place of jurisdiction being Zurich 1.

Trading and trading venues

Listing and Admission to Trading

Application may be made for the Products to be admitted to SIX or any other trading venue. Additional information on any admission to trading will be included in the relevant Final Terms. The Issuer is under no obligation to list or apply for trading of any Products issued under this Program.

Selling and Transfer Restrictions

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 comply with any applicable laws and regulations and which will not impose any obligation on the Issuer.

Settlement and Clearing

Settlement and Clearing of trades in the Securities takes place through SIX SIS AG, Baslerstrasse 100, 4601, Olten (**SIX SIS**), or any other settlement and clearing system determined in the Final Terms.

Approval / Issuance

Approval of the Base Prospectus by the Reviewing Body

This Base Prospectus is dated and was approved as a base prospectus within the meaning of article 45 of the FinSA by SIX Exchange Regulation AG, Hardturmstrasse 201, 8005 Zurich, Switzerland (**Reviewing Body**) on 24 April 2023.

Issuance of Products under the Base Prospectus

On or after the date of this Base Prospectus, Products may be publicly offered in Switzerland and/or an application may be made to admit such Products to trading on SIX or any other Swiss trading venue specified in the relevant Final Terms. Prior to such public offering or

application for trading on SIX, the respective Final Terms will be filed with the Reviewing Body and published in accordance with the FinSA as soon as the Final Terms of such Product are available, but, in the case of an admission to trading, in any case no later than the first day of trading for such Products on SIX. The Final Terms for such Products will not be reviewed or approved by the Reviewing Body.

RISK FACTORS

An investment in the Products involves a high degree of risk. If one or more of the risks described below occur or for reasons other than those set out below (for example, reasons not currently considered by the Issuer to be material or based on facts of which the Issuer is not currently aware), Investors may incur a partial or even a total loss of their invested capital.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Products, but the inability of the Issuer to pay any amounts on or in connection with the Products may occur for other reasons and the Issuer does not warrant that the statements below regarding the risks are exhaustive. Before making an investment decision, prospective Investors in the Products should consider carefully, in the light of their own financial circumstances and investment objectives, all the detailed information set out elsewhere in this Base Prospectus and the respective Final Terms in order to reach their own views before making any investment decision. Certain capitalized terms used in this section are defined in the Terms and Conditions.

The relevant Final Terms prepared in connection with an issue of Products may amend the risk factors set out above relating to the Products and may also contain additional risk factors relating to the Products.

General Risks Factors

Independent review and advice

Before entering into a transaction, Investors should consult their own legal, regulatory, tax, financial, and accounting advisors, as far as they consider necessary, and make their own investment, hedging, and trading decision (including decisions regarding the suitability of an investment in the Products or an exposure to the Underlying(s)) based upon their own independent review and assessment and advice taken from those advisers they consider necessary.

Furthermore, Investors should conduct such independent investigation and analysis regarding the Issuer and all other relevant persons or entities and such market and economic factors as they deem appropriate to evaluate the merits and risks of an investment in the Products. As part of such independent investigation and analysis, Investors should consider carefully all the information outlined in this Base Prospectus.

Investment in the Products may involve a loss of the capital invested under the terms and conditions of a respective Product even where there is no default or insolvency of the Issuer. In particular, Investors in the Products bear the risk of theft or hacking, for example, of the Underlying(s) serving as Collateral, which may, in turn, cause a decline in value of the Products. Investors will at all times be solely responsible for making their own independent appraisal of, and investigation into, the business, financial condition, prospects and creditworthiness, status, business safety, and security provisions and course of business of the Issuer. None of the Issuer or any other agent or affiliate of the aforementioned (or any person or entity on their behalf) will have responsibility or duty to make investigations, to review matters, or to provide the Investors with advice concerning accompanying risks.

Effect of ancillary costs

Commissions and other transaction costs incurred in connection with the purchase or sale of Products may result in charges, particularly in combination with a low order value, which can substantially reduce any redemption amount to be paid to an Investor in respect of a Product. Before acquiring Products, Investors should therefore inform themselves of all costs incurred with the purchase or sale of the Products, including any costs charged by their custodian bank or the Paying Agent or the Authorized Participant, as applicable, upon purchase and redemption of the Products.

Legality of purchase

Neither the Issuer nor any of its affiliates have or assume any responsibility for (i) the lawfulness of the acquisition of the Products by Investors or (ii) the compliance by Investors with any law, regulation or regulatory or internal policy applicable to them. Accordingly, Investors bear the risk of the permissibility of the purchase of any Products by them.

Settlement

Products may be settled through SIX SIS or any other eligible Settlement and Clearing System. As such, Investors will have to rely on the rules and procedures governing their operations. The Issuer will not be responsible for any delay in settlement of the Products by factors outside the Issuer's control, for example disruption on relevant settlement systems.

These delays may result in a longer settlement time between the redemption value Fixing Date (as defined below) and the termination of a Product, which could affect the redemption value of the relevant Product.

Taxation

Depending on the Investor's country of residence, holding the Products may have tax implications, such as value-added tax, withholding tax, stamp tax, wealth tax, capital gains tax or other taxes. Investors are advised to consult with their tax advisers as to their specific consequences. Therefore, Investors should consider whether such tax liabilities apply when investing in the Products. Each Investor will assume and be solely responsible for all taxes of any jurisdiction, including central government or local state taxes or other like assessment or charges which may be applied in respect of the Products.

The tax considerations contained in this Base Prospectus reflect the view of the Issuer based on the legislation applicable at the date of the issuance of this Base Prospectus. It cannot be ruled out that the tax treatment by the tax authorities and courts could be interpreted differently or could be subject to changes in the future. Additionally, the tax considerations contained herein are in summary form and may not be used as the sole basis for the decision to invest in the Products from a tax perspective, since the individual situation of each investor must also be considered. Accordingly, the considerations regarding taxation contained in this Base Prospectus do not constitute any sort of material information or tax advice nor are they in any way to be construed as a warranty with respect to specific tax consequences.

By the Terms and Conditions, the Issuer may redeem all outstanding Securities at any time, inter alia, also for certain tax reasons. Accordingly, investors should consult their personal tax advisors before making any decision to purchase Securities in the Products and must be aware of and be prepared to bear the risk of a potential early redemption due to tax reasons. The Issuer and their affiliates do not accept any liability for adverse tax consequences of an investment in the Products.

Risk factors relating to the Issuer

Helveteq acts as Issuer and Collateral Provider under the Program. For the purposes of this section "*Risk factors relating to the Issuer*" and for the sake of readability, reference is only made to the Issuer. Any risks listed in this section for the Issuer are to be read as applicable to the Collateral Provider as well.

The Issuer has a limited previous track record

The Issuer was founded in August 2021, with the main business of issuing non-listed, listed and exchange traded products, such as the Products. The Issuer established an ETP program and issued certain structured products since 2022 but still has a limited track record with regard to the issuance of Products and is still relying on an exemption from the track record requirements and with regard to its duration as provided for in the ARETP. Accordingly, there is limited pre-existing financial and operational information with regard to the Issuer prior to the date of this Base Prospectus.

Exemption from required capital resources

With regard to Products issued as an ETPs, the Issuer is relying on an exemption provided for in the ARETP and does not have the otherwise required reported equity capital of CHF 25 million. As of the date of this Base Prospectus, the Issuer has a share capital of CHF 315,800.

Non-reliance on financial information of the Issuer

Various risk factors can impair the Issuer's ability to implement business strategies and may have a direct negative impact on earnings. Accordingly, the Issuer's revenues and earnings are subject to fluctuations. The revenues and earnings figures from a specific period are not evidence of sustainable results. Such revenues and earnings can change from one year to the next, which may, in turn, affect the Issuer's ability to achieve its strategic objectives. These results may change, in line with, or independent of, the performance of the markets.

Dependence on certain service providers and potential conflicts of interest

The Issuer is dependent on a number of service providers to maintain the Program and the Collateral in particular. These include, but are not limited to, the Administrator, the Custodian, Digital Asset exchanges, the Paying Agent, the Authorized Participant(s), the Market Maker(s), trading desks, parties to any arrangements in place in respect of any assets held as Collateral, lending desks, and wallet providers (the **Service Providers**). Should there be a material adverse change with any existing partner and a suitable alternative be unavailable or impracticable, it may be impossible for the Issuer to continue to list and service the Products. Service Providers may act in other capacities in respect of a particular Product, including but not limited to, the role of Security Agent and/or Index Sponsor specified in the

relevant Final Terms. Accordingly, the role of a provider may give rise to conflicts of interest, which are adverse to the interests of holders of Products.

Counterparty risk

Helveteq will act as an issuer of structured products, either in the form of ETPs or nETPs, linked to various assets and other instruments in emerging, innovative sectors, and the hedging thereof, including but not limited to the Products. The contracts which may be entered into by the Issuer and the payments of the Issuer and the parties thereunder are structured to have the capacity to provide the Issuer with funds to service payments due and payable in respect of the Products and on any redemption by the Issuer of the Products.

The Issuer will be exposed to the credit risk of a number of counterparties with whom the Issuer transacts, including, but not limited to the Service Providers. Consequently, the Issuer is exposed to risks, including credit risk, reputational risk and settlement risk, arising from the failure of any of its counterparties to fulfil their respective obligations, which, if any such risks occur, may have a material adverse effect on the Issuer's business and financial position.

With respect to the Custodian, the Issuer will be exposed to the credit risk of depositary institutions with whom it holds cash and Underlying(s), including Digital Assets. Credit risk, in this case, is the risk that the depositary holding a financial instrument (cash or crypto) will fail to fulfil an obligation or commitment to the Issuer. The Issuer's Underlying(s) are maintained by the Custodian in segregated accounts, which are intended to be protected in the event of insolvency of the Custodian. Any insolvency of the Custodian may result in delayed access to the Underlying(s), including those serving as Collateral for any Products. In such a situation, Investors may face a loss due to asset price fluctuation.

It is important to note that no party, including any wallet providers, the Custodian or the Issuer is liable for the loss of the Underlying(s). In the case of loss of the Underlying(s), e.g. due to fraud, theft, cyber-attacks and/or any analogous or similar event, the liability belongs solely to the Investor.

The Paying Agent for the Products is responsible for: (i) disbursing Fiat Currency (as defined below) in the event of a redemption of the Products other than as set out in Condition 6.4 (*Authorized Participant Redemption*); and (ii) holding the cash balance in the period between the liquidation of the Underlying(s) and the return of the cash to Investors. In the event of insolvency of the Paying Agent during this interim period, the Issuer may be considered a general unsecured creditor. See "*Terms and Conditions*".

The Issuer relies on third parties to provide the trading of both the Products and any Underlying(s). Any dysfunction of such third parties or disruption in the exchanges may result in a loss of value of the Products, which may, in turn adversely impact the Issuer and/or the Investors.

Competition

There are a number of other issuers for products similar to the Products, and other competitors may enter the market at any time. The effect of new or additional competition on the Products or their market prices cannot be predicted or quantified. There are several large institutions which have issued similar products in the past based on other underlyings. These competitors have significantly greater financial and legal resources than the Issuer and there is no guarantee that the Issuer will be able to compete successfully, or at all, with such competitors. Moreover, increased competition may severely impact the profitability and creditworthiness of the Issuer.

General insolvency risk

Each Investor bears the general risk that the financial situation of the Issuer could deteriorate. Unless specified otherwise, Investors are exposed to the credit risk of the Issuer of the Products. The Products constitutes unsubordinated obligations of the Issuer and rank *pari passu* with each other and all other current and future unsubordinated obligations of the Issuer. The insolvency of the Issuer may lead to a partial or total loss of the invested capital. Collateralization, as further described in Condition 4 (*Collateralization*), reduces the credit risk of the Issuer only to the extent that the proceeds from the liquidation of Collateral (less the costs of liquidation, including the fees and expenses of the Security Agent, and payout) meet the investors' claims. Investors bear the risks, among others, that the liquidation of the Collateral may result in insufficient liquidation proceeds or, in extreme circumstances, that the Collateral may lose its value entirely before liquidation can take place.

Credit risk

Investors are exposed to the credit risk of the Issuer, the Custodian, the Paying Agent and the Security Agent. An Investor's ability to obtain payment according to this Base Prospectus 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 collateralization, the creditworthiness of the Issuer may affect the market value of the Products and, in the event of a default, insolvency, or bankruptcy, Investors may not receive the amount owed to them under this Base Prospectus.

With respect to the Custodian, the Issuer will be exposed to the credit risk of depository institutions and other custody providers with whom it holds cash and/or Underlying(s). Credit risk, in this case, is the risk that the depository holding Underlying(s) (cash and/or digital assets) will fail to fulfill an obligation or commitment to the Issuer.

Although the Collateral is held by the Custodian in segregated accounts, which are intended to be protected in the event of insolvency of the Custodian, the insolvency of the Custodian or the Security Agent may result in delayed access to the Collateral. In such a situation, Investors may face a loss due to asset price fluctuation and therefore bear a credit risk of the Security Agent and the Custodian. No party, including the Security Agent, Custodian, or Issuer is liable for the loss of the Underlying(s) held as Collateral. In the case of loss of the Underlying(s), e.g. due to fraud, theft, cyber-attacks and/or any analogous or similar event, the liability belongs solely to the Investor.

Liquidity risk

The Issuer may not have sufficient funds for making payments at any point in time, meaning that the Issuer may have difficulties meeting financial obligations. In the event of insufficient liquid funds, in particular due to the inability to liquidate Collateral with respect to a specific Product, there is a risk that the Issuer will not be able to, fully or partially, fulfil its payment obligations on time or at all.

Business risk

There are a number of risks related to external and internal circumstances or events which may harm the operating business of the Issuer. These are related to: (i) losses due to incorrect or insufficient controls, (ii) errors caused by humans or systems; and (iii) legal risks, among others. Any of these risks may be detrimental to the Issuer's reputation and operating results.

Slippage and execution costs risk

The reference price of the Underlying(s) may differ from the price at which the Issuer is able to purchase or dispose of the Underlying(s). This may have an impact on the proceeds realized from the sale of the Underlying(s) in a Termination Event or when Investors exercise their Investor Put Option. As a result, Investors in the Products may receive less, or substantially less, than if they had purchased or disposed of the Underlying(s) themselves.

Potential conflicts of interest

The Issuer may issue other derivative instruments relating to the Underlying(s). The introduction of such competing products may affect the market value of the Products. The Issuer may also receive non-public information relating to the Underlying(s) that the Issuer may not make available to Investors.

Disputes and litigation

While the Issuer is not party to any litigation, legal proceedings or regulatory enforcement proceedings, it may, in the future, become party to litigation, legal proceedings, regulatory enforcement proceedings or settlements, any of which could have a material adverse effect on its business, financial position, operating results or its ability to operate. Even if the Issuer is successful in defending such proceedings or resolves any claims to the satisfaction of the parties involved, and whether covered by insurance or otherwise, the Issuer would suffer from the distraction of management resources to such proceedings, or incur costs and possibly face reputational harm from case-related publicity.

Expenses and fees

The Issuer will sell Underlying(s) held by Issuer to collect the Investor Fee, irrespective of then-current price. Also, upon any redemption, Investors will receive proceeds net of applicable fees, as outlined in this Base Prospectus. In addition, upon any redemption other than as set out in Condition 6.4 (*Authorized Participant Redemption*), Investors will receive proceeds net of applicable fees, as set forth in the relevant Final Terms. Accordingly, the Redemption Amount per Product specified in the relevant Final Terms may be different from the amount actually received by Investors (as the above-mentioned expenses and fees will be deducted). There can be no assurance that such fees will not increase in the future.

Financing risk

The Issuer depends on capital from outside Investors. Should the Issuer be unable to raise additional capital, there are limited reserves to maintain company operations, which may result in the inability of the Issuer to continue as a going concern.

Dependence on certain key personnel

The Issuer and the Program are managed by, and are dependent on, a small management team. Should the management team or any number of its members depart or otherwise become unavailable on short notice, the processes related to the Program may not be able to be operated in a timely manner as described in this Base Prospectus.

Key personnel of the Issuer, including directors and equity owners thereof, each may have certain exposure to the broader assets and/or financial markets, which may represent a significant portion of their individual net worth or of their institutional investment pool. Such persons or entities are under no obligation to disclose their holdings, changes in the value of their holdings, any trading activity in those holdings or which Underlying(s) they transact. In addition, the Issuer including the respective directors and equity owners thereof may transact in assets on their own account, including in relationship to the payment of management fees.

Major Shareholders

Shares in the Issuer are highly concentrated, with three shareholders holding all of the voting shares. These shareholders have the ability to remove any and all members of board of directors of the Issuer with a majority vote. As such, these individuals have significant influence on the management of the Issuer. There can be no assurance that these individuals will exercise their voting right in a manner that benefits Investors.

Reputation

The Issuer depends on its reputation and the reputation of associated parties to maintain and grow its core business. Any material adverse event could impact the Issuer's reputation, which could, in turn, depress the Issuer's profitability, creditworthiness and fundraising capacity.

Risk of a data breach

The Issuer maintains significant amounts of data surrounding trades, trade execution, as well as customer data. A significant data breach may have wide reaching adverse effects, including trading losses and loss of reputation, which may negatively impact the Issuer's core business.

Cyber risk

The Issuer's systems and processes are dependent upon crucial technology and transmission mechanisms. A cyber attack or related technological interference with the Issuer's systems and processes may have wide reaching adverse effects, including loss of communication or inability to process transactions, which may negatively impact the Issuer's core business.

Risk factors relating to the market

General market risks for ETPs

Market risk refers to the risk that the market price of the Products will rise or fall, sometimes rapidly or unpredictably. An investment in Products is subject to market risk, including the possible loss of the entire principal of the investment.

Changes in interest, foreign exchange rates, and increases in volatility can increase credit and market risks, and may also affect revenues of Investors. General movements in local and international markets and factors that affect the investment climate and Investor sentiment could affect the level of trading and, therefore, the market price of any Products. These risks are generally applicable to any investment in listed securities or instruments. Investors should be aware that any and all Products can go down in price as well as up.

General market risks for nETPs

There can be no assurance that nETPs retain their valuation and/or market price, if applicable. Prices may rise or fall, sometimes rapidly or unpredictably. There can be no assurance, that a nETP would perform similarly to an ETP or the public market or that Investors will be able to sell or divest their investment in the Products, due to a lack of a potential market, transparency or demand. An investment in nETPs is in any case subject to market risk, including the possible loss of the entire principal of the investment. The transferability and liquidity of nETPs in the secondary market, if any, may be highly restrictive. Any restrictions on transferability or the lack of liquidity (as the case may be) of nETPs may adversely affect the ability of Investors to employ their investment strategy as intended by them.

Market volatility

Market volatility reflects the degree of instability and expected instability of the performance of, for example, the market for exchange traded 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.

Pricing divergences

The prices of the Underlying(s) will be calculated based on the methodology described in the Terms and Conditions. The price of Digital Assets in U.S. Dollars or in other currencies available from other data sources may not be equal to the prices used to calculate the values relevant for the specific Products. Investors should not depend on these sources of information when making investment decisions in relation to Products.

Tracking errors

At any time and if issued as an ETP, the price at which Products trade on the SIX or any other exchange or market on which they may be quoted or traded may not accurately reflect the price of the relevant Index or Underlying(s). The application and redemption procedures for the Issuer are intended to minimize this potential difference or "tracking error". The market price of Products will also be a function of supply and demand amongst Investors wishing to buy and sell Products and the bid/offer spread that market makers are willing to quote for such Products. It is not within the Issuer's control to ensure that the Products trade continuously at a price which equates perfectly to the value of the relevant Index or Underlying(s) or, indeed, to ensure that any degree of variation between "bid/ask" and the value of the relevant Index or Underlying(s) does not exceed certain margins.

Secondary market trading risk and liquidity

The Products may be listed and traded on the SIX and may be listed or traded on one or more other exchanges or market places. There is no certainty that there will be liquidity available on any of the trading venues or that the market price will be in line with the net asset value at any given time. There is also no guarantee that once a Product is listed or traded on an exchange that it will remain so listed or traded because of changes in admissibility of the Underlying(s) or the status of the Issuer.

If demand for Products exceeds the availability of eligible underlying assets from regulated or self-regulated exchanges and the Issuer is not able to secure additional supply, Products may trade at a premium to their underlying value. Investors who pay a premium risk losing such premium if demand for the Products abates or the Issuer can source more Underlying(s). In such circumstances, Products could also trade at a discount.

There can be no assurance as to the depth or sustainability of the secondary market (if any) in the Products, which will affect their liquidity and market price.

With regard to any Products issued as ETPs and listed on SIX, as required by the ARETP, the Issuer has made an undertaking to the SIX to ensure that a market exists for Products issued under the Program. Accordingly, the Market Maker (as specified in the Final Terms) will, under normal market conditions, provide bid and offer prices for the Products on a regular basis. Notwithstanding this, Investors cannot rely on having an ability to sell Products at a specific time or at a specific price even if the Products are listed or traded on an exchange. Moreover, the Market Maker(s) are not obliged to secure a certain minimum level rate, to purchase unlimited numbers of Products or certain minimum volume in abnormal market conditions. Additionally, the Issuer has the right (but no obligation) to purchase Products at anytime and at any price in the open market or by tender or private agreement. Any Products so purchased may be held or resold or surrendered for cancellation, which could, in turn, affect the liquidity of the Products that remain outstanding.

See further "*—Risk factors relating to Authorized Participants—Authorized Participant concentration risk*", "*—Regulatory and legal risks—Products listed on SIX or any other exchange may be suspended from trading or supply*", and "*—Risk factors relating to Digital Assets as Underlying(s)—Supply of Digital Assets*".

Market disruption events

In accordance with the Terms and Conditions, the Issuer may determine in its duly exercised discretion that a Market Disruption Event has occurred or exists at a relevant time, which could result in the postponement of the fixing, observation or valuation of the relevant Index, Underlying or Basket, which

could, in turn have an adverse effect on the market value of the Products, including a partial or total loss of the invested capital.

These events may include, but are not limited to, the inability to source reliable data from the Calculation Agent, regulatory changes or other significant technological issues.

Other factors affecting market value

The market value of a Product is determined not only by changes in the price of the Underlying(s), but also by several other factors. Since several risk factors may have simultaneous effects on the Products, the effect of a particular risk factor cannot be predicted. In addition, several risk factors may have a compounding effect, which may not be predictable. No assurance can be given regarding the effect that any combination of risk factors may have upon the market value of the Products.

These factors include, *inter alia*, the terms of the specific Product, the frequency and intensity of price fluctuations (volatility) in the Underlying(s), as well as the prevailing interest rate or the creditworthiness of the Issuer, which may change during the lifetime of the Products. A decline in the market value of the Products may, therefore, occur even if the price or level of the Underlying(s) remains constant or increases, depending on the product type.

Investors should specifically be aware that an investment in the Products involves a valuation risk regarding the Underlying(s). They should have experience with transactions in Products whose value is derived from the Underlying(s). The value of the Underlying(s) may increase or decrease over time by reference to a variety of factors, which may include **Fork Events**, airdrops, macro-economic factors, loss of reputation and speculation. If the Underlying(s) is a basket comprised of various assets, fluctuations in the value of any of the assets may be offset or intensified by fluctuations in the value of other basket components. In addition, the historical performance of the Underlying(s) is not an indication of its future performance. Changes in the market price of an Underlying(s) will affect the trading price of the Products, and it is impossible to predict whether the market price of an Underlying(s) will rise or fall in such cases.

Risks relating to currency exchange rates

An investment in the Products may be affected by the exchange rate risk of the relevant currencies, in which the Products are denominated and in which the Underlying(s) is traded or evaluated. For example, (i) the Underlying(s) may, and in the case of Digital Assets as Underlying(s) will, be denominated in, or valued against, a currency or unit of value other than that of the Products, (ii) the Products may be denominated in a currency other than the currency of the Investor's home jurisdiction and/or (iii) the Products may be denominated in a currency other than the currency in which an Investor wishes to receive funds.

Currency values may be affected by complex political and economic factors, including governmental action to fix or support the value, regardless of other market forces.

An Investor's right related to the Products may be determined based on a currency other than the Settlement Currency and the value of the Underlying(s) may be determined in a currency or unit of value other than the Settlement Currency. Accordingly, Investors should be aware that investments in Products could entail risks due to fluctuating exchange rates and, moreover, that the risk of loss depends not only on the performance of the Underlying(s), but also on unfavorable developments of the value of any currency involved. Investors should be aware that the above mentioned risks may arise at any time during the life of the Product if the currency of the Product and/or of the Underlying(s) will be replaced by a different or a new currency.

Risk factors relating to Authorized Participants

Market-making by Authorized Participants

The price (if any) provided by an Authorized Participant for the purchase or sale of Products in the secondary market (whether in an on-exchange or off-exchange transaction), and the number of Products subject to any such offer, will be determined at the absolute discretion of that Authorized Participant by reference to such factors as it sees fit.

An Authorized Participant may maintain such bid/offer spread as it determines in its absolute discretion. Any price provided by an Authorized Participant or other secondary market price may take into account fees (including any fees charged by the Issuer to such Authorized Participant), charges, duties, taxes, commissions, liquidity, market spreads and/or other factors.

Prospective Investors should note that: (i) not all market participants and Authorized Participants will determine the price of Products in the same manner, and the variation between such valuations and prices quoted may be substantial; (ii) the number of Securities of a Product subject to any offer made

by an Authorized Participant or otherwise in the secondary market may be affected by market demand for the Securities of that Product, the number of Securities of that Product in issue, whether subscriptions can be processed and prevailing market conditions; (iii) they may not be able to sell their Securities of a product quickly, easily or at prices that will provide them with a yield comparable to other similar investments; (iv) any price at which the Securities of a Product may be sold prior to the Investor Redemption Date/Termination Date may be at a discount, which could be substantial, to the price at which the Securities of a Product were acquired by the relevant Investor; and (v) illiquidity may have a severely adverse effect on the market price per Security of a Product.

Prospective Investors should be aware that Products requested for issue and subscribed for by an Authorized Participant may be held on an inventory basis by such Authorized Participant and offered for sale and/or sold over a period. Investors should not assume that Products will automatically be placed with Investors by the relevant Authorized Participant(s) immediately upon issue. To the extent that the Authorized Participants hold Products at any time, they may exercise their rights under them in such manner as they see fit in their own interests and need not have regard to the interests of other holders of Products or any other person.

Authorized Participant concentration risk

For Products listed on SIX or any other regulated securities exchange only Authorized Participants may engage in creation or redemption transactions directly with the Issuer. As at the date of this Base Prospectus, there is one Authorized Participant for the Products. The Issuer reserves the right to change, increase or decrease the number of Authorized Participants or any individual firm. The liquidity of the Products may be affected by these changes or the withdrawal of any designated Authorized Participant.

Should the currently designated institutions exit the business or become unable to proceed with creation and/or redemption orders and no other Authorized Participant is able to step forward to make creation and/or redemption orders, the Products may trade at a discount and face delisting or a general call on the securities.

See further "*Information on other parties and material agreements—Authorized Participant(s)—Role of Authorized Participant*".

Other business activities of Authorized Participants

The Authorized Participants and/or their respective affiliates may be active traders in Underlying(s). These trading activities may present a conflict between the interests of holders of the Products and the interests of the Authorized Participants, and their respective affiliates may have in their proprietary accounts, in facilitating transactions for their customers and in accounts under their management. These trading activities, if they influence the value of an Underlying(s) or Index to which Products are linked, could be adverse to the interests of the Investors. The Authorized Participants and their respective affiliates may also issue or underwrite additional securities or trade other products the return on which is linked to the value of an Underlying(s) or Index linked to Products or other similar strategies. An increased level of investment in these products may negatively affect the level of an Underlying(s) or Index to which Products are linked and therefore the amount payable in respect of such Securities of Product on redemption (in respect of redemptions other than pursuant to Condition 6.4 (*Authorized Participant Redemption*)), as applicable, and the market value of such Products. These activities could give rise to conflicts of interest which are adverse to the interests of the Investors and could adversely affect the market value of such Products. With respect to any of the activities described above, none of the Authorized Participants or any of their respective affiliates has any obligation to the Issuer to take the needs of any buyers, sellers, or holders of the Products into consideration at any time.

Limited rights of Investors to redeem Products

Subject to an Investor's right to request that the Issuer redeem its Securities, only Authorized Participants may request that the Issuer redeems Securities of a Product, save in relation to redemptions announced by the Issuer.

The Issuer has agreed to use reasonable endeavors to always ensure that there is at least one Authorized Participant. There can be no assurance that there will always be an Authorized Participant to request that the Issuer redeems Products. In such event, it may be difficult or impossible to sell Products on the SIX or other exchanges or within a reasonable period. See further "*Information on other parties and material agreements—Authorized Participant(s)—Role of the Authorized Participant*".

Risks relating to the Products and the Collateral

Risk of partial or total loss

Investors should recognize that the Products constitute a risk investment which can lead to a partial or total loss of their investment in the Products. Investors will incur a loss if the redemption amount is below the purchase price of the Products (including the transaction costs). In the case of all Products, Investors bear the risk of the Issuer's financial situation worsening and a potential subsequent inability of the Issuer to pay its obligations under the Products, even if the Issuer may be obligated pursuant to the relevant Final Terms to pay at least the specified denomination or par value of these Products, as the case may be, at maturity or upon prior redemption. Investors must therefore be prepared and able to sustain a partial or even a total loss of the invested capital. Any investors interested in purchasing the Products should assess their financial situation, to ensure that they are in a position to bear the risks of loss connected with the Products.

Risks relating to the Underlying

The Products offered under this Base Prospectus, irrespective of whether such Product is offered as an ETP, may be linked to a wide range of Underlying(s). The purchase of, or investment in, Securities linked to an Underlying involves substantial risks. These Securities are not conventional securities and carry various unique investment risks which potential investors should understand clearly before investing in the Securities. Investors should be familiar with this type of securities and should fully review all documentation, read and understand this Base Prospectus, the terms and conditions of the Securities and the relevant Final Terms and be aware of the nature and extent of the exposure to risk of loss.

Risks relating to the Collateralization concept

The Products are intended to be collateralized by crediting the Collateral of the Products or any other eligible asset specified in the relevant Final Terms to the respective Collateral Account. The Program further generally allows for a wide range of Underlying(s), including but not limited to those specified by the ARETP. The Collateralization concept as intended for this Program is untested with regard to certain assets that may come into consideration as an Underlying. The issuer cannot assure, that the Collateralization as intended under this Program would work for all assets that may potentially be considered as an Underlying. With regard to specific Underlyings, the Issuer may have to amend, update or revise its Collateralization concept to ensure sufficient Collateral. The Issuer cannot assure that such Collateralization may be possible in every case and that every potential Underlying technically possible under this Program, would actual be feasible from a Collateralization perspective.

Investment management risk

The market value and the settlement amount of Products depend on the asset management strategy as specified in the relevant Final Terms (the **Asset Management Strategy**). The Investment Manager takes investment decisions on the basis of fundamental, technical and market specific data with the objective of achieving positive total return. The Investment Manager takes investment decision at its sole discretion, but within the boundaries set by the Asset Management Strategy as specified in the relevant Final Terms. There is a risk that the investment decision taken by the Investment Manager do not lead to a positive total return.

Investing in the Products does not correspond to a direct investment in the Underlying(s)

Investors should be aware that the market value of the Products may not have a direct relationship with the prevailing price of the Underlying(s) and changes in the prevailing price of the Underlying(s) will not necessarily result in a comparable change in the market value of the Product(s).

The performance of the Products may differ significantly from returns on direct holdings of Underlying(s) as a result of the negative effect of the Investor Fee or any redemption charge, in addition to the negative effect of any other risks described herein. The return on Products will not reflect the return if the Investor had actually owned the Underlying(s), or a security directly linked to the performance of the applicable Index and held such investment for a similar period.

No rights to Underlying(s) or Underlying Components

The Investor in a Product is not entitled to any rights or claim to the Underlying(s) or Underlying Components. Physical delivery of the Underlying(s) or Underlying Components is excluded and Investor's interests are settled in fiat currency in the event of a redemption or termination.

Impact of Underlying sale

The Issuer will periodically be required to sell Underlying(s) to fund operations or to redeem Products pursuant to the Terms and Conditions. These transactions will be performed on the open market or via an over-the-counter (OTC) trading platform, at the Issuer's discretion. If the amount of Underlying(s) is large enough relative to global supply and demand, such sales could have an impact on supply and demand for Underlying(s) in a manner unrelated to other factors affecting the global market for Underlying(s) and may affect the pricing of other Products under the Program.

Information on the Underlying(s)

Information on the Underlying(s) consists of extracts or summaries of information that is publicly or privately available, which is not necessarily the latest information available. While the Issuer accepts responsibility for accurately extracting and summarizing the Underlying(s) information, the Issuer accepts no further or other responsibility (express or implied) in respect of the Underlying(s) information.

The Issuer makes no representation that the Underlying(s) information, any other publicly available information or any other publicly available documents regarding the Underlying(s) or other item(s) to which the Products relate are accurate, up-to-date or complete. There can be no assurance that all events occurring prior to the final valuation date of the relevant Products that would affect the trading price of the Underlying(s) or other item(s) to which the Products relate (and therefore the trading price and market value of the Products) have been publicly disclosed. Subsequent disclosure of any such events or the disclosure or failure to disclose material events concerning the Underlying(s) or other item(s) to which the Products relate could affect the trading price and market value of the Products.

Risk of the occurrence of an Extraordinary Event

In the case of fraud, theft, cyber-attacks, change in regulations and/or any analogous or similar event (each an **Extraordinary Event**) with respect to, or affecting any, Underlying(s), including any Underlying(s) that serves as Collateral, the Issuer shall give notice to Investors, and the Redemption Amount for such Products shall be reduced accordingly, potentially to the smallest denomination of the Settlement Currency per Product. If an Extraordinary Event occurs, none of the Issuer, the Security Agent, the Custodian or any other person shall be liable to compensate Investors for any losses that they may bear. Accordingly, Investors bear the risks of the occurrence of an Extraordinary Event and of a partial or total loss of their investment. Moreover, the risks of an Extraordinary Event are greater than for similar events with respect to other asset classes and, unlike in the case of other asset classes, are unable to be mitigated. In addition, it is not always possible or practical to insure against an Extraordinary Event.

Digital Asset pricing

The Products may be issued with Digital Assets as the Underlying. The value of such Products may be affected by the price of underlying Digital Assets. The amount to be paid by the Issuer upon redemption of any Products, or, in respect of redemption, the amount of Collateral able to be redeemed, depends on the performance of these assets, as calculated in accordance with the Terms and Conditions. The Products are not capital protected at all and there is, therefore, a risk of partial or complete loss of investment.

Prices for Digital Assets fluctuate widely and, for example, may be impacted by any of the following factors:

- *Global or regional political, economic or financial events* – global or regional political, economic and financial events may have a direct or indirect effect on the valuation of the Digital Assets as the Underlying(s), the market for, and performance of, the Products and the operational ability and financial results of the Issuer.
- *Regulatory events or statements by regulators* – there is a lack of consensus regarding the regulation of Digital Assets and insecurity regarding their legal and tax status and regulations continue to evolve across different jurisdictions worldwide. Any change in regulation in any particular jurisdiction may impact the supply and demand of that specific jurisdiction and other jurisdictions due to the global network of exchanges for Digital Assets, as well as composite prices used to calculate the underlying value of such assets, as the data sources span multiple jurisdictions.
- *Investment trading, hedging or other activities by a wide range of market participants which may impact pricing, Supply and demand for Digital Assets* – markets for the Underlying(s) are local, national and international and include a broadening range of products and participants. Significant trading may occur on any system or platform, or in any region, with subsequent impacts on other systems, platforms and regions. These activities may account for a significant amount of

the market in any of the Underlying(s). In addition, given the nature of the market of the Underlying(s), redemption of certain Products by Investors or otherwise than as set out in Condition 6.4 (*Authorized Participant Redemption*), or sale of the residual Underlying(s) by the Issuer as part of executing re-balancing and/or redemption requests, may impact the pricing of other Products.

- *Forks in the underlying protocols* – many crypto currencies are open source projects. As a result, any individual can propose refinements or improvements to a network's source code through one or more software upgrades that could alter the protocols governing a particular crypto currency. When a modification is proposed and majority of users miners consent to the modification, the change is implemented and the network remains uninterrupted. If less than a majority of users and miners consent to the proposed modification, and the modification is not compatible with the software prior to its modification, however, the consequence would be what is known as a fork (i.e., a split) of the network, with one prong running the pre-modified software and the other running the modified software. The effect of such a fork would be the existence of two versions of the network running in parallel, and the creation of a new digital asset which lacks interchangeability with its predecessor. Additionally, a fork could be introduced by an unintentional, unanticipated software flaw in the multiple versions of otherwise compatible software users run. The circumstances of each fork are unique and their relative significance varies. It is possible that a particular fork may result in a significant disruption to the underlying assets and, potentially, may result in a market disruption event should pricing become problematic following the fork. It is not possible to predict with accuracy the impact that any anticipated fork could have for how long any resulting disruption may exist. See further "*—Risk factors relating to Digital Assets as Underlying(s)—Fork policy risk and risk associated with newly-forked assets*".
- *Disruptions to the infrastructure or means by which Digital Assets are produced, distributed and stored, which are capable of causing substantial price movements in a short period of time* – Digital Assets infrastructure can vary depending on the specific asset. Some assets are mined, whereby computers solve math problems to verify transactions and are rewarded for this effort in increased asset supply, while other are pre-mined, resulting in all supply existing on day one of the protocol. The computers that make up this infrastructure are decentralized and/or belong to a combination of individuals or corporations. Should a significant subset of this pool choose to discontinue operations, pricing, liquidity and the ability to transact in Underlying(s) could be limited. Other critical infrastructure which may be negatively affected includes storage solutions, exchanges or custodians for the assets. For example, the potential for instability of digital asset exchanges and the closure or temporary shutdown of exchanges due to business failure or malware could impact the liquidity of, demand for, and supply of, the Digital Assets. In addition, volatility in the pricing of Digital Assets leads to increased opportunities for speculation and arbitrage, which, in turn, contributes to price fluctuations.
- *Execution Risk* – it may be impossible to execute trades in any Digital Assets at the quoted price. Any discrepancies between the quoted price and the execution price may be the result of the availability of assets, any relevant spreads or fees at the exchange or discrepancies in the pricing across exchanges. The Issuer will take all reasonable steps to ensure optimal execution but is limited by know-your-intermediary (**KYI**) requirements, custodianship solutions and availability of exchanges. The Issuer cannot, therefore, guarantee that the price at which any trade is executed is the best available price globally.

Due to their nature as speculative investments, the prices of Digital Assets may fluctuate for any reason and such fluctuations may not be predictable.

Impact of redemptions of Products

The redemption of all or part of the Securities of a Product and the subsequent redemption of the Collateral may influence the pricing of Products. These actions may be due to regulatory changes or redemptions or form part of the termination and redemption of a Product under the Terms and Conditions.

Early Termination of Products in accordance with Terms and Conditions and Reinvestment Risk

Following certain events, including, *inter alia*, the occurrence of an Event of Default, or at any other time, the Issuer has the right to redeem the Products issued under the Program.

In addition, in order to provide redemption amounts to Investors in fiat currency for redemptions other than as set out in Condition 6.4 (*Authorized Participant Redemption*), the Issuer is reliant on counterparties purchasing the Collateral for the Products being redeemed. It may not be possible to sell the full amount of Collateral in one day and, accordingly, redemption proceeds (in fiat currency)

may take longer than in-kind redemptions. The price by reference to which the Collateral is sold may fluctuate and the fees imposed by transaction parties in connection with the redemption of the Products and sale of the Collateral may increase, resulting in a lower net redemption amount. Prospective Investors should note that there can be no assurance that the redemption amount received by Investors will be greater than or equal to the amount invested by any Investor and that an Investor may lose the entire value of its investment if the price of the Collateral falls to zero or close to zero.

Investors should also be aware that following any such redemption of the Products, they may not be able to reinvest the redemption proceeds or may only be able to do so on less favorable terms. Investors should consider reinvestment risk in light of other investments available at that time. Any termination of Products may, therefore, result in a partial or total loss of an Investor's invested capital.

Issuer Call Option

The Issuer may at any time, in its sole and absolute discretion, elect to terminate and redeem all but not some of the Securities of a Product and designate the redemption date for such purposes in line with the Terms and Conditions. In exercising such discretion, the Issuer is not required to have any regard to the interests of the Investors, and Investors may receive less, or substantially less, than their initial investment.

Risk-hedging transactions

The ability to eliminate or to restrict the initial risks of the Products arising from their purchase by, for example, concluding any hedging transactions during their lifetime depends mainly on the market conditions and the terms of the specific Product. Therefore, such transactions may be concluded at unfavorable market prices (or not at all), which may result in corresponding losses.

Investors should, therefore, not rely on the ability to conclude transactions at any time during the term of the Products that will allow them to offset or limit relevant risks.

Redemption

There are significant restrictions involved in the redemption process for the Products. Investors have the right (exercisable on the Investor Put Date specified in the relevant Final Terms) to require the Issuer to redeem all or some of the Securities it holds of a Product upon submitting a Redemption Order within the Redemption Notice Period, via the financial intermediary administering the relevant securities account, to

- (i) the Paying Agent if the Products are listed on SIX (or any other regulated securities exchange specified in the Final Terms), or
- (ii) the Issuer if the Products are not listed on a regulated securities exchange.

In addition, the Issuer has the right to terminate and redeem Products at its discretion in accordance with Condition 6.1 (*Issuer Redemption (Issuer Call Option)*) and the Authorized Participant(s), if any, may also request the Issuer to terminate and redeem all or part of its holding of Securities of a Product by delivery of the Collateral for such Products in accordance with Condition 6.4 (*Authorized Participant Redemption*) and the relevant Authorized Participant Agreement. Redemptions by Authorized Participant(s) shall be settled on an in-kind basis unless the Issuer permits such redemption to be settled in accordance with Condition 6.3 (*Cash Settlement*). Once the Redemption Order or Form of Order Request has been received, there is a settlement window during which the Investor will be exposed to fluctuations in the value of the Underlying(s), among others. There are also added costs associated with such redemption of Products.

Early Termination of Products

The Issuer may, at any time, upon not less than thirty (30) Business Days' notice (or fewer in the event of a change of regulatory framework or other material adverse change to the regulatory or tax environment) terminate the Products and redeem the Securities related to such Products.

Supply

The Issuer is under no obligation to issue additional Securities of a Product. This may create reduced liquidity and increased price volatility in the instrument.

Currency

The price of Products will be set, and Redemption Amounts will be payable, in the Settlement Currency specified in the relevant Final Terms. Pricing and payments will be made by way of a conversion from the relevant unit of value of the Underlying(s) into the Settlement Currency at the relevant exchange rate on the applicable date.

To the extent that an Investor values the Products in a currency other than the Settlement Currency, that value will be affected by changes in the exchange rate between the Settlement Currency and such other currency.

Some Products may include FX hedges, where the exposure to the Base Currency of the Underlying(s) is hedged using foreign exchange (FX) forward contracts or other eligible hedging instruments. The price of such Products will be set, and the Redemption Amount will be payable, in the Settlement Currency including the result of the FX hedge as set out in the Final Terms.

The accuracy of the hedges is dependent on how well the hedging instrument predicts the spot movement and on the change of the Underlying(s) reference price between FX hedge transactions. As a result, a positive or negative tracking error versus the Underlying(s) in the Base Currency may occur and the effects of the movements of the Base Currency and the Settlement Currency cannot be fully eliminated.

While the Issuer may attempt to hedge currency risks, there can be no guarantee that it will be successful in doing so and it may result in mismatches between the currency position the Underlying(s) and the Settlement Currency.

All gains/losses or expenses arising from hedging transactions are calculated into the Redemption Amount and are therefore borne by the Investors.

Lending arrangements denominated in the Underlying(s)

The Issuer may enter into lending arrangements whereby it lends certain Underlying(s) to third parties. In such a case, the Collateral consisting of directly held Underlying(s) is replaced by Collateral in the form of futures contracts or other eligible instruments. In order to mitigate the Issuer's, and the Investor's indirect, credit risk exposure to any parties to any lending arrangements, that third party must post eligible collateral assets with a market value at least equivalent to the value of the Underlying(s) lent. Underlying(s) may be lent to third parties over a period of time. All of the Issuer's rights in any lending arrangements or assets posted back thereunder will be pledged to the Security Agent acting on behalf of Investors. The risks of lending the Underlying(s) include the risk that a borrower may not post back additional collateral assets when required or may not return the Underlying(s) when due. A default by the borrower under such lending arrangements combined with a fall in the value of the collateral assets that borrower has posted back may result in the Issuer holding insufficient assets to meet its obligations in connection with redemptions of Products and a corresponding fall in the value of an Investor's holding.

Staking arrangements denominated in the Underlying(s)

Certain Underlying(s) are eligible for staking, a consensus algorithm used by some blockchains to validate agreements (**Staking**). The Issuer may enter into Staking arrangements with specialized parties pursuant to which these service providers employ certain Collateral in connection with operating a node on a proof of stake (PoS) network. The service providers may or may not take custody of the Issuer's PoS digital assets. Some networks allow for delegation, whereby the Issuer maintains custody through the designated Custodian of its digital assets while delegating the digital assets to a service provider. In other cases, the network or the service provider's business model may require the node operator to have custody of the PoS digital assets being used. Once Collateral is delegated to or in the custody of the service provider, the service provider operates its node, with the benefit of larger digital asset holdings pooled from clients. The service providers generate rewards from the PoS network through their node operation, and distribute pro rata proceeds, net of costs associated with running the node, to clients that have deposited or delegated PoS digital assets.

Staking may come with a risk of loss of tokens from incurring penalties through a process known as slashing. If a disruption such as downtime or double signing occurs, validator nodes may be subject to slashing. Slashing is designed to incentivize node security, availability and network participation. Further, conversion of Staking returns into a stablecoin or other asset may be difficult if there is little to no volume of the staked asset.

No Recourse

The Products will be obligations solely of the Issuer. In particular, the Products will not be obligations or responsibilities of, or guaranteed by, as applicable, the Security Agent, the Paying Agent (or any other paying agent that may be appointed), the Calculation Agent or any other partner or affiliate of the Issuer, any direct or indirect shareholder of the Issuer or any Authorized Participant.

If the Pledge Enforcement Proceeds, as defined in the Terms and Conditions, in respect of a particular Product are less than the aggregate amount payable in such circumstances by the Issuer in respect of the Product, the investors in such Products may face significant losses.

No Guarantee

The performance of the Issuer's obligations is not guaranteed in any way, and no holder of Products has any direct rights of enforcement against any person other than the Issuer. However, the Security Agent on behalf of the Investors may enforce the obligations of the Issuer under the Terms and Conditions or the Pledge (as defined herein).

No Gross Up

Each holder of Products will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Products. In the event that any withholding or deduction for or on account of tax is imposed on payments on the Products, the holders of the Products will be subject to such tax or deduction and will not be entitled to receive amounts to compensate for such withholding or deduction. No Event of Default will occur as a result of any such withholding or deduction.

Realization of Collateral

In the event that the Issuer defaults and the Security Agent enforces its rights under the Security Agent Agreement, the realization of the Collateral may not be of sufficient value to cover all Redemption Amounts payable to Investors because: (i) the collateral account only contains assets equal to the value of the respective Product as at the close of the immediately preceding Business Day on which the calculations and valuations are made and there may be a number of days between such valuations occurring and the date on which the Security Agent takes control of the collateral account, during which time a significant difference between the value of the Collateral in the collateral account and the price of the Underlying(s) could arise, particularly in digital asset markets; (ii) the Collateral in the collateral account is not denominated in the Settlement Currency (but for example held in digital assets) and the value of such Collateral may fall due to exchange rate movements; (iii) the face value of Product could rise due to market conditions; (iv) the Issuer (or the Security Agent) may not be able to realize some or all of the assets in the collateral account at the prices at which they were valued; (v) payment in respect of Redemption Amounts are required to be made in the Settlement Currency and there may be costs involved in converting the proceeds of realization of the Collateral into the Settlement Currency or the Issuer may otherwise be unable to convert such proceeds into the Settlement Currency; or (vi) there may be certain costs associated with the realization of the assets in the collateral account, as also further set out in the Security Agent Agreement. If the amounts received by upon the realization of Collateral are not sufficient to fully cover the fees and expenses of the Security Agent, the Custodian and the Issuer's payment obligations to Investors, then Investors may incur a loss, which may be significant.

Investors have no direct right to delivery of the Collateral

Investing in Products will not make an Investor the owner of any Collateral. Any amounts payable on the Products will be made in cash and the holders of the Products will have no right to receive delivery of any Collateral at any time.

Enforcement by Security Agent

The rights under the Security Agent Agreement can only be asserted against the Issuer by the Security Agent acting on behalf of the Investor, and not directly by the Investor itself, and the Security Agent may take any action permitted by the Security Agent Agreement in an enforcement scenario without having regard to the effect of such action on individual Investors.

Fees, costs, and expenses for the Security Agent will need to be paid in advance. All fees, costs and expenses related to enforcement will be the sole responsibility of, and will be deducted from any payments made to, the relevant Investors.

Security Agent's responsibility in respect of payments

The Security Agent shall have no responsibility whatsoever to any other party hereto or to any Investor as regards any deficiency which might arise because the Security Agent is subject to any tax in respect of the Collateral or any part thereof or any income therefrom or any proceeds thereof.

No regard to individual interests of Investors

When exercising any of its powers, authorities, duties or discretions under the Security Agent Agreement, the Security Agent shall have regard to the general interests of the Investors, but shall not have regard to any interests arising from circumstances particular to individual Investors (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of such exercise for individual Investors (whatever their number) resulting from their being for any purpose

domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof.

Risk factors relating to inverse exchange traded products (Inverse Products)

General risks regarding Inverse Products

Inverse Products seek to achieve a return that is the inverse performance of the respective Underlying(s). An inverse structured product that tracks a particular Underlying, for example, seeks to deliver the inverse of the performance of that Underlying. To accomplish their objectives, Inverse Products pursue a range of investment strategies using swaps, futures contracts, short selling and simultaneously borrowing of the respective Underlying(s), and other derivative instruments.

To ensure that the value of Inverse Products does not become zero (0) or negative within a day in the event of a strong price movement of the Underlying(s), each Inverse Product has a "threshold" as defined in the relevant Final Terms: if the price losses during the Observation Period of the Inverse Product are too high (depending on the structure of the respective Inverse Product), and the value of the Underlying(s) falls below the threshold, the Underlying(s) will be liquidated intraday.

The relevant "**Observation Period**" (sometimes also "Barrier Observation", "Threshold Observation") or "**Monitoring Period**" of the Underlying(s) in relation to a particular barrier or barriers may be "continuous", i.e. in principle at all times during the trading hours of the Underlying(s), or on a specific date (such as "at maturity") or on specific dates (e.g. monthly) and denotes the period of time within or at which it is observed whether a certain barrier is reached.

Unless otherwise specified in the relevant Final Terms, the Inverse Products "reset" daily, meaning that the Inverse Products are designed to achieve, and reflect, their stated objectives on a daily basis. Their performance over longer periods of time – over weeks or months or years – can differ significantly from the performance (or inverse of the performance) of their underlying or benchmark during the same period of time. This effect can be magnified in volatile markets. Inverse Products are not suitable for all investors. Inverse Products are designed to be utilized by sophisticated investors, such as traders and active investors employing dynamic strategies.

Short exposure risk

The Redemption Amount and the market value of any Products will be affected by the nature of the exposure they provide to Investors. Where the exposure is a short position, as is the case for Inverse Products, the value will be affected negatively of a rise in value and will be affected positively by a fall in value, of the relevant tracked Underlying(s).

Furthermore, the Inverse Products will be exposed to certain additional risks associated with selling short. These risks include, under certain market conditions, an increase in the volatility and a decrease in the liquidity of assets underlying the short position, which may lower the Inverse Products' return, result in a loss, have the effect of limiting the Product's ability to obtain inverse exposure through financial instruments, or require the Inverse Products to seek inverse exposure through alternative investment strategies that may be less desirable, or more costly, to implement. To the extent that, at any particular point in time, the asset(s) underlying the short position, may be thinly traded or have a limited market, including due to regulatory action, the Inverse Products may be unable to meet its investment objective due to a lack of available securities or counterparties. During such periods, the Inverse Products' ability to issue additional Products may be adversely affected. Obtaining inverse exposure through these instruments may be considered an aggressive investment technique.

Moreover, in the case of Digital Assets, blockchains can undergo forks. These events can cause pricing anomalies, trading restrictions and other disruptions to this Product. Investors in this product bear the risk of forks and, due to the Product's structure, will also be short any asset newly created through a hard fork. These events may cause significant losses in value.

Leverage risk relating to Inverse Products

The Inverse Products obtain investment exposure of the respective net assets by utilizing leverage from multiple loan facilities and may lose more money in conditions that are adverse to its investment objective than a Product that does not utilize leverage. An investment in the Inverse Products is exposed to the risk that a rise in the daily performance of the asset(s) underlying the short position will be magnified.

Counterparty risk relating to Inverse Products

In connection with the Inverse Products, the Issuer may invest in financial instruments such as swap agreements and borrowing facilities involving third parties (i.e., counterparties), which will subject the Inverse Products to additional risks that are different from those associated with ordinary securities. The Inverse Products are exposed to the risk that a counterparty may be unwilling or unable to make timely

payments to meet its contractual obligations or may fail to return holdings that are subject to the agreement with the counterparty. If the counterparty or its affiliate becomes insolvent, bankrupt or otherwise defaults on its payment obligations to the Issuer entered into in connection with the Inverse Products, the Issuer may not receive the full amount it is entitled to receive and the value of an investment reflected by the Inverse Products, and thereby the value of the Inverse Products, may decline. In addition, if any collateral posted by the counterparty related to positions entered into for the benefit of the Issuer's Inverse Products is insufficient or there are delays in the Inverse Products' ability to access such collateral, the Inverse Products may not be able to achieve its inverse leveraged investment objective. The Inverse Products may not be able to exercise remedies, such as the termination of transactions, netting of obligations and realization on collateral if such remedies are stayed or eliminated under special resolutions adopted in the European Union (the **EU**) and various other jurisdictions.

Risk factors relating to Digital Assets as Underlying(s)

Special risks related to Digital Assets as Underlying(s)

Users of Digital Assets, such as cryptocurrencies, and therefore Investors in products with Digital Assets as an underlying, are exposed to elevated risk of fraud and loss, including, but not limited to cyber-attacks and/or analogous or similar events. Several exchanges specializing in sales of Digital Assets such as Bitcoin, for example, have already had to cease their activities or have been closed for other reasons, including, in some cases, because of cyber-attacks. Digital Assets, such as the Underlying(s) of any Product and Digital Assets used as collateral, can be stolen. Digital Assets are often stored in a crypto wallet, accessible via a private key, which can be compromised. While crypto wallets do not store or contain the underlying currency, they store public and private keys, which are used as an address for receiving the Digital Asset or for spending the Digital Asset, and both forms of transactions are recorded on the public immutable ledger, the blockchain. By using the private key, a person is able to spend the Digital Asset, effectively sending it away from the account and recording that transaction on the immutable ledger, the blockchain. If a private key is compromised, the Digital Assets associated with that specific public key may be stolen. Unlike traditional banking transactions, once a transaction has been added to the blockchain, it cannot be reversed.

Theft, fraud, cyber-attacks and/or any analogous or similar event can have a negative impact on the reputation of the currency or the marketplace concerned and thus affect negatively the market price of Digital Assets. Through the Products, Investors would indirectly participate in such a negative performance, and a loss, including a total loss, would be possible. While the Issuer and the Custodian for the Collateral have taken reasonable measures to prevent a theft or hacking of the Underlying(s) also used as Collateral for the Products, such event cannot be fully excluded and the losses associated with such an event would be borne by Investors. Moreover, incidences of theft or hacking of Digital Assets other than the Collateral can also negatively influence the market price, value, or liquidity of the Digital Assets used as Underlying(s) and Collateral for a specific Product.

Certain Digital Assets, such as Bitcoins, can be used pseudonymously and do not have to be traded through government institutions or banks. They can be purchased directly from an owner or a certain trading venue. These platforms are generally not regulated. Investors thus face increased risk of the Issuer identifying occurrence of a trading disruption in the broader Digital Asset market, which could affect the value of their investment in the product.

The market value of most Digital Assets is not based on any kind of claim, nor backed by any physical asset or intrinsic value. Instead, the market value depends entirely on the expectation of being usable in future transactions and continued interest from Investors. This strong correlation between an expectation and market value is the basis for the current and probably future volatility of the market value of most Digital Assets and may increase the likelihood of momentum pricing.

Source sequence of Digital Assets

Because some Digital Assets can be used pseudonymously, the ultimate beneficial owner is not necessarily known to the public. This means the chain of previous beneficial owners, or the source sequence, is equally not necessarily known. Through time and supported by technological advances, beneficial owners may be identified and turn out to have criminal or otherwise problematic backgrounds. This may lead to some Digital Assets becoming contaminated and not being any more accessible, freely tradable or admissible for transactions. Neither the Issuer nor its Service Partners can be held accountable for such an occurrence, and the Investor is bearing the full respective risk.

Supply of Digital Assets

The Issuer depends on a supply of Digital Assets from reputable and verifiable exchanges and/or OTC platforms, as determined by the Issuer. These exchanges are impacted by global and local economic

conditions, market sentiment and regulatory changes. Should this supply be constrained or a disruption to exchanges occur, the Issuer may be unable to issue additional securities, which may, in turn, adversely impact the Issuer's financial performance and creditworthiness.

Country-specific regulatory risk

The legal status of Digital Assets varies substantially from country to country. In many countries, the legal status is still undefined or changing. Some countries have deemed the usage of Bitcoin illegal. Other countries have banned Digital Assets, banned the local banks from working with Digital Assets or restricted Digital Assets in other ways. Furthermore, the status of Digital Assets remains sometimes undefined and there is uncertainty as to whether the Digital Assets are a security, money, a commodity or property. In some countries, such as the United States, different government agencies define Digital Assets differently, leading to regulatory conflict and uncertainty. This uncertainty is compounded by the rapid evolution of regulations. Countries may, in the future, explicitly restrict, outlaw or curtail the acquisition, use, trade or redemption of Digital Assets. In such a scenario, holding or trading securities tracking or linked to Digital Assets could be considered illegal and could be subject to sanctions.

Changes in regulation of Digital Assets and regulatory call

The regulation of Digital Assets is subject to change. It cannot, therefore, be ruled out that the regulatory treatment of Digital Assets or products linked to Digital Assets by national authorities and courts, or international standard setting bodies could be subject to changes in the future. As a result of such changes, the purchase and/or direct or indirect investment in certain of the Products, Digital Assets, or certain Digital Assets, including with respect to Underlying(s) or Products may be prohibited or otherwise restricted.

In accordance with the Terms and Conditions, the Issuer may redeem all outstanding Securities of a Product, *inter alia*, for reasons of regulatory changes affecting the respective Product or any of the Underlying(s) (a **Regulatory Call**). Accordingly, Investors should consult their personal legal advisors before making any decision to purchase the Products and must be aware of, and be prepared to bear the risk of, a potential early redemption due to regulatory reasons. The Issuer and their affiliates do not accept any liability for adverse regulatory consequences of an investment in the Products.

Moreover, changes in the regulation of Digital Assets, or certain Digital Assets, including with respect to Underlying(s), may adversely impact the Issuer, the value of the Products, the value of any of the Underlying(s) and the value of the Collateral. As a result, Investors bear the risk of a loss of part or all of their investment.

Tax risk related to Digital Assets

The taxation of Digital Assets and associated companies can vary significantly by jurisdiction and is subject to significant revisions. These revisions, or the application of new tax schemes or taxation in additional jurisdictions, may adversely impact the Issuer's performance. Furthermore, the status of Digital Assets remains often undefined and there is uncertainty as to whether the underlying Digital Assets are a security, money, a commodity, or property. Accordingly, the way in which Digital Assets are taxed varies from country to country. Before deciding to invest in Products, Investors should consult their local tax advisor on taxation.

The Issuer may become exposed to significant tax risk. Any major tax burden may hinder the Issuer's ability to maintain the listing and, if such tax burden results in insolvency, to otherwise continue to operate as expected.

Valuation of Digital Assets

The market value of Digital Assets is not necessarily related to any specific company, government or asset. The valuation of these assets often depends on future expectations for the value of the network, number of transactions and the overall usage of the asset. This means that a significant amount of the value in Digital Assets is speculative and could lead to increased volatility. Investors could experience significant gains, losses and/or volatility depending on the valuation of Digital Assets through the exposure to Underlying(s) by the Products.

Valuation may also vary significantly by geography, as local exchanges are not necessarily compatible with all Digital Assets and assets may be difficult to move in and out of any specific market. As a result, geographic arbitrage can have a considerable effect on valuation and, in turn, on the returns from the Underlying(s) and the Products.

Momentum pricing of Digital Assets has previously resulted, and may continue to result, in speculation regarding future appreciation or depreciation in the value of such assets, further contributing to volatility and potentially inflating prices at any given time. As a result, pricing of Digital Assets may change due

to shifting Investor confidence in future outlook of the asset class. These dynamics may impact the value of an investment in Products.

Potential for market abuse

The Digital Asset markets are growing rapidly. These markets can be local, national and international and include a broadening range of products and participants. Significant trading may occur on systems and platforms with minimum predictability. Any sudden, rapid change in demand and supply of any Underlying(s), especially those with a small market capitalization or small unit price, could cause significant price volatilities. In addition, most Digital Assets are not backed by any central government, resulting in different regulatory standards across countries and regions. See further "*—Country-specific regulatory risk*". While the Issuer only interacts with regulated or self-regulated exchanges with "know your client/anti- money laundering" (KYC/AML) policies, there are a number of other Digital Asset exchanges that have significantly fewer stringent checks. Furthermore, there can also be no assurance that the KYC/AML policies of the exchanges used by the Issuer will be sufficiently robust. The characteristic of the Underlying(s) and underlying infrastructure could be used by certain market participants to exploit arbitrage opportunities through schemes such as front-running, spoofing, pump-and-dump and fraud across different systems, platforms or geographic locations. As a result of reduced oversight, these schemes may be more prevalent in the Digital Asset market than in the general market for financial products.

Any market abuse, and a loss of Investor confidence in the Underlying(s), may adversely impact an investment in the Products, the ability of the Issuer to operate and broad pricing trends in any individual Underlying(s) or in Digital Assets as a whole.

Failure of Digital Asset exchanges

Disruptions at digital asset exchanges and potential consequences of an exchange's failure could adversely affect the performance of the Underlying(s) and the Products. Digital Asset exchanges operate websites on which users can trade Digital Assets for fiat currencies, such as U.S. Dollars and Euros, or other digital assets. Trades on these exchanges can be unrelated to transfers of the Digital Assets between users via the respective crypto network if the exchange co-mingles funds and does not offer a unique wallet address for each customer. For example, co- mingling refers to a lack of segregation of customer assets and is a common practice among many digital asset exchanges. These exchanges might not provide a unique wallet for each user and as a result, might have one or more large wallets composed of the assets of several users, commingled. This results in a centralization of a large amount of assets in a single location and could therefore increase the amount of damage or theft that can be done from a negative situation such as a hack.

As a result, sometimes Digital Assets' trades on Digital Assets exchanges are recorded on the exchange's internal ledger only, and each internal ledger entry for a trade will correspond to an entry for an offsetting trade in government currency or other digital asset. To sell Digital Assets on a digital asset exchange, a user will transfer Digital Assets (using the Digital Assets network) from himself or herself to the exchange. Conversely, to buy Digital Assets on a digital asset exchange, a user will transfer fiat currency or other digital assets to the exchange. After completing the transfer of Digital Assets or fiat currency, the user will execute its trade and receive either the Digital Assets (using the Digital Assets network) or the fiat currency back into its account. The Issuer does not intend to use commingled accounts for the custody of Collateral for the Products.

Technical risks related to Digital Assets

There are a number of technical risks to which Investors in Digital Assets are exposed including, but not limited to, flaws in the code, forks in the underlying protocols, Double Spend and 51% Attacks, as further described below.

Bitcoin, Ether, and many other Digital Assets are built on open-source code available to the general public. This makes the underlying source code of these Digital Assets visible publicly to anyone, anywhere. While the top Digital Assets sometimes have dedicated teams of contributors, it is often the case that they are unpaid and not full-time employees or contractors. For these reasons, it is possible that flaws or mistakes in the released and public source code could lead to catastrophic damage to the underlying technology, Digital Assets and networks. It is possible that the volunteer or undedicated team members are unable to stop this damage before it spreads further. It is further possible that a dedicated team or a group of contributors or other technical group may attack the code, directly leading to catastrophic damage. In any of these situations, the value of Investors' holdings can be severely and detrimentally affected.

Digital Assets miners earn Digital Assets by confirming transactions and reaching consensus. The results of this agreement are displayed on the public ledger known as the blockchain. If a single miner,

or a group of miners acting in concert, control (even temporarily) a majority of the network mining power (known as hash power) of a particular blockchain network, they could use this control to undertake harmful acts. Such an attack is called a **51% Attack**. For example, an individual or group controlling a majority of the Bitcoin network could prevent transactions from posting accurately, or at all, on the blockchain. Furthermore, they could allow for their coins to be spent on multiple occasions and would, in this scenario, have enough network control to confirm and post these transactions to the blockchain, in an attack referred to as **Double Spending**. In a Double Spending situation, the related record of the transaction, posted on the public ledger blockchain, would become falsified. This could have a detrimental effect on both the sender and the receiver. There are several ways a nefarious cybercriminal could attempt a Double Spend, including, but not limited to, sending two conflicting transactions to the network, and creating one transaction but sending the Digital Assets before releasing that associated block to the blockchain, which would invalidate it. On an exchange with multiple currency trading pairs, it would be possible for a person or individual controlling the majority of a blockchain network to double spend the coins they control and then subsequently trade them for other currency pairs and transfer them off the exchange to their own private wallet(s). This scenario is more likely to happen with smaller currencies (by measure of market capitalization) because of the reduced computing power threshold required to control a majority of the network, and has been documented happening multiple times, targeting currencies such as Bitcoin Gold and Verge. It is theoretically possible, even if it is sometimes computationally expensive, to mount a similar 51% or double spending attack on a large currency (by measure of market cap), including Ether and Bitcoin. The Underlying(s) may also be negatively affected by technical risks such as a 51% Attack or Double Spend.

The infrastructure and ecosystem that power Digital Assets such as Bitcoin and Ether are developed by different parties, including affiliated and non-affiliated engineers, engineers, developers, miners, platform developers, evangelists, marketers, exchange operators and other companies based around a service regarding the underlying Digital Assets, each of whom may have different motivations, drivers, philosophies and incentives. There is, accordingly, a risk that these parties disagree on the future direction of these technologies, which may impede or otherwise negatively affect the development of the technology and, in turn, lead to losses with respect to an Investor's investment.

In cases of particularly strong disagreements, a developer or group of developers can split the code base into two or more branches of variations of development, in what is called a fork. See further "*—Risk factors relating to the Products and the Collateral—Crypto pricing*" and "*—Fork policy risk and risks associated with newly-forked assets*". One of the most prominent examples to date was a fork of Bitcoin that occurred in 2017, taking effect on 1 August 2017, which created the cryptocurrency called Bitcoin Cash. Although Bitcoin Cash is the largest Bitcoin fork (as measured by market capitalization), Bitcoin has had at least three other major forks of the network (Bitcoin XT, Bitcoin Classic, and Bitcoin Unlimited), as well as three major forks of the cryptocurrency (Bitcoin Cash (BCH), Bitcoin Gold (BTG) and Bitcoin Private (BTCP)). It is possible that Bitcoin's network and/or cryptocurrency will be forked more times in the future. The same has occurred with the second largest cryptocurrency (as measured by market cap), Ether. After a nefarious attack on a venture capital project built on Ethereum called The DAO, the newly-forked cryptocurrency Ether (ETH) was created, which took away the effects of the hack. The sub-group in the community that refused the hard fork continued to use the original Ethereum blockchain, citing immutability concerns (being against any change in the blockchain on principle), which today is called Ether Classic (ETC). As at the date of this Base Prospectus, Ether Classic (ETC) is in the top 25 cryptocurrencies. Forks occur throughout the range of Digital Assets and are not limited to just the largest or most popular products.

Forks may have a detrimental effect on the value of the Digital Assets, including by negatively affecting cryptocurrency allocations or by failing to capture of the full value of the newly forked Digital Asset if it is removed from the main Index or another applicable Index that serves as an Underlying(s) of any Product for one or more months.

Usage and network participation

Today, there is limited use of Digital Assets in the retail, commercial, or payments spaces. On a relative basis, speculators make up a significant portion of users. This pattern may contribute to outsized price volatility.

Furthermore, for mined Digital Assets such as Bitcoin and Ether, the incentives for miners to contribute processing power to the respective networks are set to decrease over time. See further "*—Cease in expansion of processing power*". The implementation of fees for transactions may result in decreased usage and limit expansion of these or other protocols in the retail, commercial and payments space, adversely impacting investment in the Products. See "*—Potential of collusion to raise Transaction Fees*". Conversely, if the reward for miners or the value of the transaction fees is insufficient to motivate

miners, they may cease expending processing power for any blockchain to solve blocks and confirm transactions.

Cease in expansion of processing power

Miners generate revenue from both newly created Digital Assets (known as the "**block reward**") and from fees taken upon verification of transactions. If the aggregate revenue from transaction fees and the block reward is below a miner's cost, the miner may cease operations. Additionally, in the event of a fork of the relevant Digital Asset network, some miners may choose to mine the alternative new bitcoin resulting from the fork, thus reducing processing power on the original blockchain. An acute cessation of mining operations would reduce the collective processing power on the blockchain, which would adversely affect the transaction verification process by temporarily decreasing the speed at which blocks are added to the blockchain and make the blockchain more vulnerable to a malicious actor obtaining control in excess of 50% of the processing power on the blockchain. Reductions in processing power could result in material, though temporary, delays in transaction confirmation time. Any reduction in confidence in the transaction verification process or mining processing power may adversely impact the value of an investment in the Products or the ability of the Issuer to operate.

Potential of collusion to raise transaction fees

Digital Asset miners, functioning in their transaction confirmation capacity, collect fees for each transaction they confirm. Miners validate unconfirmed transactions by adding the previously unconfirmed transactions to new blocks in the blockchain. Miners are not forced to confirm any specific transaction, but they are economically incentivized to confirm valid transactions as a means of collecting fees. Miners have historically accepted relatively low transaction confirmation fees because miners have a very low marginal cost of validating unconfirmed transactions. If miners collude in an anticompetitive manner to reject low transaction fees, then Digital Asset users could be forced to pay higher fees, thus reducing the attractiveness of the relevant Digital Asset network. Digital Assets mining occurs globally, and it may be difficult for authorities to apply antitrust regulations across multiple jurisdictions. Any collusion among miners may adversely impact the attractiveness of Digital Asset networks and may adversely impact the value of an investment in the Products or the ability of the Issuer to operate.

Market moving events

The price of underlying assets may be affected by other vehicles investing in or otherwise tracking the digital assets market. These include, but are not limited to, future contracts, funds and exchange traded products. If any of these instruments investing in the asset class come to represent a significant portion of demand or supply, large issuances or redemptions could impact the global price of the asset and value of the Products.

Innovation

It is currently unclear which Digital Assets will become dominant, as the sector continues to innovate and evolve. Changes in the viability of any digital asset ecosystem may adversely impact pricing and liquidity of the Digital Assets and, therefore, of the Products.

Competition

Digital Assets face significant competition amongst each other, as well as from other technologies or payment forms, such as Swift, ACH, remittance networks, credit cards and cash. Digital Assets make up a very small percentage of global payments. There is no guarantee that Digital Assets will become a dominant form of payments, store of value or method of exchange.

Limited liquidity and trading volume

Liquidity in Digital Assets is significantly lower than other major currencies, such as U.S. Dollars, Euros or Japanese Yen, as well as certain stocks, bonds and structured products. As such, there is a greater possibility of market moving events such as a single large sale effecting the global market. Furthermore, liquidity crunches may also occur as a result of lower overall liquidity. In this case, it may be difficult or impossible to buy or sell underlying Digital Assets, resulting in a significant loss of value. This risk increases significantly as the market capitalization and liquidity of a Digital Asset declines and, accordingly, may be a more important risk for assets with lower market capitalization.

Limited trading hours

Digital Assets trade 24 hours every day (including Saturday, Sunday and public holidays). The on-exchange trading hours of the Products issued as ETPs are restricted to the trading window available on SIX or any other regulated securities exchange, as applicable. Investors cannot invest in or sell the securities on-exchange outside of the market hours of SIX or any other regulated securities exchange,

as applicable. This restriction could limit Investor's ability to react to price movements or volatility in markets.

Large-scale sales of Digital Assets

Political or economic events, either domestically or in foreign jurisdictions, may motivate large-scale buys or sales of Digital Assets. Large-scale sales of Digital Assets may result in a decline in the price of Digital Assets, which may adversely affect an investment in the Products.

Actions of early Digital Asset adopters

There is no registry showing which individuals or entities own Digital Assets or the quantity of Digital Assets owned by any person or entity. It is possibly, and in fact, reasonably likely, that a small group of early Digital Assets adopters hold a significant proportion of the Digital Assets that has thus far been created. There are no regulations in place that would prevent a large holder of Digital Assets from selling their Digital Assets. Such Digital Assets sales may adversely affect the price of Digital Assets and an investment in the Products.

Risks relating to Digital Asset or to a Basket of Digital Assets

Neither the Issuer nor any affiliate of the Issuer have performed any investigations or review of any issuer of Digital Assets, if applicable. Investors should not conclude that the inclusion of the relevant Digital Asset is any form of an investment recommendation. Consequently, there can be no assurance that all events occurring prior to the relevant Issue Date affecting the trading price of the relevant Digital Asset will have been publicly disclosed. Subsequent disclosure of, or failure to disclose, material future events concerning a company issuing, or responsible for, any Underlying(s) could affect the trading price of the share and, therefore, the trading price of the Product. Neither the Administrator nor the Issuer are responsible for informing the Investors of material events related to any of the Underlying(s), including, but not limited to, corporate events.

Potential decline in the adoption of Digital Assets

As new assets and technological innovations, the Digital Asset industry is subject to a high degree of uncertainty. The adoption of Digital Assets will require growth in their usage and in the blockchains, for various applications. Adoption of Digital Assets will also require an accommodating regulatory environment. The Issuer will not have any strategy relating to the development of Digital Assets and non-financial applications for the blockchains. A lack of expansion in usage of Digital Assets and the blockchains could adversely affect an investment in the Products.

In addition, there is no assurance that Digital Assets will maintain their value over the long-term. The value of Digital Assets is subject to risks related to their usage. Even if growth in Digital Assets adoption occurs in the near or medium-term, there is no assurance that Digital Assets usage will continue to grow over the long-term. A contraction in use of Digital Assets may result in increased volatility or a reduction in the price of Digital Assets, which would adversely impact the value of the Products.

Internet disruptions

The functionality of Digital Asset networks relies on the Internet. A significant disruption of Internet connectivity (*i.e.*, affecting large numbers of users or geographic regions) could prevent the functionality and operations of such networks until the Internet disruption is resolved. An Internet disruption could adversely affect an investment in the Products or the ability of the Issuer to operate.

Fork policy risk and risks associated with newly forked assets

Investors should be aware that investing in Products is not equivalent to investing directly in Digital Assets. The Investor does not have a claim to any forked assets. The Issuer may elect to support a fork based on predetermined criteria but is under no obligation to do so. Unless otherwise announced, the Issuer will not support the inclusion of any forked assets.

Unless an announcement is made informing Investors that a fork will be supported, the newly forked asset should be considered ineligible. Given the nature of forks and the frequency of forks in the Underlying(s), the Issuer does not expect to assess every Fork Event. Only Fork Events deemed material by the Issuer will be considered for evaluation.

The analysis regarding whether to support a fork is the sole discretion of the Issuer. These considerations include, but are not limited to, availability of a custody solution, trading support from Authorized Participants and/or Market Makers, sufficient liquidity and the availability of a price on the date of the fork. While these attributes may change over time, the Issuer requires that any forked asset have an available custody and trading solution on the fork date.

These policies may result in the exclusion of a forked asset, which may have considerable value. There is no recourse for Investors to access that value if the fork is deemed to be unsupported.

The assessment of whether to support a fork or not is based on a specific point-in-time set of criteria. The newly-forked asset may meet the Issuer's eligibility criteria at a later date. This change in status does not constitute a reversal of the previous assessment. Investors should not expect the Issuer to retrieve any previously allocated forked assets after the fork date even if the underlying becomes eligible.

Newly forked assets in particular may have less liquidity than more established assets, resulting in a greater risk. Inclusion of a newly forked asset may increase other risks included herein, such as liquidity risk, market manipulation risk, risk of bankruptcy or insolvency and increased volatility, among others.

The circumstances of each fork are unique, and their relative significance varies. It is possible that a particular fork may result in a significant disruption to the underlying asset and, potentially, may result in a Market Disruption Event should pricing become problematic following the fork. It is not possible to predict with accuracy the impact that any anticipated fork could have or for how long any resulting disruption, if any, may exist. Moreover, a newly forked asset may have a higher risk profile due to (i) increased operational risks, such as lack of IT-infrastructure to cater for the new Digital Asset, (ii) increased market risks as a result of lower liquidity in the newly-forked asset (resulting from lower participation), which may, in turn, lead to significant price suppression and increased volatility; and (iii) additional, asset specific risks which are not included in this Base Prospectus.

Risk factors relating to Indices as Underlying(s)

The index constituents

If the underlying component is an Index, its performance is influenced by the performance of the index constituents.

Indices, as the Underlying(s) of the Products established under this Program, may be designed by the Issuer or by other providers. The Investor must observe the respective index descriptions and understand the functioning of the respective index. Investors cannot trust that the index will be successful and must therefore form their own opinion on the Index.

The value of the index is generally derived from the value of its constituents in accordance with the investment and calculation rules. The level of an index therefore depends to a large extent on the performance of the individual constituents of which the respective index is composed. Changes in the composition of the index and factors that affect and may affect the value of the constituents will affect the value of the index and may therefore affect the return from an investment in the Products. Fluctuations in the value of one constituent may be reinforced by fluctuations in the value of another constituent. If the value of at least one constituent is denominated in a currency different from the currency in which the index is calculated, the Investor may be exposed to an implicit currency risk as the value of the index is calculated by converting the value of the constituents into the currency of the Index. Exchange rate fluctuations may mean that the value of the index constituent expressed in the currency of the index has fallen, although its price has in principle risen. Notwithstanding the aforesaid, there may also be a potential currency risk due to a deviation of the currency of the index from the currency of the Products.

It should be noted that the constituents of such an index may be deleted or replaced, new constituents may be added or that changes may be made to the index methodology which may change the level of one or more constituents. The replacement of the constituents of an index may affect the level of the index since, e.g. a newly added company may perform significantly better or worse than the company replaced, which in turn may affect the amounts payable by the Issuer to the Investors. In addition, the calculation or distribution of the index may be changed, terminated or suspended. The Index Sponsor of such an index or a reference agent will usually not participate in the offering and sale of the Products and will not have any obligation to any Investor. Any measure relating to the index may be taken without regard to the interests of the Investor and any such measure may adversely affect the market value of the Products.

Influence of distributions of index constituents

If the index to which the Products relate is a price index (PR), then it should be noted that the distributions and income attributable to the index constituents (e.g. in the case of share indices: dividend or other cash distributions) are not included in the calculation of the index level and have no effect on the calculation of securities rights. The Investor in Products which refer to price indices therefore cannot participate in such distributions of the index constituents. On the contrary, the

treatment of dividend payments from the index constituents in this case generally results in a reduction in the index level and thus in principle in a fall in the index constituents.

In contrast, in the case of the so-called performance indices (Total Return, TR), distributions and income of the index constituents are included in the calculation of the index level by the Calculation Agent. If the Calculation Agent does not fully include these amounts in the calculation, but reduces such distributions and income by a theoretical withholding tax, the calculation method is also referred to as net return. No clear distinction between total return and net return is made on a uniform market basis.

Investors must read the respective index descriptions to establish whether and, where relevant, to what extent distributions and income of individual index constituents are included in the calculation of the index level.

Correlation risk

In the case of Products based on indices, the special feature is that the amount of redemption depends on the performance of several index constituents. Therefore, another factor affecting the value of the Products is the correlation between the index constituents, i.e. - expressed simply - the degree to which the performance of the individual constituents depends on the performance of the other constituents. If, for example, all constituents originate from the same sector and country, a high positive correlation can be assumed. The correlation assumes a value between '-1' and '+1', whereby a correlation of '+1', i.e. a high positive correlation, signifies that changes in the value of the constituents move in the same direction. With a correlation of '-1', i.e. a high negative correlation, the constituents always move in exactly the opposite direction. A correlation of '0' indicates that it is not possible to make any statement about the connection between the changes in the value of the constituents. Depending on the structure of the redemption structure, a high correlation between the individual constituents increases or decreases the risk for the Investor, since no diversification is achieved and/or attempted via different investment strategies.

Special Risks of Dividend Indices

If the Products are related to an index which in turn refers to the dividends of certain shares, the performance of the index depends on the determination and payment of such dividends, if any, by the issuers of the relevant shares. Such determination and payment of dividends, if any, may be subject to unforeseeable fluctuations over time.

Further risks relating to Products linked to Indices

In the case of Products linked to indices, the Redemption Amount depends on the performance of the respective Index, which, in turn, depends on the components, including their value and/or other relevant features, contained therein. During the term, the market value of the Products can deviate from the performance of the Index or components contained in the Index, since other factors, such as the correlation of, or volatilities relating to, the components contained in the Index, may have an impact on the performance of the Products. Investors cannot, therefore, rely on recovery of the price of the Products.

The Investor bears an additional risk if an Index is calculated or determined at the discretion of the Index Sponsor, the Index Calculation Agent or any other person responsible for determining and calculating the Index, as there is no guarantee that such decisions will lead to a positive performance of the Index. The performance of the Index and hence the respective Products depends, *inter alia*, on the quality of the Index Sponsor's decisions. Investors need to conduct their own due diligence with respect to the Index Sponsor.

Neither the Issuer nor any of its affiliates take any responsibility for the selection of Index components, as long as they are not taking this responsibility explicitly as part of their capacity as Index Sponsor or Index Calculation Agent.

EU Benchmarks Regulation

With effect from the Issue Date, if the Index Calculation Agent notifies the Issuer that it considers that, as a result of the application of the EU Benchmarks Regulation, any calculation, determination or provision by the Index Calculation Agent of a substitute index value in respect of any index components would be unduly burdensome, it may give a notice to that effect (which notification may be withdrawn by the Index Calculation Agent by notice to the Issuer should it subsequently determine that such calculation, determination or provision is not unduly burdensome), in which event the Issuer may suspend redemption of Products, require certain notices, substitute the Index Sponsor or cancel the relevant Products, subject to the relevant Final Terms.

Index Calculation Agent's potential conflicts of interest

In acting as Index Calculation Agent, the relevant provider will be obliged to act in good faith and in a commercially reasonable manner, but otherwise its calculations are binding in the absence of manifest error. The role of the relevant provider as Index Calculation Agent may give rise to conflicts of interest, which are adverse to the interests of holders of Products.

Regulatory and legal risks

Dependence on authorizations

With regard to the issuance of Products in the form of ETPs, the Issuer depends on SIX's, or any other regulated securities exchange's, authorization and the permissibility under the rules and regulations of Switzerland to continue issuing and listing, as applicable, Products and other financial products. Any change to the listing requirements, the regulation of the Products, or acceptance of Digital Asset Underlying(s) could adversely impact the Issuer's core business.

No regulation of the Issuer

The Issuer is not required to be licensed, registered, or authorized under any current securities, commodities or banking laws of its jurisdiction of incorporation and will operate without supervision by any authority in any jurisdiction. There can be no assurance that regulatory authorities in one or more other jurisdictions will not determine that the Issuer is required to be licensed, registered or authorized under the securities, commodities or banking laws of such jurisdiction or that legal or regulatory requirements with respect thereto will not change in the future. Any such requirement or change could have an adverse impact on the Issuer or Investors in the Products.

Swiss regulatory risk

The Securities issued in relation to Products under the Program are derivative financial instruments (debt instruments) in the form of exchange traded products. They do not qualify as units of a collective investment scheme according to the relevant provisions of the CISA, as amended, and are not registered thereunder. Therefore, neither the Products nor the Issuer are governed by the CISA or supervised by FINMA. Accordingly, Investors do not have the benefit of the specific Investor protection provided under the CISA. Investors should be aware that they are exposed to the credit risk of the Issuer and that the collateralization of the Products does not fully eliminate this risk.

While the Issuer believes that these rules do not affect the Products or the Issuer, no assurance can be given that the Products will remain unsupervised by FINMA. Any such change of characterization may have adverse consequences including, among others, the limitation of an offer of Products to qualified Investors, which may result in a delisting of the Products. Any delisting may, in turn, result in the inability to sell the Products and/or disruption to the pricing of the Products.

Compliance

The Issuer has minimal compliance requirements, as it is not directly responsible for KYC/AML of Investors. The Issuer takes reasonable efforts to establish and verify counterparty identity, understand the nature of counterparty and customer activities and tries to ascertain the legitimacy of counterparty funds.

In addition, there are stringent rules surrounding the provenance of Digital Assets, as well as the provenance of any fiat currencies from Investors on SIX, among the Issuer's Authorized Participants and among other service providers, such as administrators and custodians. Any breach of the compliance processes of such exchanges or service providers could have a material adverse effect on the Issuer's core business.

Products listed on SIX or any other exchange may be suspended from trading or supply

SIX, as well as other regulated securities exchanges, as applicable, provides for rules determining admissible underlying instruments for ETPs. It cannot be excluded that during the lifetime of a Product issued as an ETP, the Underlying(s) is no longer an admissible underlying under the rules of the SIX or any other applicable exchange for reasons beyond the control of the Issuer. Should the Underlying(s) or any Underlying Component of a Product no longer be considered an admissible underlying, such a change may have a material adverse effect on the Products and/or may lead to the suspension or delisting of all or certain Products.

In addition, it cannot be excluded that the any Product issued as an ETP will not be suspended from trading or de-listed from SIX or any other applicable exchange during the lifetime of such Product for other reasons other than no longer being classified as an admissible underlying.

Change of law

The Base Prospectus and the Product are governed by Swiss law. No assurance can be given as to the impact of any possible judicial decision or change to Swiss law or administrative practice, including by FINMA, after the date of issue of the Products.

INFORMATION ABOUT THE ISSUER AND COLLATERAL PROVIDER

Name, registered office, location

Helveteq AG with registered office and principal place of business at Churerstrasse 25, 8808 Pfäffikon, Switzerland, is the issuer and the collateral provider (the **Issuer**, **Collateral Provider** or **Helveteq**).

Incorporation, legal form, register number

Helveteq was incorporated and registered in Pfäffikon, Switzerland on 3 August 2021, as an *Aktiengesellschaft*, a corporation limited by shares, under the Swiss Code of Obligations. Helveteq has been established for an indefinite duration.

The registration number of the Helveteq is CHE-224.032.032.

Helveteq's legal entity identifier code (LEI) is 506700SDAUZ876180S54.

Purpose and date of the Articles of Association

The articles of association of Helveteq are dated as of 26 September 2022 (the **Articles of Association**).

According to article 2 of the Articles of Association, the purpose of Helveteq is to provide services of all kinds in the financial sector. Excluded are transactions that are subject to FINMA authorization. Helveteq may establish branches and subsidiaries in Switzerland and abroad and participate in other companies in Switzerland and abroad as well as conduct all transactions that are directly or indirectly related to its purpose. Helveteq may acquire, encumber, sell and manage real estate in Switzerland and abroad. It may also provide financing for its own account or for the account of third parties and enter into guarantees and sureties for subsidiaries and third parties. The purpose of Helveteq also includes that the business activities should have a significant positive effect on the common good as well as the environment.

No regulatory status

Helveteq is not authorized or subject to prudential supervision by FINMA or any other regulatory authority at the date of this Base Prospectus.

No rating

No rating is available for the Issuer and the Collateral Provider at the date of this Base Prospectus.

Board of Directors

In accordance with the Swiss Code of Obligations and the Articles of Association, the Helveteq's board of directors (the **Board of Directors**) constitutes itself. The shareholders' meeting of Helveteq elects the members of the Board of Directors. The Articles of Association provide that the Board of Directors shall consist of a minimum of one or more members, who do not need to be shareholders. The Board of Directors appoints the executive officers and is ultimately responsible for the management of Helveteq and for supervising and monitoring Helveteq's executive management team (the **Management**).

Under Swiss company law, the Board of Directors shall have the following non-delegable and inalienable duties:

1. the ultimate direction of the company and the power to give the necessary instructions;
2. the determination of the organisation;
3. the administration of accounting, the financial control, and, to the extent necessary for the management of the company, the financial planning;
4. the appointment and removal of the persons entrusted with the management and representation of the company;
5. the ultimate supervision of the persons entrusted with the management of the company, namely in view of their compliance with the law, the Articles of Association, regulations and instructions;
6. the preparation of the business report and the shareholders' meeting and the execution of resolutions adopted by the shareholders' meeting; and
7. the notification of the judge in case of insolvency.

As of the date of the Base Prospectus, the Board of Directors consists of the following persons:

Name	Year of appointment	Business address	Position
Roger Studer	2022	Churerstrasse 25, 8808 Pfäffikon, Switzerland	Chairman of the Board of Directors
Christian Katz	2022	Churerstrasse 25, 8808 Pfäffikon, Switzerland	Member of the Board of Directors

Roger Studer

Roger Studer is chairman of the board of directors of Studer Family Office AG. Until the end of 2019, he was heading the Investment Banking division of Bank Vontobel AG and was a member of the Vontobel Group Executive Board. Prior to this, he held senior positions in wealth management, as Head of Quantitative Asset Allocation at Swiss Life and as Head of Portfolio Management and Research at ABN AMRO. Roger Studer is Vice President of the European Structured Investment Products Association (EUSIPA) in Brussels, Belgium; Member of the Board of Directors of Bank Vontobel Europe AG, Munich; Member of the Board of Directors of Deutsche Börse Commodities GmbH, Frankfurt am Main, Member of the Board of Directors of Bitcoin Suisse AG, Zug; Member of the Board of Directors of Luzerner Kantonalbank AG, Luzern; President and Member of the Board of Directors of Studer Family Office AG, Pfäffikon; and a Member of the Board of Directors of Createq AG, Zug Switzerland. Roger Studer holds an MBA from the University of Rochester and Berne and is a Certified European Financial Analyst (CEFA), a Swiss Certified Financial Analyst and Portfolio Manager (CIIA) and a Swiss Certified Expert in Finance and Investments (CIWM).

Christian Katz

Christian Katz is the founder and Managing Partner of MainStrait AG, a management consulting company focusing on finance and fintech. He also holds several board seats in the financial and technology space. He is the former CEO of SIX Swiss Exchange and member of the Executive Committee of SIX Group AG, and also served as board member and president of the Federation of European Securities Exchanges. Previously he held several roles in investment banks, including senior positions at Goldman Sachs and JP Morgan. He holds a master's degree in Business and Finance and a PhD from the University of St. Gallen, Switzerland. He further is the Chief Executive Officer (**CEO**) of Helveteq.

Management

In accordance with Swiss law and the Articles of Association and subject to those affairs which lie within the responsibility of the Board of Directors by Swiss law and the Articles of Association, the Board of Directors has delegated the operational management to the Management, which is headed by the CEO. The Management serves the CEO as a coordination body for decision making with regard to making proposals to the Board of Directors and the implementation of strategies and decisions of the Board of Directors or the CEO.

The Management consists of the following persons:

Christian Katz

Christian Katz is the Chief Executive Officer of Helveteq. For a description of his previous positions and education, please see "*—Board of Directors*" above.

Jon Holguin

Jon Holguin is the Chief Distribution Officer (CDO) and the Deputy CEO of Helveteq. He is an expert for capital markets, digital assets, Islamic finance and sustainable investments. He was a client manager for several Swiss banks focusing on ultra-high-net-worth individuals in the Middle Eastern Region. Jon co-founded a FINMA and FMA regulated Swiss issuer of financial products in 2019.

Amanda Schwegler

Amanda Schwegler is the Chief Financial Officer (CFO) of Helveteq. She has been working as Financial Business Controller for the past 12 years and is experienced in the field of accounting. Amanda was Head Controlling Structured Products / Digital Investing and Head Controlling Investment Banking at Bank Vontobel AG. She holds a degree in Finance & Accounting (federal diploma).

Christoph Scheuermann

Christoph Scheuermann is the Chief Product Officer (CPO) of Helveteq. He is a capital markets expert with more than 10 years of experience in structuring and trading. Christoph has a proven track record in execution trading of structured products and warrants. He also held roles in financial controlling and auditing. Christoph holds an MSc in Economics (Dipl.-Volkswirt) of the University of Bonn.

The business address for all members of the Management is Churerstrasse 25, 8808 Pfäffikon, Switzerland.

Founder(s)

Helveteq was founded by Remigio Luongo, Osha Plaza 1, Corniche Deira, Dubai, U.A.E., and Studer Family Office AG, 8808 Pfäffikon, Switzerland.

Auditor

Grant Thornton, Claridenstrasse 35, 8027 Zurich, Switzerland, independent auditors recognized by the Federal Council under the Federal Act on Audit Oversight.

Business

As of the date of this Base Prospectus, the focus of Helveteq's business activities is the issuance of financial instruments and the hedging thereof. Helveteq further:

- engages in secondary activities directly connected with the issuance of financial instruments;
- maintains the Program;
- provides services of all kinds in the financial sector, with the exclusions of transactions which are subject to FINMA approval; and
- carries out other activities as defined by the Articles of Association.

The financial instruments offered by Helveteq stand in competition with other manufacturers of similar products. At present, there are several ETPs available in Switzerland. The details on the official website of the Swiss Stock Exchange will serve as a reference: www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/etp/etp-explorer.html.

Business outlook

The Issuer may expand its product suite to include other financial products catered to the broader market and which are not issued under this Program. Each Product will be dependent on the market development specific to the Underlying. In addition, the creation of new financial products will most likely be facing a stronger competition going forward. The Issuer believes that it is well suited to adapt to exponentially changing markets.

Pending or threatened litigations or administrative proceedings

There are no court, arbitration, or administrative proceedings pending or threatened involving the Issuer and Collateral Provider as of the date of this Base Prospectus.

Capital and voting rights

As of the date of this Base Prospectus, the share capital of Helveteq amounts to CHF 315,800.00, divided into 3,158 fully paid-in registered shares with a nominal value of CHF 100.00 each. Every share in Helveteq entitles to one vote.

The share capital is held by Studer Family Office, Remigio Luongo and Christian Katz.

As of the date of this Base Prospectus, Helveteq does not have any conditional or authorized capital or capital band and has not issued any participation certificates (*Partizipationsscheine*) or profit sharing certificates (*Genussscheine*), nor has it issued any preference shares (*Vorzugsaktien*).

As of the date of this Base Prospectus, Helveteq does not own any of its own shares.

Outstanding bonds

As of the date of this Base Prospectus, Helveteq does not have any outstanding bonds.

Financial statements

The financial year of Helveteq ends on 31 December of each year. Helveteq was incorporated on 3. August 2021 and had upon incorporation waived the limited audit in accordance with article 727a paragraph 2 of the Swiss Code of Obligations.

Helveteq has prepared an opening balance sheet, which has been audited by Grant Thornton as of 21 February 2022.

Helveteq prepared its first regular financial statements in accordance with the International Financial Reporting Standards (IFRS) as of and for the over-long business year ending on 31 December 2022.

As and when available, the Issuer's annual and interim financial statements are made available at the Issuer's website (<https://helveteq.com/>). This website does not form part of this Base Prospectus (other than where information has been explicitly incorporated by reference into this Prospectus). The financial accounts mentioned herein can be found at the end of this Base Prospectus.

INFORMATION ON OTHER PARTIES AND MATERIAL AGREEMENTS

Except for the services of the Calculation Agent, which are performed by the Issuer, each of the Authorized Participants, the Custodian, the Security Agent and the Paying Agent and any other third parties set out below are not related to the Issuer.

Administrator

Function

The Administrator shall be responsible, inter alia, for providing various management and administration services to the Issuer, including the calculation of the net asset value (**NAV**) of the Products. This involves, amongst others, trade capture, Underlying(s) valuation, fee calculation and reporting.

Information about the Administrator

Apex Corporate Services (Schweiz) GmbH (registration no. CHE-102.075.802), having its registered seat at Seestrasse 5, 8002 Zurich, Switzerland, or any other Administrator specified in the Final Terms.

Administration Agreement

See "*General Information—Documents on display*".

The Issuer may remove, replace or add the Administrator as per the relevant Final Terms.

Authorized Participant

Function

If listed on SIX or any other regulated securities exchange, only Authorized Participants are entitled to request that Securities are created or redeemed for the Products under the Program, unless through special circumstances noted elsewhere in this document (including the Investor Put Option set out in the Terms and Conditions) or as specified in the relevant Final Terms. Authorized Participants may also act as Market Makers (*i.e.*, buying and selling Products from and to Investors on an over-the-counter basis or via a securities exchange or trading venue). However, not all Market Makers need to be Authorized Participants.

A person or entity can only be considered an Authorized Participant if it is: (a) a securities house or other market professional approved by the Issuer (in its absolute discretion); and (b) an account holder on SIX (or another regulated exchange, as applicable). An Authorized Participant must also have entered into an Authorized Participant Agreement (as defined below) with the Issuer dealing with, amongst other things, the rights and obligations of the Authorized Participant in relation to applying for and redeeming the Products.

The Issuer will use reasonable efforts to always ensure that for the duration of the Program there is at least one Authorized Participant in connection with any Products issued as an ETP. If, at any time, there are no Authorized Participants, Investors will be permitted to redeem the securities respectively held by them directly from the Issuer.

It is intended that Authorized Participants, if so appointed, will sell Products in the secondary market to Investors who have either directly approached the Authorized Participant(s) or to Investors on a securities exchange or trading venue on which the Products are listed (as applicable) for a purchase price agreed between the Authorized Participant and such Investor(s) in respect of the Products. Investors may sell the Products from time-to-time in the secondary market to third parties or to Authorized Participants.

The current list of Authorized Participants may be found at www.helveteq.com.

Information about the Authorized Participant(s)

Goldenberg Hehmeyer LLP, London E14 9NN, United Kingdom is a service provider for ETPs in cryptocurrency products registered with and regulated by the Financial Conduct Authority.

Flow Traders B.V., Jacob Bontiusplaats 9, 1018 LL Amsterdam, the Netherlands,

offer diverse services for various asset classes, such as Foreign Exchange (FX), commodities, cryptocurrencies and fixed income. Flow Traders is regulated by the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten).

Authorized Participant Agreement

See "*General Information—Documents on display*".

The Issuer may remove, replace or add Authorized Participant(s) as per the relevant Final Terms.

AML and compliance

The Issuer's primary counterparties for all transaction regarding Products issued as ETPs must be Authorized Participants. These institutions are responsible for delivering the Underlying(s), including Digital Assets, during the creation process. In order to qualify as an Authorized Participant, the institution must be licensed to operate as a broker dealer and market participant on the relevant exchange.

Authorized Participants mandated by the Issuer will always be required to comply with local regulatory requirements, including KYC/AML, in the jurisdiction(s) in which they operate and have robust compliance processes.

Calculation Agent

Function

The calculation agent (the **Calculation Agent**) provides price data for the Products on each day relevant for the fixing, observation or valuation of the relevant Underlying (for Products linked to single underlying assets), the Basket (for Products linked to a Basket, or the Index as specified in the Final Terms which defines a notional portfolio of Underlying (for Products linked to an index).

Information about the Calculation Agent

Helveteq is acting as Calculation Agent of the Products unless specified otherwise in the Final Terms. Helveteq is not authorized or subject to prudential supervision by FINMA or any other regulatory authority.

Calculation Agent Agreement

The Issuer may remove, replace or add Calculation Agent(s), as per the relevant Final Terms.

Custodian

Function

The Custodian administers the accounts to which the Underlying(s) are credited as Collateral following the collateralization procedures described below (the **Collateral Accounts**). The Issuer will enter into custody agreements with the Custodian with respect to the Collateral Accounts. The relevant Custodian will be specified in the Final Terms.

Information about the Custodian

Custodian 1) is **Bitcoin Suisse AG**, Grafenauweg 12, 6300 Zug, UID CHE-472.481.853 (Bitcoin Suisse). The company offers trading, brokerage, storage, staking, collateralized lending and crypto financial solutions. As a Swiss regulated financial intermediary, Bitcoin Suisse is subject to the rules set out by the Financial Services Standards Association (VQF).

Custodian 2) is **Taurus SA**, 11 rue d'Italie, 1204 Geneva, Switzerland. The company is a securities firm maintaining client accounts, supervised by the FINMA. Taurus SA offers trading, brokerage and custody services for securities, digital assets and financial instruments.

Custody Agreement

See "*General Information—Documents on display*".

The Issuer may remove, replace or add Custodian(s) as per the relevant Final Terms.

Investment Manager

Function

The Investment Manager takes investment decisions on the basis of fundamental, technical and market specific data with the objective of achieving positive total return. The Investment Manager takes investment decision at its sole discretion, but within the boundaries set by the Asset Management Strategy as specified in the relevant Final Terms.

Information about the Investment Manager

The Investment Manager is set out in the relevant Final Terms and the Issuer may add or replace the Investment Manger as per the relevant Final Terms.

Investment Manager Agreement

As of the day of the Base Prospectus, the Issuer has not entered into an agreement with any Investment Manager (such agreements, if and when entered into, the **Investment Manager Agreement**). The Investment Policies along with the information about the Investment Managers will be made accessible on the Issuer's website upon the publication of the relevant Final Terms (www.helveteq.com).

Market Maker

Function

With regard to any Products issued as ETPs, the Market Maker commits to continuously quoting prices at which it will buy and sell the Products and the volume in which it is willing to trade on the exchange and thereby provides liquidity in the Products according to the Market Making Agreement.

Information about the Market Maker (s)

At the Date of this Base Prospectus, the Market Maker(s) related to ETPs listed on SIX (or any other regulated securities exchange) are:

Market Maker 1) is Goldenberg Hehmeyer LLP, London E14 9NN, United Kingdom is a service provider for ETPs in cryptocurrency products registered with and regulated by the Financial Conduct Authority.

Market Maker 2) is Flow Traders B.V., Jacob Bontiusplaats 9, 1018 LL Amsterdam, the Netherlands, offer diverse services for various asset classes, such as Foreign Exchange (FX), commodities, cryptocurrencies and fixed income. Flow Traders is regulated by the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten).

Market Making Agreement

See "*General Information—Documents on display*".

The Issuer may remove, replace or add Market Maker(s) as per the relevant Final Terms.

Paying Agent

Function

The Paying Agent shall perform duties such as:

- create the Securities in SIX SIS as intermediated securities and deliver such intermediated securities to the Custodian for safekeeping until required by Authorized Participant, if applicable;
- represent the Issuer with regard to payments made under or in connection with the Products through SIX SIS in accordance with the Terms and Conditions, in particular in the event of redemption of the Products by means of an Issuer Call Option or an Investor Put Option or if the Authorized Participant, as applicable, has been granted an exception for a redemption by means of cash settlement;
- cancel intermediated securities in the main register held with SIX SIS in the case of redemptions; and
- hold cash amounts received in the process of liquidating Underlying(s) until repayment of the Investors.

As long as Products are outstanding, the Issuer will maintain a Paying Agent and as long as Products are listed on SIX (or any other Swiss regulated securities exchange), the Issuer will maintain a Swiss Paying Agent for listing purposes only (the **Swiss Paying Agent**). The Issuer may appoint additional Paying Agents in relation to any Product if required by the rules of any exchange on which Products are listed or admitted to trading.

Any determinations, decisions and calculations by the Paying Agent shall, save in the case of manifest error, willful default or bad faith be final and binding on the Issuer, the Calculation Agent, the other Paying Agents and the Investors.

Information about the Paying Agent

ISP Securities AG, Zurich, Switzerland, a company incorporated under the laws of Switzerland and registered in the Commercial Register of the Canton of Zurich and licensed under the laws of Switzerland as a securities dealer under the Financial Institutions Act, is acting as Paying Agent (the **Paying Agent**).

Paying Agent Agreement

See "*General Information—Documents on display*".

The Issuer may remove, replace or add Paying Agent(s) as per the relevant Final Terms.

Security Agent

Function

The Security Agent is appointed by the Issuer to act on behalf of the Investors. Its duties and obligations include, inter alia, enforcing the rights of the Investors following the occurrence of an Event of Default or an Insolvency Event as set out in accordance with the relevant Final Terms of each Product.

Information about the Security Agent

ADEXAS Rechtsanwälte AG, Seefeldstrasse 224, 8008 Zurich Switzerland with the CHE-246.688.614. The purpose of the company is the provision of legal services in Switzerland and outside of Switzerland by means of attorneys admitted to practice in Switzerland.

Agreements

a) Security Agent Agreement

The Issuer entered into a security agent agreement with the Security Agent (the **Security Agent Agreement**). The Security Agent Agreement sets out the terms on which ADEXAS Rechtsanwälte AG will act as Security Agent.

Pursuant to the Security Agent Agreement, the Security Agent agrees to act on behalf of the Investors in an Event of Default or an Insolvency Event. The Security Agent has in particular the following obligations:

- Serve an Enforcement Notice on the Issuer pursuant to Condition 22.3 (*Enforcement*);
- Foreclosure on the Collateral following the occurrence of an Insolvency Event;
- Institute such proceedings and take any such action, steps or proceedings it may think fit against, or in relation to, the Issuer or any other person to enforce the Investors' rights and/or its own rights under the Security Agent Agreement, the Base Prospectus and the security documents thereunder.

The Security Agent is not responsible or liable for monitoring or ascertaining whether or not an Event of Default or Insolvency Event has occurred or exists. Unless and until it has received written notice to the contrary, the Security Agent shall be entitled to assume (without any liability to any person) that no Event of Default or Insolvency Event has occurred or exists.

The Security Agent is an independent contractor, and nothing contained in the Security Agent Agreement shall be deemed or construed to (i) create a partnership or joint venture between the Issuer and the Security Agent, (ii) cause the Security Agent to be responsible in any way for the debts, liabilities or obligations of the Issuer or any other party or, (iii) constitute the Security Agent or any of its employees as employees, officers, or agents of the Issuer.

The Security Agent Agreement is governed by Swiss law.

b) Pledge Agreement

The Issuer entered into a pledge agreement with the Investors, represented by the Security Agent, and the Security Agent (the **Pledge Agreement**). The Pledge Agreement provides a pledge in favor of the Investors to secure payment obligations of the Issuer under the Base Prospectus and the Final Terms.

Pursuant to the Pledge Agreement, the Issuer shall open separate Collateral Accounts with the relevant Custodian for each individual issue of Products. The Issuer undertakes to promptly notify Security Agent in writing of the opening of such Collateral Accounts, informing the Security Agent to which issue of Products the relevant Collateral Accounts are attributable and enclosing the relevant Final Terms. The Issuer further undertakes, no later than the issue date of the relevant Products, to credit and/or deposit the assets underlying the Products and/or other assets (including assets under hedging or funding arrangements) as specified in the Final Terms to the relevant Collateral Accounts for the relevant Products.

The Issuer pledges by means of a first priority pledge (the **Pledge**) all claims that it holds against Custodian related to the Collateral Accounts and all assets deposited with the Custodian and related to the Collateral Accounts. The Collateral Accounts include all accounts on which digital assets (including cryptocurrencies) or cash are held by the Issuer with the relevant Custodian presently or in the future, all securities (including intermediated securities) credited to deposit accounts held by the Issuer with the relevant Custodian presently or in the future, including all related interest, dividends, provisions etc. related to the Collateral Accounts, and any other assets, such as precious metals, held by the Issuer with the relevant Custodian presently or in the future, in favor of Investors of the Products

to which such Collateral Accounts relate. The Pledge shall be a pledge within the meaning of article 884 et seq. and article 899 et seq. of the Swiss Civil Code, as applicable. The perfection of the pledge of assets in the form of intermediated securities shall be effected pursuant to article 25 of the Swiss Federal Act on Intermediate Securities (**FISA**) by means of the Account Control Agreement (see below). For the avoidance of doubt, the Collateral relating to a Collateral Account allocated to the issue of Products shall only serve as security for the benefit of the Investors of such Products, and not as security with regard to any other Products issued by the Issuer. The Issuer further has no right to close the Collateral Accounts without the Security Agent's prior written consent.

Under the Pledge Agreement, and provided that no Event of Default or Insolvency Event has occurred, the Issuer has the right to utilize, direct or use the Collateral held within the Collateral Accounts to fulfil its obligations to the Investors under Base Prospectus and to receive and apply all its related rights thereunder (as further described in the Pledge Agreement).

Following the occurrence of an Event of Default or Insolvency Event, the Security Agent shall have the right, in addition to its rights and obligations under the Security Agent Agreement, to realize the Collateral (as further described in the Pledge Agreement).

The Security Agent is not liable for any error of judgment or mistake of law or for any loss suffered by the Parties in connection with the matters to which this Agreement relates, except for a loss resulting from willful misfeasance, bad faith or gross negligence on its part in the performance of its duties or from reckless disregard by it of its obligations and duties under the Pledge Agreement.

The Pledge Agreement is governed by Swiss law.

c) Account Control Agreement

The Issuer, the Security Agent, the relevant Custodian and the Investors, represented by the Security Agent, have entered into an account control agreement (the **ACA** or the **Account Control Agreement**) with respect to the Collateral. According to the ACA, the relevant Custodian agrees that the Issuer holds the Collateral in the Collateral Accounts and to follow the instructions of the Security Agent (acting on behalf of the Investors).

Pursuant to the ACA, the Security Agent and the Issuer appoint the Custodian and authorize the Custodian to hold the Collateral in the Collateral Accounts and the Custodian accepts the appointment and agrees to establish and maintain the Collateral Accounts and appropriate records identifying the Collateral as pledged under the Pledge Agreement. Unless the Custodian has received a notice by the Security Agent stating that an Event of Default or an Insolvency Event has occurred, the Issuer shall have full right of access to and withdrawal from the Collateral Accounts. The Custodian further undertakes to comply with all instructions given in such a notice by the Security Agent (acting on behalf of the Investors). To the extent that the securities held in the Collateral Accounts qualify as intermediated securities according to the FISA, the ACA serves as an account control agreement within the meaning of article 25 (1) FISA. Additionally, the Custodian agrees and acknowledges that the Issuer has no right to close the Collateral Accounts without the Security Agent's prior written consent.

Furthermore, the ACA provides that from and after the receipt by the Custodian of the relevant notice by the Security Agent with regard to the occurrence of an Event of Default or an Insolvency Event, the Investors, represented by the Security Agent, shall have exclusive dominion and control over the Collateral Accounts and neither the Issuer nor any person acting through or on behalf of the Issuer shall have any right of access to or withdrawal from the Collateral Accounts, and the Custodian shall not comply with any instructions originated by the Issuer or any such person directing disposition of the Collateral. The Custodian further agrees that the Collateral shall not be subject to any security interest, lien or right of set-off by the Custodian or any third party claiming through the Custodian and the Custodian shall not pledge, encumber, hypothecate, transfer, dispose of, or otherwise grant any third party an interest in, such Collateral. However, the Custodian shall have the right at any time to debit the Collateral Accounts to pay Custodian's fee and charges applicable to the Collateral Accounts.

The ACA is governed by Swiss law.

Index-related Parties

The index sponsor (the **Index Sponsor**), index calculation agent (the **Index Calculation Agent**) and index administrator (the **Index Administrator**) involved in the management of the specific indices in relation to the relevant Index linked to a Product, where applicable, will be set out in the relevant Final Terms of the Product.

Index Sponsor

The Index Sponsor is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the relevant Index; and announces (directly or through an agent) the level of the relevant Index on a regular basis.

The Issuer may remove, replace or add the Index Sponsor as per the relevant Final Terms.

Index Calculation Agent

The role of the Index Calculation Agent includes, *inter alia*, the calculation of the value of the applicable index and publishing this information in accordance with Swiss and EU requirements.

The Issuer may remove, replace or add the Index Calculation Agent as per the relevant Final Terms.

Index Administrator

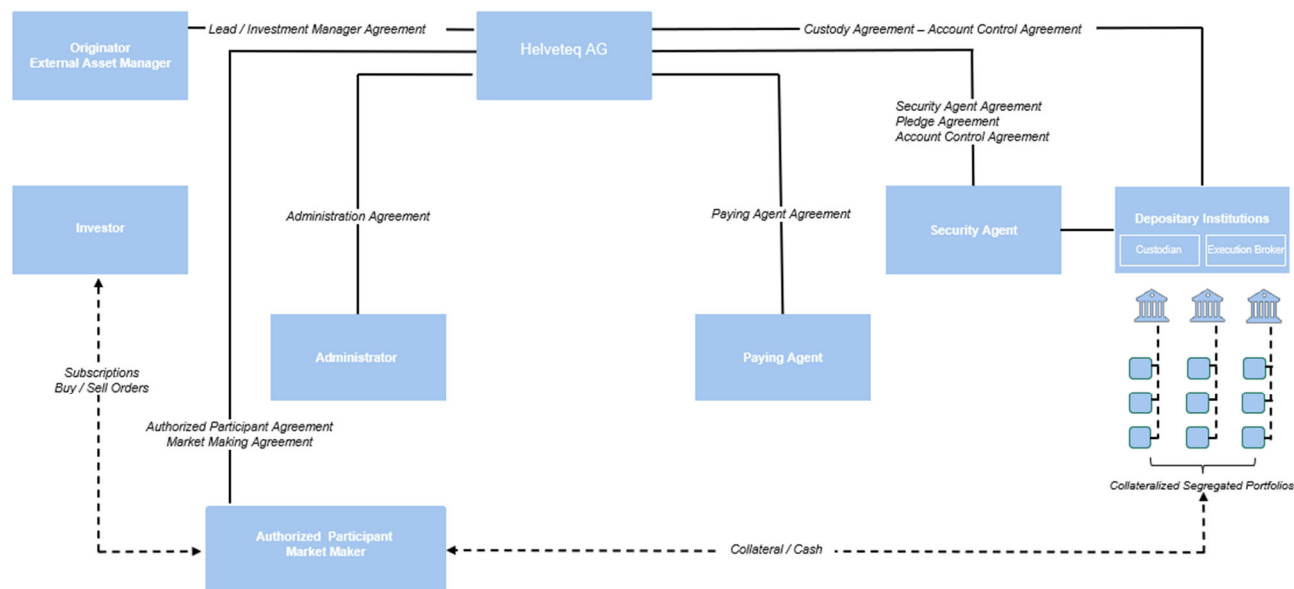
The Index Administrator controls the provision of the relevant underlying of the applicable Index. The Issuer may remove, replace or add the Index Administrator as per the relevant Final Terms.

ECONOMIC OVERVIEW OVER THE PRODUCTS

The Program

On 6 April 2023, the Issuer established a program (the **Program**) for the issuance of structured products (the **Products**).

Structure of the ProgramThe following table outlines the structure of the program



Design of the Products

The Products may be based on a wide range of underlying instrument(s) (the **Underlying(s)**), including but not limited to those defined in article 9 through 13 of the Additional Rules for the Listing of Exchange Traded Products (the **ARETP**) of the SIX, on the basis of whose performance the value of these Products will develop or change. The Underlying may further consist of any other assets to the extent that such assets may be Collateralized (as defined below) under the Collateral concept and set-up under this Program. The specific Underlying(s) on which a Product is based may be found in the final terms, which are solely authoritative (the **Final Terms**).

The Program and the Products issued under the Program are intended to offer Investors means of gaining market exposure to a wide range of Underlying(s), including equity securities, bonds, collective investment schemes, derivatives, futures, indices, foreign currencies, reference rates, precious metals, commodities and baskets or any other assets capable of being Collateralized under the Collateral concept and set-up under this Program. With regard to Products issued as ETPs and which are listed on SIX, the Underlyings are as defined in articles 9 through 13 of the ARETP and may also include digital assets whose origin are derived from a blockchain, such as cryptocurrencies and digital assets representing physical commodities and other physical assets (the **Digital Assets**) without the necessity of taking delivery of or storing the Digital Assets in personal wallets, as defined in Circular No. 3 - Practice for the Listing of Derivatives of SIX (**CIR3**).

Products may also have an inverse exposure to the performance of the Underlying(s), be leveraged by borrowing funds, replicate static strategies, dynamic strategies, discretionary strategies, or a combination thereof.

Neither the Products nor the Issuer are or are expected to be rated.

Persons (other than financial intermediaries themselves) wishing to invest in the Products will be required to hold Securities in a securities account (*Effektenkonto/Wertschriftendepot*) with a financial intermediary (*Verwahrungsstelle*). Such persons and the financial intermediaries holding Securities for their own account shall each be an Investor.

Pursuant to this Program the Issuer may issue securities (the **Securities**) for these Products linked to single underlying assets (the **Underlying**) or to a basket of Underlying Components (the **Basket**) or to an index (the **Index**), which defines a notional portfolio of Underlying, as set out in the detailed final terms applicable to the respective Product (the **Final Terms**). The return on each Product will be linked to the performance of the linked Underlying(s) as set out in section "*—Redemption*".

The value of an Investor's entitlement for the Securities equals the aggregate value of assets and other instruments and currencies held as Collateral for the relevant Product converted into the currency in which the issues and redemptions will be settled (the **Settlement Currency**) divided by the number of outstanding Securities for the Product.

The Products are, if listed on SIX or any other regulated securities exchange, tracker certificates (Type 1300 under the road map of the Swiss Structured Product Association (www.sspa.ch); the **Tracker Certificates**). The price movement of any one Product and the movement of the aggregate value of the Underlying(s) correlates 1:1, but the entitlement of the Investor will be adjusted by the conversion ratio, and/or leverage factor, and/or return factor (short Products) and other costs for borrowing, hedging or financing arrangements as well as trading, execution, transfer, emission compensation or rebalancing costs that may be taken into account for the pricing of the Products and may therefore be borne by the Investors, as the case may be in accordance with the relevant Final Terms. Such value will be further adjusted by the applicable Investor Fee and tracking errors resulting from foreign currency hedging (the **FX Hedge**) which may be entered into if the currency in which the Underlying(s) of a Product are trading on the Reference Sources (the **Base Currency**) is not the Settlement Currency to mitigate the risk of depreciation in the value of the Base Currency relative to the Settlement Currency.

The Products can be leveraged. The Products can be short providing an inverse return to the performance of the Underlying(s). The Products do not bear interest.

For Products which are issued as ETPs and are listed on SIX or any other regulated exchange, Investors can buy and sell the Securities through the trading of such Securities. The market value of a Product at which it can be purchased or sold, may differ from the value according to a hypothetical calculation of the Redemption Amount at any given point in time. For Products which are not listed on SIX or any other regulated exchange there might not be an Authorized Participant or Market Maker.

Continuous issue and redemption of Securities

Each Product has a continuous issue and redemption process, under which additional Securities may be issued by the Issuer to Authorized Participants, if any, and Securities may be redeemed by the Issuer from the Authorized Participants, if any, on a daily basis on any Business Day. Subject to the Final Terms, the issuance of Securities may be subject to a minimum investments amount (the **Minimum Investment Amount**).

Issue Price

The issue price (the **Issue Price**) will be the value of the Collateral, being the amount of assets collateralizing a Product on the issue date specified in the Final Terms (the **Issue Date**), divided by the number of Securities issued, unless otherwise specified in the relevant Final Terms.

On the Issue Date the price for each of the Securities of a Product will be equal to its Issue Price.

Redemption

Pursuant to Condition 6 (*Redemption*).

Redemption Amount

The amount per Product payable by the Issuer will be calculated by the Calculation Agent on a Termination Date or an Investor Redemption Date, unless set out otherwise in the Final Terms (the **Final Valuation Date**) in the Settlement Currency in accordance with the formula set out in the relevant Final Terms (the **Redemption Amount**), provided, however, that in the case of an Extraordinary Event, the Redemption Amount shall be reduced and may be as low as the smallest denomination of the Settlement Currency (*i.e.*, USD 0.01, EUR 0.01, CHF 0.01, GBP 0.01 or the equivalent in other Settlement Currencies).

With regard to any Products issued as ETPs or for Products which are not listed on SIX or any other regulated exchange but for which an Authorized Participant has been appointed, redemptions by Authorized Participants pursuant to Condition 6.4 (*Authorized Participant Redemption*) shall be settled by In-Kind Settlement unless the Issuer permits such redemption to be settled in accordance with Condition 6.3 (*Cash Settlement*). Payments will be made for settlement of payment obligations on any day on which (i) the relevant Settlement and Clearing Systems are open and Products can be settled,

(ii) relevant banks and custodians as well as (iii) service providers are open, (iv) foreign exchange markets execute payments in the respective Settlement Currency, (v) Underlying(s) of the relevant Product can be settled, and/or (vi) any other day, as specified in the Final Terms, if applicable (a **Business Day**).

Collateral

The Underlying(s) for each Product credited to the Collateral Account and/or any other asset, such as but not limited to hedging or financing arrangements as specified in the relevant Final Terms which serve as collateral for the Products (the **Collateral**).

The Issuer may enter into lending arrangements whereby it lends certain Underlying(s) to third parties. In such a case, the Collateral consisting of directly held Underlying(s) is replaced by Collateral in the form of futures contracts or other eligible instruments. In order to mitigate the Issuer's, and the Investor's indirect, credit risk exposure to any parties to any lending arrangements, that third party must post eligible collateral assets with a market value at least equivalent to the value of the Underlying(s) lent. Underlying(s) may be lent to third parties over a period of time. All of the Issuer's rights in any lending arrangements or assets posted back thereunder will be pledged to the Security Agent acting on behalf of Investors. The risks of lending the Underlying(s) include the risk that a borrower may not post back additional collateral assets when required or may not return the Underlying(s) when due. A default by the borrower under such lending arrangements combined with a fall in the value of the collateral assets that borrower has posted back may result in the Issuer holding insufficient assets to meet its obligations in connection with redemptions of Products and a corresponding fall in the value of an Investor's holding.

The Issuer may furthermore enter into Staking arrangements with specialized parties pursuant to which these service providers employ certain Collateral in connection with operating a node on a proof of stake (PoS) network. The service providers may or may not take custody of the Issuer's PoS digital assets. Some networks allow for delegation, whereby the Issuer maintains custody through the designated Custodian of its digital assets while delegating the digital assets to a service provider. In other cases, the network or the service provider's business model may require the node operator to have custody of the PoS digital assets being used. Once Collateral is delegated to or in the custody of the service provider, the service provider operates its node, with the benefit of larger digital asset holdings pooled from clients. The service providers generate rewards from the PoS network through their node operation, and distribute pro rata proceeds, net of costs associated with running the node, to clients that have deposited or delegated PoS digital assets. Staking may come with a risk of loss of Collateral from incurring penalties through a process known as slashing. If a disruption such as downtime or double signing occurs, validator nodes may be subject to slashing. Slashing is designed to incentivize node security, availability and network participation. Further, conversion of Staking returns into a stablecoin or other asset may be difficult if there is little to no volume of the staked asset.

Event of Default, Insolvency and Enforcement

Pursuant to Condition 22 (*Event of Default, Insolvency and Enforcement*).

Issuance process

The issue and redemption mechanism is a continuous process and is intended to ensure that Securities have sufficient liquidity and that the price at which they trade on SIX or other relevant trading venues track the relevant Underlying(s). Other than in the circumstances otherwise described herein, only an Authorized Participant may apply for or redeem Securities for products traded on SIX or any other regulated securities exchange. All other persons must buy and sell Securities through trading on SIX or other relevant trading venues on which the Securities are admitted to trading. The generic practical steps involved in the issuance of Securities under the Program are as follows:

1. The Securities are pre-created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) and subsequent entry into the main register of SIX SIS AG, Olten, Switzerland (**SIX SIS**), (*Hauptregister*) (the **Main Register**) by the Paying Agent.
2. The Authorized Participant (respectively the Paying Agent for Products for which an Authorized Participant has not been appointed) submits a creation order to the Issuer (T).
3. The Authorized Participant (respectively the Paying Agent for Products for which an Authorized Participant has not been appointed) buys the relevant Underlying(s), and transfers them to the Collateral Account specified for the respective Product (T, latest by T+1).
4. The Paying Agent transfers respective units of Product to Authorized Participant via entry in the Issuer's book of uncertificated securities (*Wertrechtbuch*) on the Issuer's behalf (T, latest by T+1).

5. The Paying Agent (i) registers new units of Products in the main register of SIX SIS and (ii) credit these to the Authorized Participant's account with SIX SIS (creation of new Products as intermediated securities (*Bucheffekten*)) via delivery free of payment (**DfP**) transfer instructions (T, latest by T+1).
6. SIX SIS clears the trade.

There are no creation limits on the Products assuming sufficient liquidity in the markets.

Redemption process

There are two types of redemption: Investor and Issuer redemption, on the one hand, and Authorized Participant redemption, on the other hand, which follow different mechanisms. The generic practical steps involved in the Redemption of Securities under the Program are described below (see "Investor and Issuer Redemption" and "Authorized Participant"). Investor and Issuer Redemption

1. Investor and Issuer redemption is triggered by any of the following events:
 - (i) Issuer terminates a Product (in whole but not in part) by means of exercising the Issuer Call Option in accordance with Condition 6.1 (*Issuer Redemption (Issuer Call Option)*).
 - (ii) Investor submits (via the financial intermediary maintaining the Investor's relevant securities account on the Investor's behalf) a Redemption Order to the Paying Agent, thereby exercising the Investor Put Option in accordance with Condition 6.2 (*Investor Redemption (Investor Put Option)*).
2. On the Termination Date or the Investor Redemption Date, the Issuer liquidates the relevant Collateral.
3. The Paying Agent cancels the relevant Securities in the Issuer's book of uncertificated securities (Wertrechtbuch).
4. The Paying Agent (i) de-registers relevant Securities in the main register of SIX SIS and (ii) debits the direct participant's account accordingly.
5. SIX SIS forwards the relevant Redemption Amount to the direct participants for distribution to the Investor against debit of Securities in the Investor's securities account in a delivery versus payment transaction.
6. The Investor(s) receives the relevant Redemption Amount (representing the proceeds from the sale of the relevant Underlying(s), net of applicable fees and accounting for any tracking error) against debit of Products in his/her securities account.

Authorized Participant Redemption

With regard to any Products listed on SIX or any other regulated securities exchange:

1. Authorized Participant redemption is triggered by an Authorized Participant requesting redemption from the Issuer as set out in Condition 6.4 (*Authorized Participant Redemption*). The ability to request the Issuer to redeem is only available to designated Authorized Participants who have entered into an Authorized Participant Agreement with the Issuer.
2. The Authorized Participant shall submit a Form of Order Request (as defined below) to the Issuer (T).
3. The Issuer and the Administrator shall verify the order to ensure that it complies with the Terms and Conditions, the relevant Final Terms and the relevant Authorized Participant Agreement and, if so, shall send an order confirmation (T+1).
4. The Paying Agent shall (i) de-register the relevant Products in the Main Register and (ii) debit the direct participant's account accordingly via delivery free of Payment (**DfP**) transfer instructions (T+1).
5. The Paying Agent shall cancel the relevant Products in the Issuer's book of uncertificated securities (Wertrechtbuch) (T+1).
6. The Custodian shall transfer the relevant Collateral to the Authorized Participant's Wallet or account on the relevant AP Redemption Date (T+1) as defined below.

TERMS AND CONDITIONS

The Issuer may from time-to-time issue Products under the Program, linked to a wide range of Underlying(s), including equity securities, bonds, collective investment schemes, derivatives, futures, indices, foreign currencies, reference rates, precious metals, commodities and baskets or any other assets capable of being Collateralized under the Collateral concept and set-up under this Program. With regard to any Products intended to be listed on SIX Swiss Exchange Ltd. (**SIX**) the possible Underlying(s) are as defined in articles 9 through 13 of the Additional Rules for the Listing of Exchange Traded Products (**ARETP**) of SIX Swiss Exchange Ltd. (**SIX**) and may also include digital assets whose origin are derived from a blockchain, such as cryptocurrencies and digital assets representing physical commodities and other physical assets (the **Digital Assets**) without the necessity of taking delivery of or storing the Digital Assets in personal wallets, as defined in Circular No. 3 - Practice for the Listing of Derivatives of SIX (**CIR3**).

The reference to a Product or Products in this section is always a reference to a Product or Products for which specific Final Terms have been issued. Such Products are therefore issued on the terms and conditions set out in this section of the Base Prospectus (each a **Condition**, and together the **Terms and Conditions**) in conjunction with the respective Final Terms relating to the Products. The Terms and Conditions and the relevant Final Terms of the Securities together constitute the conditions of the Securities and must always be read in conjunction with each other. In the case of any inconsistency between the Terms and Conditions and the terms and conditions set out in the relevant Final Terms, the Final Terms shall prevail.

Capitalized terms in the Terms and Conditions not defined in this section will have the meaning set out elsewhere in this Base Prospectus or in the relevant Final Terms.

The Investors are deemed to have read and taken notice of the provisions of these Terms and Conditions, the Final Terms, the relevant agreements listed in "*General Information - Documents on display*".

Terms defined elsewhere in this Base Prospectus form an integral part of these Terms and Conditions.

1. Product type

The Products are, if listed on SIX or any other regulated securities exchange, tracker certificates (Type 1300 under the road map of the Swiss Structured Product Association (www.sspa.ch); the **Tracker Certificates**). The price movement of any Product and the movement of the aggregate value of the Underlying(s) correlates 1:1, but the entitlement of the Investor will be adjusted by the conversion ratio, and/or leverage factor, and/or return factor (short Products) and other costs for borrowing, hedging or financing arrangements as well as trading, execution, transfer, emission compensation or rebalancing costs that may be taken into account for the pricing of the Products and may therefore be borne by the Investors, as the case may be in accordance with the relevant Final Terms. Such value will be further adjusted by the applicable Investor Fee and tracking errors resulting from foreign currency hedging (the **FX Hedge**) which may be entered into if the currency in which the Underlying(s) of a Product are trading on the Reference Sources (the **Base Currency**) is not the Settlement Currency to mitigate the risk of depreciation in the value of the Base Currency relative to the Settlement Currency.

2. Securities – form and transferability

The Securities for each Product will be issued in uncertificated form in the Minimum Investment Amount(s), if applicable, and the currency specified in the Final Terms, as uncertificated securities (*Wertrechte*) that are created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*). Such Products will then be entered into the main register of SIX SIS (*Hauptregister*) (the **Main Register**). Once the Products are registered in the Main Register of SIX SIS and entered into the accounts of one or more participants of the Clearing System, they will constitute intermediated securities (*Bucheffekten*) (**Intermediated Securities**) in accordance with the provisions of the Federal Act on Intermediated Securities of 3 October 2008, as amended (the **FISA**).

None of the Issuer, the Investors, the Paying Agent, or any other person shall at any time have the right to affect or demand the conversion of Products (as uncertificated securities) into, or the delivery of, a permanent global certificate (*Globalurkunde*) or individually certificated securities (*Wertpapiere*).

So long as the Products remain registered with SIX SIS as the settlement and clearing system (the **Settlement and Clearing System**), the Products may only be transferred or otherwise disposed of in accordance with the provisions of the FISA by entry of the transferred Products in a securities account of the transferee.

The records of the Settlement and Clearing System will determine the number of Securities held through each participant in the clearing system. In respect of the Securities held in the form of Intermediated Securities, the holders of the Securities will be the Investors.

3. Rights attached to Securities

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.

4. Collateralization

The Issuer will, by no later than the Issue Date of the relevant Products, credit the Collateral or any other eligible asset specified in the relevant Final Terms to the respective Collateral Account for such Product.

The Issuer has entered into the Pledge Agreement, the ACA, and the Security Agent Agreement in order to provide the Collateral for the benefit of the Investors to secure its payment obligations (the **Collateralization**) under the Base Prospectus and the Final Terms.

5. Term

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 Securities of any Product in accordance with the procedure described in Condition 6 (*Redemption*).

6. Redemption

6.1 Issuer Redemption (Issuer Call Option)

If an event occurs, which in the sole discretion of the Issuer requires a discontinuation of a Product (a **Termination Event**), the Issuer has the right to terminate such Product at a date of its choice (the **Termination Date**), without providing for a specific reason, by notifying the Investors as soon as possible, in any event no later than 30 Business Days prior to the Termination Date (the **Termination Notice**). The Issuer Call Option may for example (but not limited to), be exercised

- (i) if the Calculation Agent has determined that the Underlying(s) 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(s) of the relevant Products will become unlawful or impossible in whole or in part, in particular as a result of compliance by the Issuer with any 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**);
- (iii) due to increased cost of collateralization; or
- (iv) if 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.

Following a Termination Event, the Securities will be subject to redemption at the Redemption Amount on the Termination Date. If the Issuer Call Option has been exercised due to unfavorable market conditions, including illiquidity or insolvency or distressed situations relating to an Underlying(s) or a relevant market for the Underlying(s) Investors should be aware that the Redemption Amount may be considerably lower compared to the Issue Price or the last valuation of the Products before the exercise of the Issuer Call Option.

Upon exercise of the Issuer Call Option the Securities of the Product so terminated will be redeemed in accordance with the procedure set forth in Condition 6.3 (*Cash Settlement*).

6.2 Investor Redemption (Investor Put Option)

Any Investor may through its financial intermediary maintaining the relevant Securities for the Investor exercise its right to require the Issuer to redeem a number of Securities for any one Product by submitting a sell order (the **Redemption Order**) with thirty 30 Business Days' notice (the **Redemption Notice Period**) as per the redemption dates as set out in the Final Terms (the **Investor Redemption Dates**) with the Paying Agent, acting on behalf of the Issuer. The Products shall be redeemed in accordance with the procedure set forth in Condition 6.3 (*Cash Settlement*).

All Redemption Orders received by the Paying Agent or the Issuer (as the case may be) during the Redemption Notice 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 in the delivery versus payment procedure via SIX SIS.

6.3 Cash Settlement

All termination and redemption of Products, other than as set out in Condition 6.4 (*Authorized Participant Redemption*) shall be settled as per the Termination Date or the Investor Redemption Date, as the case may be, in cash in accordance with this Condition (the **Cash Settlement**).

The Calculation Agent shall determine the Redemption Amount per Security to be paid by the Issuer in respect of the Securities being terminated and redeemed in accordance with the formula set out in the relevant Final Terms. The Redemption Amount shall be no less than the smallest denomination of the respective Settlement Currency. Where no market value can be obtained, the Calculation Agent will, to the extent permitted by applicable law, determine the fair market value of such Product as per the Termination Date or the Investor Redemption Date in its duly exercised discretion and in accordance with established market practice.

On or prior to the Termination Date or the Investor Redemption Date, as the case may be, the Issuer shall, in respect of the Products being terminated and redeemed, for value on the Redemption Date, transfer (or cause to be transferred) the Redemption Amount to the Paying Agent.

On the Termination Date or the Investor Redemption Date, as the case may be, the Paying 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 SIX SIS.

6.4 Authorized Participant Redemption

With regard to any Products listed on SIX or any other regulated securities exchange, an Investor, which is also an Authorized Participant, may at any time, require the Issuer to terminate and redeem all or part of its holding of Securities of any one Product by delivery to the Authorized Participant of the Underlying(s) from the Collateral Account for such Products in an amount corresponding to the Securities to be redeemed (as determined by the Calculation Agent, the In-Kind Settlement) by lodging with the Issuer an order request in the form set out in the Authorized Participant Agreement (the Form of Order Request). In this event:

- (i) the Authorized Participant shall submit a Form of Order Request specifying in the form set out in the relevant Authorized Participant Agreement and shall include, *inter alia*, the redemption date (the **AP Redemption Date**), the number and type of Products to be redeemed and the Wallet or account to which the relevant Collateral shall be delivered, and shall be signed by an authorized signatory of the Authorized Participant;
- (ii) the Issuer and the Administrator shall verify the order to ensure that it complies with these Terms and Conditions, the relevant Final Terms and the relevant Authorized Participant Agreement and, if so, shall send an order confirmation;
- (iii) the Paying Agent shall (i) de-register the relevant Products in the Main Register and (ii) debit the direct participant's account accordingly via Delivery free of Payment (**DfP**) transfer instructions;
- (iv) the Paying Agent shall cancel the relevant Products in the Issuer's book of uncertificated securities (*Wertrechtebuch*); and
- (v) the Custodian, unless otherwise specified in the relevant Final Terms and/or Authorized Participant Agreements, shall transfer the relevant Underlying(s) from the Collateral Account to the Authorized Participant's wallet or account on the relevant AP Redemption Date. From the relevant AP Redemption Date, all title to and risks in such Underlying(s) transferred from the Collateral Account shall pass to the Investors. None of the Issuer, the Administrator the Security Agent, the Paying Agent or any Paying Agent shall be responsible or liable for any failure by the Custodian to effect delivery of the relevant Underlying(s) 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 Authorized Participant its claims in respect of such Underlying(s) 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 Collateral.

An Authorized Participant may request redemption under this Condition 6.4 to be effected on a Cash Settlement basis. If such request is approved by the Issuer, the redemption shall be effected in accordance with the procedures set out in Condition 6.3 (*Cash Settlement*).

The Issuer may change or vary the procedures for the lodgment and completion of the Form of Order Request and this Condition 6.4 shall be modified in respect of redemption to the extent of any such variation.

7. Specific information about non-listed Products

The Products under this Program which are not listed on a regulated securities exchange may have a significantly different design than ETPs under this Program. The rules and regulations of SIX or any other regulated securities exchange may not apply. Usual differences from non-listed Products to Products which are listed on a regulated securities may include (but are not limited to):

- No Market Maker(s) needs to be appointed.
- No Authorized Participant(s) needs to be appointed.
- The functions of Custodian, Administrator and Paying Agent may be managed by the same Service Provider, e.g. the Custodian may also act as Administrator and/or Paying Agent.
- Some but not all of the functions which Market Maker(s) and/or the Authorized Participant(s) fulfill for Products listed on SIX or any other regulated securities exchange may be fulfilled by a Paying Agent or other Service Providers.
- The liquidity of the Products may be limited or not existing at all. The Products may not be readily tradable. Typically, if there is any liquidity available, it is provided by the Paying Agent. Information on the Underlying(s) may be available privately and upon request only.

8. Markets and Market Disruption

8.1 Reference Sources

The Underlying(s) will be traded on and valuations will be made by the Calculation Agent based on prices issued by SIX or other exchange(s) or quotation system(s) specified in the Final Terms (the **Reference Sources**) or any successor of such Reference Sources or any substitute exchange or quotation system to which trading in the Underlying(s) may have temporarily been relocated. Any substitute exchange or quotation system must provide comparable liquidity relative to the Underlying(s) as the original Reference Source, as determined by the Issuer.

8.2 Market Disruption Event

A market disruption event (the **Market Disruption Event**) means

- (i) In relation to an Index the occurrence or existence of a suspension or a limitation on trading in or a limitation on prices for (but for the avoidance of doubt, not merely a limitation on the hours and number of days of trading resulting from an announced change in the regular business hours of) the Reference Sources for one or more index constituents relevant to such Index (calculated using the last known price of such index constituent) on a Business Day relevant for the fixing, observation or valuation of the Index; or
- (ii) In relation to a single Underlying or a Basket, the occurrence or existence of a suspension or a limitation on trading in or a limitation on the price of (but for the avoidance of doubt, not merely a limitation on the hours and number of days of trading resulting from an announced change in the regular business hours of the relevant Exchange (and/or trading venue) of the Underlying or one or more constituents of the basket so that the price or value of the Product cannot be determined, announced or published or otherwise is not being made available on a Business Day relevant for the fixing, observation or valuation of such Underlying as determined by the Calculation Agent in its duly exercised discretion.

8.3 Rights on the occurrence of a Market Disruption Event

If the 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 or the relevant Underlying in the case of a single Underlying or a Basket then the respective day relevant for the fixing, observation or valuation of the Index shall be postponed until the next following day on which there is no such Market Disruption Event.

If, in the sole opinion of the Calculation Agent, a Market Disruption Event is continuing, then (i) the day relevant for the fixing, observation or valuation of the Index or the relevant Underlying in case of a

single Underlying or a Basket and (ii) the value for that Index or the relevant Underlying for such date shall be determined by the Calculation Agent, in its duly exercised discretion and in accordance with established market practice, it being understood that for relevant Underlying(s) that are not affected by the Market Disruption Event the day relevant for the fixing, observation or valuation of the Index or the Underlying shall continue to be the originally designated date.

9. Underlying Illiquidity

9.1 Underlying Illiquidity

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

9.2 Rights upon Underlying Illiquidity

In case of Underlying Illiquidity,

- the Market Maker or Authorized Participant, if any, shall be entitled to temporarily increase the spread between the bid and offer prices of the Product to account for such prevailing market conditions.
- 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 Calculation Agent, instead of using the originally pre-defined fixing or value of the Underlying(s) (e.g., the official close of the respective Underlying(s)) set out in the Final Terms.
- 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 Calculation Agent.

10. Adjustments for Products related to any Underlying or Basket

10.1 Adjustments

An adjustment event is an event that may have a diluting or concentrative effect on the theoretical value of the relevant Underlying(s) (the **Potential Adjustment Event**).

The Issuer shall, acting in a commercially reasonable manner and in accordance with established market practice and without the consent of Investors, determine whether at any time a Potential Adjustment Event has occurred. 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(s) 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(s), the number of Underlying(s) to which the respective Product relates, the number of Underlying(s) 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).

10.2 Fork Event

In the event where a developer or a group of developers split the code base powering a Digital Asset that serves as Underlying(s) into two or more branches or variations of development and new assets are created as a result deriving from the original blockchain of the respective Underlying(s) (a **Fork**), the Issuer, in its sole discretion, will determine whether or not to participate in the Fork. 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.

10.3 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 a relevant exchange for the trading of underlying assets that pursuant to the rules of such exchange, the relevant Underlying(s) 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 Calculation Agent, in its duly exercised discretion and in accordance with established market practice representing the fair market value of the Products, determines is the fair market value. Alternatively, the Issuer is entitled to continue the affected Products with a new underlying (the **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 Underlying(s).

10.4 Airdrop

If the underlying is an Index, any additional Digital Assets obtained through a special dividend in-kind of Digital Assets serving as an Underlying(s) to participants in the blockchain (the **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 Digital Asset held following an Airdrop, will form part of the Collateral.

If the Underlying consists of a single Digital Asset, the airdropped assets will form part of the Collateral (in such form as is determined by the Issuer in its sole discretion).

10.5 Other events

In the case of events other than those described in this Condition 10, which in the sole opinion of the Issuer have an effect equivalent to that of such events, the rules described in this Condition 10 shall apply *mutatis mutandis*.

10.6 Notices of adjustment

The Issuer shall give notice to the Investors in accordance with Condition 20 (*Notices*) of any change to the terms and conditions of the Products in accordance with this Condition 10. 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 10.

11. Adjustments for Products related to an Index

This Condition 11 applies only to Products linked to an Index.

11.1 Modification of calculation or replacement of an Index

In the event that the Index Calculation Agent or a successor, 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 capitalization, or in the event that the Index Calculation Agent (or its successor), if any, replaces an Index by a new index to substituted that Index, the Issuer may (without the consent of the Investors):

- (i) either, subject to a favorable opinion of an independent expert nominated by the Index 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 20 (*Notices*) within ten (10) Business Days following the date of modification or substitution of that Index; or
- (ii) apply the provisions of Condition 11.2 (*Discontinuation of calculation of an Index*).

11.2 Discontinuation of calculation of an Index

In the case of Products related to an Index, if for any reason, on or prior to any Final Valuation Date the Index Calculation Agent or a successor, if any, 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 the Products by means of the Issuer Call Option and redeem the Products and pay to each Investor in respect of the Securities 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 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 20 (*Notices*) 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 (10) Business Days following the date of determination of the Fair Market Value.

11.3 Other events

In the case of events other than those described in this Condition 11, which in the sole opinion of the Issuer have an effect equivalent to that of such events, the rules described in this Condition 11 shall apply *mutatis mutandis*.

12. FX Disruption Event

If the Calculation Agent determines that on a Final Valuation Date an FX Disruption Event (as defined below) 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 and the Final Valuation Date in respect of the Products shall be postponed to the same Business Day on which such FX Disruption Event ceases to exist. 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 12 shall take effect only after such postponements or adjustments have been made as a result of such Market Disruption Event in accordance with the Terms and Conditions and, notwithstanding the respective provisions of the 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 12.

FX Disruption Event means the occurrence of an event that makes it impossible through legal channels for the Issuer or its affiliates to either:

- convert a Base Currency into the Settlement Currency; or
- deliver the Base Currency from accounts on which they have been held or are held upon the sale of Underlying(s) to other accounts required for the conversion into the Settlement Currency.

FX Rate means the exchange rate (determined by the Calculation Agent in good faith and in a commercially reasonable manner) for the sale of the Base Currency against the Settlement Currency on the Final Valuation Date or other date on which such exchange rate requires determination in accordance with the provisions of this Condition 12 expressed as a number of units of Base 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, or is merged with another currency to become a common currency, the affected Settlement Currency shall be replaced for the purposes of these 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 20 (*Notices*).

13. Taxation

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 Paying Agent 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.

14. Trading of Products

The **Minimum Trading Lot** for any one Product issued as an ETP, if any, will be specified in the Final Terms.

The Issuer may introduce multi-currency trading for any Products issued as an ETP after being listed on SIX (or any other regulated exchange), provided that SIX SIS supports the additional currencies. The Issuer may at any time vary or terminate the appointment of the Paying Agents. It shall give notice to the Investors in accordance with Condition 20 (*Notices*) of any modification in the appointment of the Paying Agents. Notice of any such termination of appointment or new appointment and of any change in the specified office of a paying agent will be given to the Investors in accordance with Condition 20 (*Notices*).

15. Paying Agent

The initial Paying Agent is ISP Securities AG, Zurich. The Issuer may also appoint any other paying agent specified in the relevant Final Terms, provided that there will always be a Swiss Paying Agent as long as the Products are listed on SIX (or any other Swiss regulated exchange). The Issuer may also appoint several paying agents in relation to any one Product.

The Paying Agent 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 Paying Agent shall (save in the case of manifest error, willful default or bad faith) be final and binding on the Issuer, the Calculation Agent, the other Paying Agents and the Investors.

16. Calculation Agent

The initial Calculation Agent is the Issuer, unless specified otherwise in the Final Terms. The Issuer may at any time vary or terminate the appointment of the Calculation Agent. It shall give notice to the Investors in accordance with Condition 20 (*Notices*) of any modification in the appointment of the Calculation Agent.

The 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 Calculation Agent shall (save in the case of manifest error, willful default or bad faith) be final and binding on the Issuer (if the Calculation Agent is not the Issuer), the Paying Agents and the Investors.

The Calculation Agent may 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 Calculation Agent. It shall give notice to the Investors in accordance with Condition 20 of any modification in the appointment of the Calculation Agent.

17. Security Agent

The Security Agent is ADEXAS Rechtsanwälte AG, Seefeldstrasse 224, 8008 Zurich Switzerland with the UID CHE-246.688.614, or any other Security Agent specified in the relevant Final Terms or any successor security agent of such Security Agent.

By investing in the Product(s), each Investor (i) appoints and instructs the Security Agent (or its successors) to act as its agent under and in connection with the Pledge Agreement and the Account Control Agreement, subject to the terms and conditions of the Security Agent Agreement; and (ii) agrees and acknowledges that the Issuer shall appoint the Security Agent (or its successors) to act on behalf of the Investors in accordance with the terms and conditions of the Security Agent Agreement.

The Issuer may at any time vary or terminate the appointment the Security Agent in accordance with the provisions of the Security Agent Agreement. It shall give notice to the Investors in accordance with Condition 20 of any modification in the appointment of the Security Agent.

The Security Agent may, in accordance with the provisions of the Security Agent Agreement, delegate any of its obligations and functions to a third party, as it deems appropriate.

Pursuant to the Security Agent Agreement, the Security Agent is entitled to be 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, willful misconduct or gross negligence).

18. Liability for Losses

Without prejudice to the provisions of the Security Agent Agreement, none of the Issuer, any Authorized Participant, the Custodian, the Calculation Agent, the Security Agent or any Paying Agent 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 this Base Prospectus or with respect to the Product, irrespective of whether the agents act in the interest of the Issuer or the Investor.

None of the Issuer, the Custodian, the Security Agent or any other involved party with the Product shall be liable for fraud, theft, cyber-attacks or any analogous or similar event (each an **Extraordinary Event**). Upon the occurrence of such an event with respect to, or affecting the Products or the Underlying(s), the Redemption Amount will be reduced to account for such Extraordinary Event and may be as low as the smallest denomination of the Settlement Currency (i.e. USD 0.01, EUR 0.01, CHF 0.01, GBP 0.01 or the equivalent in other Settlement Currencies), as determined by the Calculation Agent.

In no event shall the Issuer, the Custodian, or the Security 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.

Furthermore, none of the Issuer, the Custodian, the Security Agent, or any other involved party with the Product shall be liable to compensate Investors for any losses incurred by force majeure such as strikes, blockades, acts of war, lockout, or other similar circumstances. In case the Issuer is prevented from taking measures under these Terms and Conditions due to occurrences of events that qualifies as force majeure, such measures may be postponed until such event has ceased.

19. 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 public 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.

20. Notices

Notices to Investors relating to Products listed on SIX will be published in accordance with the regulations of SIX, as in force, on the SIX website (www.six-swiss-exchange.com/news/official_notices), on the Issuer's website (www.helveteq.com) or, in any other form as permitted by the rules and regulations of SIX. They will only be published in the English language.

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

Notices to Investors of nETPs may be published, as specified in the relevant Final Terms, on the Issuer's website (www.helveteq.com), on another website, in newspapers or otherwise.

21. Further Issuance of Securities

The Issuer may without the consent of the Investors create and issue further Securities, thereby increasing the number of Securities in the market (provided that the Underlying(s) are also increased by a corresponding amount). Such Securities shall have the same terms and conditions as the respective Product in all respects (or in all respects save for their Issue Date and Issue Price or otherwise stated in the relevant Final Terms) so that such further issue shall be consolidated and form a single Product with the outstanding Securities of such Product. Alternatively, the Issuer may decide to create and issue a separate Product upon such terms as the Issuer may determine at any time of their issue and as set out in the Final Terms of such separate Product. References in these Terms and Conditions to the Products include (unless the context requires otherwise) any other Securities issued pursuant to this Condition and either forming part of the existing Products or a separate Product.

22. Issuer's covenant to pay and priority of payments

The Issuer covenants with and undertakes to the Investors, and also for the benefit of the Security 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 Pledge.

Save for any monies received in connection with the realization or enforcement of all or part of the Pledge, all monies received by or on behalf of the Issuer in relation to any Redemption in accordance with Condition 6 (*Redemption*) will be paid in the following order of priority:

- *firstly*, in payment or satisfaction of all amounts then due and unpaid or payable to the Security Agent;

- *secondly*, in payment or satisfaction of all amounts then due and unpaid to the Paying Agent and the Investment Manager;
- *thirdly*, in payment or satisfaction of all amounts then due and unpaid to the Custodian;
- *fourthly*, in payment of any Redemption Amounts due and unpaid owing to the Investors; and
- *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).

23. Event of Default, Insolvency and Enforcement

23.1 Event of Default

An event of default (the **Event of Default**) occurs when the Issuer is in breach of the issuance conditions of the Product that results in a claim for the Investors, where Issuer does not honor a payment or delivery commitment under the Product when it falls due according to the issuing conditions, or does not honor such a commitment in good time or without defects, unless those defects are remedied within ten (10) Business Days.

If an Event of Default occurs, then Investors holding at least 25% of the outstanding Product may, by notice in writing to the Issuer (at its registered office) and the Security Agent (at its specified office and with a copy to the Administrator), declare the relevant Product to be, and whereupon it shall become, immediately redeemable without further action or formality (**Acceleration**). Such redemption shall be effected by the Issuer in accordance with Condition 23 (*Default, Insolvency and Enforcement*).

23.2 Insolvency Event

Upon the Issuer being declared bankrupt within the meaning of article 736 paragraph 3 Swiss Code of Obligations and the Swiss Debt Enforcement and Bankruptcy Act of 11 April 1889, as amended (**DEBA**) by a competent court (an **Insolvency Event**), all Products shall become immediately redeemable without further action or formality in accordance with Condition 23 (*Default, Insolvency and Enforcement*).

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

23.3 Enforcement

No Investor shall be entitled to proceed directly against the Issuer or any other party to the Program in respect of any of the Products issued thereunder unless such Investor has first sought enforcement of the Pledge created over the Collateral in accordance with the Security Agent Agreement.

The Security Agent shall upon the occurrence of an Event of Default or Insolvency Event, subject to being indemnified and/or secured and/or prefunded to its satisfaction, serve an **Enforcement Notice** on the Issuer and, at any time and without notice, institute such proceedings and/or take such action, steps or proceedings as it may think fit against, or in relation to, the Issuer or any other person to enforce its rights under this Base Prospectus and the relevant Final Terms, if

- i) in the case of an Event of Default, so instructed in writing by Investors representing not less than 25% of the relevant Product (a **Required Threshold**), or
- ii) in the case of an Insolvency Event, so instructed by any Investor (a **Required Threshold**) in writing,

subject to the provisions of the Security Agent Agreement and the Pledge Agreement.

The instructions and/or notices to the Security Agent according to Conditions 23.1 and 23.2 can be combined.

23.4 Post-Enforcement Priority of Payments

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

- *firstly*, in payment or satisfaction of all amounts then due and unpaid or payable to the Security Agent;
- *secondly*, in payment or satisfaction of all amounts then due and unpaid to the Paying Agent and the Investment Manager;

- *thirdly*, in payment or satisfaction of all amounts then due and unpaid to the Custodian
- *fourthly*, in payment of any Redemption Amounts due and unpaid owing to the Investors; and
- *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 payment of the Pledge Enforcement Proceeds by the Security Agent via Paying Agent to Investors shall be made exclusively in the currency of the Product. The Security Agent may request additional information from Investors or set specific requirements to comply with applicable law. The Security Agent may refuse to transfer any Pledge Enforcement Proceeds to an Investor and the claim of the Investor lapses if the Investor is not providing the additional information or is not fulfilling the specific requirements.

No interest and no default interest is payable on the Investors' claims against the Security Agent, which correspond to their pro-rata shares of the Pledge Enforcement Proceeds, nor is the Security Agent liable to the Investors for any further damages whatsoever. No other or further claims of any nature may be made against the Security Agent or third parties.

The payment of pro-rata Pledge Enforcement Proceeds by the Security Agent to the Investors, under the terms of the Security Agent Agreement, discharges the Investors' claims against the Issuer that related to the Product.

24. Statute of limitation (Prescription)

Claims for payment of the Redemption Amount in respect of the Product shall be barred by the statute of limitation (prescription) in accordance with the applicable Swiss law, unless made within ten (10) years from the relevant Termination Date or the Investor Redemption Date, as the case may be.

25. Substitution

The Issuer may at any time, without the consent of the Investors, substitute for itself as obligor under the Product 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 Product. If such substitution occurs, then any reference in this Base Prospectus to the Issuer shall be construed as a reference to the New Issuer. Any substitution will be promptly notified to the Investors. 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.

26. Selling Restrictions

Save for the approval of this Base Prospectus in relation to the Program by SIX Exchange Regulation Ltd. and, with regard to any Products intended to be listed on SIX or any other regulated securities exchange, the listing of such Products on SIX or any other regulated securities exchange based on the Final Terms, 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 of 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.

27. Severance

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

28. Modification of the Terms and Conditions and the Final Terms

The Issuer shall be entitled to amend without the consent of the Investors any clause 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 clause 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.

29. Governing law and jurisdiction

The Products are governed by, and shall be construed in accordance with, Swiss law (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 the City of Zurich, the place of jurisdiction being Zurich 1.

FORM OF FINAL TERMS

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail Investor in the European Economic Area (**EEA**). For these purposes, a retail Investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive (EU) 2016/97 (the **IDD**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or not a qualified Investor as defined in Regulation (EU) 2017/1129 (the **Prospectus Regulation**).]

FINAL TERMS DATED [•]

Helveteq AG

(a company with limited liability established under the laws of Switzerland)

Issue of
[number]

[Product name] (each a **Security**, together the **Securities**)

pursuant to the Issuer's

Structured Products Program

This document constitutes the Final Terms of the Securities of the Product described herein.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Securities (the **Terms and Conditions**) issued by Helveteq AG (the **Issuer** or **Helveteq**) set forth in the base prospectus dated [•] [as supplemented by the Supplements thereto dated [•]] (the **Base Prospectus**). This document constitutes the Final Terms of the Securities described herein and must be read in conjunction with the Base Prospectus (and any Supplement thereto). Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus (together with any supplement thereto) is available for viewing at the registered office of the Issuer and on the website of the Issuer (www.helveteq.com). The Final Terms will be available for viewing at the registered office of the Issuer and on the website of the Issuer (www.helveteq.com).

The Securities are not shares or units in collective investment schemes within the meaning of Swiss Collective Investment Schemes Act of 23 June 2006 (**CISA**). They have not been approved by the Swiss Financial Market Supervisory Authority FINMA and are not subject to its supervision. The Securities are not issued or guaranteed by a supervised financial intermediary within the meaning of CISA. The Base Prospectus, together with the Final Terms, constitutes the listing prospectus with respect to the Securities described herein for the purposes of the Federal Act on Financial Services (**FinSA**). In accordance with article 58a of the Listing Rules of SIX in their version dated 1 October 2021, the Issuer has appointed Baker McKenzie Zurich, Holbeinstrasse 30, Zurich 8034, Switzerland, as recognized representative to file the listing application with SIX.

Issue Date	[•]
Issue Size	[•] Securities [(with reopening clause)]
[Reopening]	[•]

Date on which Securities become fungible	[Not Applicable / The Securities shall be consolidated and form a single Product with the existing securities issued for the Product on the [Issue Date] / [Insert date]].
ETP Security Type	Debt instrument
Admission to trading	[Yes/No]
[Exchange]	[SIX Swiss Exchange] [•]
Issue Price	[•]
	[The Issue Price is calculated as follows: Aggregate Collateral value on the Issue Date in [Settlement Currency] divided by the number of outstanding securities: [to be inserted].] The Issue Price is subject to any applicable fees and commissions of the person offering the Securities.
[Nominal value]	[•]
[Denomination]	
[Base Currency]	[USD] / [EUR] / [other]
Settlement Currency	[USD] / [EUR] / [other]
Underlying	[single Underlying] [Basket: the underlying components of the basket are the following: [[•] Weight: [•] Relevant Underlying Exchange: [•] Base Currency: [•]] [[•] Weight: [•] Relevant Underlying Exchange: [•] Base Currency: [•]] [[•] Weight: [•] Relevant Underlying Exchange: [•] Base Currency: [•]] [Permitted Investments: [•]]] [[Index: [Index Sponsor: [•]] [Publishing Party: [•]]] [The current Index Guide is available on [•] Index type: [price][performance (total return)]]]
[Reference Source(s) for Underlying prices]	[The Reference Source(s) for the price of the Underlying are: [Bitstamp],[Coinbase], [Gemini], [itBit], [Kraken], [•]].]
[Hedging Arrangements]	[Not Applicable] / [•]
Redemption Amount	The Redemption Amount is calculated as follows: [•]. The Redemption Amount may also be subject to additional fees related to the transfer of fiat assets.
[Reference Price]	The Calculation Agent will determine the Reference price of the Underlying for one day based on the prices at the Reference Source(s) for this Underlying at its sole discretion.
Maturity Date	[n/a, this is an open-ended Product] / [•]
Investor Redemption Date	The date as set out in the Final Terms at which the Investor exercises its right to require the Issuer to redeem a number of Securities for any one Product through its financial intermediary, in accordance with Condition 6.2 and the relevant Final Terms.
[Cash Settlement]	[•]
Amount of any expenses and taxes specifically charged to the subscriber or purchaser	Except as set out in the Base Prospectus ("Fees related to the Products"), all expenses related to the services provided by the service providers are included in the Investor Fees.
[Initial Valuation Date]	[•]
Final Valuation Date	[Not Applicable] / [•]
Minimum Investment Amount	[Not Applicable] / [•]
Minimum Trading Lot	[Applicable] [Not Applicable] [USD] [EUR] [CHF] [GBP] [•]
Investor Fee	[•] p.a. (deducted pro rata daily)
Calculation Agent:	Name: [•] Address: [•]
[Index Calculation Agent:]	Name: [•] Address: [•]

Administrator:	Name: [•] Description: [•]
Custodian	Name: [•] Address: [•]
Paying Agent	[•] / [Not Applicable]
[Additional Paying Agent]	[•] / [Not Applicable]
Market Maker	[•]
[Authorized Participant]	[•]
[Investment Manager	[•]
[Asset Management Strategy]	[The objective is to achieve positive total return. The Investment Manager [...] pursues a [static] / [dynamic] / [discretionary] investment strategy with the following goals / objectives: [...].]
Significant or material changestatement	[Save as disclosed in [refer to any relevant disclosure],] There has been no significant change in the financial or trading position of the Issuer and there has been no material adverse change in the financial position or the prospects of the Issuer since [the date of this Base Prospectus i.e. [•] /insert date of latest annual or interim financial statements].]
Responsibility	The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge of the Issuer, which has taken all reasonable care to ensure that such is the case, the information contained in this Final Terms is in accordance with the facts and contains no omission likely to affect its import.
Date of Board of Directorsapproval of issuance	[•]

Signed on behalf of the Issuer as duly authorized representative:

By: _____

By: _____

PART B – OTHER INFORMATION

Listing and admission to trading	[Application has been made for the Product to which these Final Terms apply to be admitted to [the SIX Swiss Exchange] [and] [other]] [Not Applicable]
Interests of natural and legal persons involved in the issue	[So far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer] / [give details]
[Third Party Information]	[[<i>Relevant third-party information</i>] has been extracted from [*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]
Additional Selling Restrictions	[Not Applicable] [specify]
[Distribution / Authorized Participants]	[An offer of the Securities may be made only by authorized participants (the Authorized Participants) in or from any jurisdiction in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on the Issuer. Offers of the Securities are conditional upon their issue and, as between the Authorized Participants and their customers, any further conditions as may be agreed between them. Each Authorized Participant as well as each of the following of financial intermediary/ies qualifies as an Authorized Participants and shall be authorized to use the Base Prospectus, as completed by these Final Terms: [[*], Switzerland]]
Security Codes	Valoren: [*] ISIN: [*] Clearing Code: [*]
Settlement and Clearing System	[SIX SIS AG, [specify address] / [give details of additional or alternative clearing system(s)]
Terms and Conditions of the Offer	Securities are made available by the Issuer for subscription only to the Authorized Participants
Offer Price:	[Not Applicable] / [provide details if applicable]
Conditions to which the offer is subject:	Offers of the Securities are conditional upon their issue and, as between the Authorized Participants(s) and their customers, any further conditions as may be agreed between them
Description of the application process:	[Not Applicable] / [provide details if applicable]
Description of the possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable] / [provide details if applicable]
Details of the minimum and/or maximum amount of application:	[Not Applicable] / [provide details if applicable]
Details of the method and time limited for paying up and delivery the Securities:	[Not Applicable] / [provide details if applicable]
Manner in and date on which results of the offer are made available to the public:	[Not Applicable] / [provide details if applicable]
Procedure for exercise of any right of pre-emption, negotiability	[Not Applicable] / [provide details if applicable]
of subscription rights and treatment of subscription rights not exercised:	

Whether tranche(s) have been reserved for certain countries:	[Not Applicable] / [provide details if applicable]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable] / [provide details if applicable]
Name(s) and address(es), to the extent known to the Issuer, of the places in the various countries where the offer takes place:	Switzerland / [•] / [•]
Name and address of financial intermediary/ies authorized to use the Base Prospectus, as completed by these Final Terms (the Authorized Participant):	[•] [expressly named as an Authorized Participant on the Issuer's website (www.helveteq.com).
ESG Transparency Statement	[This Product is classified as non-ESG https://helveteq.com/mifid2-sfdr-new/][•]
Additional information with respect to the Index:	[Not Applicable] / [provide details if applicable]
Additional information related to Staking:	[Not Applicable] / [provide details if applicable]
Additional information related to risks:	[Not Applicable] / [provide details if applicable]

FEES RELATED TO THE PRODUCTS

Investor Fee

Investors will be charged a fee in respect of the Products in the amount specified in the relevant Final Terms (the **Investor Fee**). The rate will be set out in the relevant Final Terms, and is applied to the Collateral on a daily basis, each following calendar day after the Issue Date (including holidays and weekends) until redemption.

It is important to note that the Investor Fee does not cover tax consequences in the case of rebalances which may additionally impact the value of the Collateral. In addition, the pricing of the Collateral may be subject to a spread of as much as 1-1.5% or more by Market Makers and Authorized Participants, if appointed.

Furthermore, costs for borrowing, hedging or financing arrangements as well as trading, execution, transfer, emission compensation or rebalancing costs may be taken into account for the pricing of the Products and may therefore be borne by the Investors, as the case may be in accordance to the relevant Final Terms.

Principles of calculation

The Final Terms will set out the Investor Fee and the process of determining the value of the Investor Fee.

Impact of Investor Fee on value of Securities and on the Collateral

The Investor Fee is paid from the Collateral, thus affecting the Collateral calculation for the subsequent Trading Day. Because the Collateral forms the basis for determining the value of each Security, the aggregate effect of the Investor Fee will increase or decrease in a manner directly proportional to the value of each Security and the amount of Securities (held by an Investor, as applicable).

SELLING RESTRICTIONS

General

These selling restrictions may be modified or changed following a change in a relevant law, regulation or directive as set out in the relevant Final Terms issued in respect of the issue of the Products to which it relates or in a supplement to this Base Prospectus.

The Issuer does not represent that the Products may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

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.

Each Authorized Participant, if any, agrees in the relevant Authorized Participant Agreement that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Products or has in its possession or distributes this Base Prospectus, any other offering material or any Final Terms and neither the Issuer nor any other Authorized Participant shall have responsibility therefor.

United States of America

Nothing in this Base Prospectus constitutes an offer of securities for sale in any jurisdiction where it is unlawful to do so. The Product has not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) or with any securities regulatory authority of any state or other jurisdiction of the United States and (i) may not be offered, sold or delivered within the United States to, or for the account or benefit of U.S. Persons (as defined in Regulation S under the Securities Act), except according to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable State securities laws and (ii) may be offered, sold or otherwise delivered at any time only to transferees that are non-United States persons (as defined by the U.S. Commodities Futures Trading Commission). The Base Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. In particular, it may not be forwarded to any U.S. address. Any forwarding, distribution, or reproduction of this Base Prospectus in whole or in part is unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. If you have gained access to this Base Prospectus contrary to any of the foregoing restrictions, you are not authorized and will not be able to purchase any of the securities described herein.

European Economic Area

The Product is not intended to be offered, sold, or otherwise made available to and should not be offered, sold, or otherwise made available to any retail Investor in the European Economic Area (**EEA**) or the United Kingdom. For these purposes, a retail Investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4 (1) of Directive 2014/65/EU (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the **IDD**), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II; or (iii) not a qualified Investor as defined in Regulation (EU) 2017/1129 (the **Prospectus Regulation**). No key information document is required by Regulation (EU) No 1286/2014 (as amended, the **PRIPs Regulation**) for offering or selling the Product or otherwise making it available to retail Investors in the EEA or the United Kingdom has been or will be prepared. This Base Prospectus has been prepared on the basis that any offer of the Product in any Member State of the EEA or the United Kingdom will be made according to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of such products. This Base Prospectus is not a prospectus for the purposes of the Prospectus Regulation.

In relation to each Member State of the European Economic Area (each, a **Member State**), an offer of the Product to the public may not be made in that Member State, except that an offer of the Product to the public in that Member State may be made at any time under the following exemptions under the Prospectus Regulation: (i) to any legal entity which is a qualified Investor as defined in the Prospectus Regulation; (ii) to fewer than 150 natural or legal persons (other than qualified Investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the representatives of the underwriters for any such offer; or (iii) in any other circumstances falling within article 1 (4) of the

Prospectus Regulation, provided that no such offer of the Product shall result in a requirement for the publication by us or any underwriter of a prospectus according to article 3 of the Prospectus Regulation. This European Economic Area selling restriction is in addition to any other selling restrictions set out below.

United Kingdom

This Base Prospectus is being distributed only to, and is directed only at persons outside the United Kingdom or persons in the United Kingdom who are (i) persons who have professional experience in matters relating to investments falling within article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **Order**), (ii) high net worth entities falling within article 49 (2) of the Order or (iii) persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the **FSMA**) in connection with the issue or sale of the Product may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as **Relevant Persons**). Any investment or investment activity to which this Base Prospectus relates is available only to and will be engaged in only with Relevant Persons, and any person who is not a relevant person should not act or rely on this document or any of its contents. Persons into whose possession this Base Prospectus may come are required by the Issuer and the underwriters to inform themselves about and to observe such restrictions. This Base Prospectus has not been approved by the Financial Conduct Authority or any other competent authority.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Securities issued in relation to Products under the Program are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the **UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Products or otherwise making them available to retail investors in the UK has been prepared and, therefore, offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

This Base Prospectus has been prepared on the basis that any offer of the Securities issued in relation to Products under the Program in the UK will be made pursuant to an exemption under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the **UK Prospectus Regulation**) from a requirement to publish a prospectus for offers of The Securities issued in relation to Products under the Program. This Base Prospectus is not a prospectus for the purpose of the UK Prospectus Regulation.

Singapore

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore and is not a prospectus as defined under the Securities and Futures Act, Chapter 289 of Singapore (the SFA). Accordingly, statutory liability under the SFA regarding the content of prospectuses would not apply. Investors should consider carefully whether the investment is suitable for them.

This Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities may not be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to Section 275(1) of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA provided that all persons to whom any such offer or sale, or invitation for subscription or purchase of the Securities is made are institutional investors or accredited investors (as respectively defined in Section 4A of the SFA).

Subject to all other restrictions on transferability imposed by the Issuer, where the Securities are acquired pursuant to an offer made in reliance on an exemption under Section 274 or 275 of the SFA, subsequent sales of the Securities may only be made to an: (a) institutional investor, or (b) an accredited investor or as otherwise permitted under Singapore law.

Hong Kong Special Administrative Region

Neither this Base Prospectus nor any applicable Final Terms have been authorized by the Hong Kong Securities and Futures Commission. Each of the Issuer, Security Agent and any other dealer to be appointed under the Program (as the case maybe) has further represented and agreed or will be required to represent and agree, that it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are not intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap 571) of Hong Kong (the **SFO**) and any rules under the SFO.

Restrictions with regard to Authorized Participant(s)

United States of America

Each Authorized Participant, if any, represents and agrees in the relevant Authorized Participant Agreement that it has not offered or sold and will not offer and sell Products at any time, directly or indirectly, within the United States or its possessions or for the account or benefit of any U.S. person (as defined in Regulation S under the Securities Act) or any person that is not a Non-United States person (as defined by the U.S. Commodity Futures Trading Commission). Each Authorized Participant, if any, has further represented and agreed that it has not offered, sold or delivered and will not offer, sell or deliver Products except in accordance with Rule 903 of Regulation S, and that none of it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to such Products, and it and they have complied and will comply with the offering restrictions requirement of Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of Products within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Offering materials for the offering of the Products have not been filed with or approved or disapproved by the SEC or any other state or federal regulatory authority, nor has any such regulatory authority passed upon or endorsed the merits of this offering or passed upon the accuracy or completeness of any offering materials. Any representation to the contrary is unlawful.

European Economic Area

Where sales to retail investors is not specified as prohibited in the applicable Final Terms, in relation to each Member State of the EEA, the Issuer has not and will not, and each Authorized Participant, if any, has represented and agreed, and each further Authorized Participant appointed to issue Products under the Programme will be required to represent and agree, that it has not made and will not, make an offer of Products which are the subject of any offering contemplated by this Base Prospectus as completed by the Final Terms to the public in that Member State except that it may make an offer of the Products to the public in that Member State at any time:

- (i) to any legal entity that is a qualified investor as defined in the Prospectus Regulation;
- (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the Authorized Participant nominated by the Issuer for any such offer; or
- (iii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Products referred to in clauses (ii) to (iii) above shall require the Issuer or any Authorized Participant to publish a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an offer of Products to the public in relation to any Products in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Products to be offered so as to enable an investor to decide to purchase or subscribe the Products and the expression Prospectus Regulation means Regulation (EU) 2017/1129.

Where sales to retail investors is specified as prohibited in the applicable Final Terms, the Issuer has not and will not, and each Authorized Participant, if any, has represented and agreed, and each further Authorized Participant appointed to issue Products under the Program will be required to represent and

agree, that it has not, offered, sold or otherwise made available and will not offer, sell or otherwise make available any Products which are the subject of any offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of MiFID II;
- (ii) a customer within the meaning of the IDD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
- (iii) not a qualified investor as defined in the Prospectus Regulation.

The expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Products to be offered so as to enable an investor to decide to purchase Products.

United Kingdom

Each Authorized Participant, if any, of the Products has represented and agreed that:

- a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (FSMA)) received by it in connection with the issue or sale of any Products in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Products in, from or otherwise involving the United Kingdom.

Where sales to retail investors is specified as prohibited in the applicable Final Terms, the Issuer has not and will not, and each Authorized Participant, if any, has represented and agreed, and each further Authorized Participant appointed to issue Products under the Program will be required to represent and agree that it has not, offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes that are the subject of the offering contemplated by this Base Prospectus as completed, supplemented, amended or replaced by such Final Terms to any retail investor in the UK.

For purposes of this provision:

- a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**);
 - (ii) a customer within the meaning of the provisions of the FSMA, and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA (the **UK Prospectus Regulation**); and
- b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

TAXATION

Switzerland

The following discussion is a summary of certain material Swiss tax considerations relating to (i) Products issued by the Issuer where the holder is tax resident in Switzerland or has a tax presence in Switzerland or (ii) Products where the paying agent, Custodian or securities dealer is located in Switzerland. The considerations regarding taxation contained in this Base Prospectus do not constitute any sort of material information or tax advice nor are they in any way to be construed as a warranty with respect to specific tax consequences.

The discussion is based on legislation as of the date of this Base Prospectus. It does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in the Products. The tax treatment for each Investor depends on their specific tax situation. All Investors are advised to consult with their professional tax advisers as to the respective Swiss tax consequences of the purchase, ownership, disposition, lapse, exercise or redemption of the Products in light of their particular circumstances.

Swiss Federal Withholding Tax (Verrechnungssteuer)

Payments on products issued by the Issuer that are classified as interest are generally subject to Swiss federal withholding tax. The tax is currently imposed at a rate of thirty-five (35) percent. The amounts subject to tax depend on the tax classification of the Products. Issuance discount, redemption premium or payments reflecting accrued interest may be taxable upon redemption or maturity of the securities.

Reinvestments and distributions of income from fund-like products to investors may be subject to Swiss federal withholding tax (taxation at source) at the rate of thirty-five (35) percent. Capital gains paid by way of a separate coupon are not subject to Swiss federal withholding tax. Income and capital gains realized on investments abroad may be subject to the relevant withholding tax deductions imposed by the country of investment.

Swiss resident individuals who hold the Products as private assets are in principle eligible for a full refund or credit against income tax of the Swiss federal withholding tax if they duly report the underlying income in their income tax return. In addition, (i) corporate investors who are resident in Switzerland for tax purposes, (ii) Swiss resident individuals holding the Products in connection with the conduct of a trade or business in Switzerland, (iii) corporate and individual investors who are not tax resident in Switzerland, and who, in each case hold their Products as part of a trade or business carried on in Switzerland through a permanent establishment with fixed place of business situated in Switzerland for tax purposes and (iv) Swiss resident private individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, inter alia, frequent dealing, or leveraged investments, in shares and other securities are in principle eligible for a full refund or credit against income tax of the Swiss federal withholding tax if they duly report the underlying income in their income statements or income tax return, as the case may be.

Investors who are not resident in Switzerland for tax purposes, and who, during the respective taxation year, have not engaged in a trade or business carried on through a permanent establishment or fixed place of business situated in Switzerland for tax purposes, and who are not subject to corporate or individual income taxation in Switzerland for any other reason may be entitled to a full or partial refund of the Swiss withholding tax if the country in which such recipient resides for tax purposes maintains a bilateral treaty for the avoidance of double taxation with Switzerland and any further conditions of such treaty are met. Non-Swiss resident investors should be aware that the procedures for claiming tax treaty benefits (and the time required for obtaining a refund) may differ from country to country.

Potential new withholding tax regime

On 3 April 2020, the Swiss Federal Council published a consultation draft on the reform of the Swiss withholding tax system applicable to interest on bonds. This consultation draft provides for, among other things, the replacement of the current debtor-based regime applicable to interest payments with a paying agent-based regime for Swiss withholding tax. Under this paying agent-based regime generally all interest payments made by paying agents acting out of Switzerland to individuals resident in Switzerland will be subject to Swiss withholding tax. However, the results of the consultation were controversial. Consequently, on 15 April 2021, the Swiss Federal Council published a new draft on the reform of the Swiss withholding tax system providing, inter alia, for the abolition of Swiss withholding tax on interest payments on bonds.

Income Taxation

Products held as Private Assets by a Swiss resident holder

Structured Notes

If a Product classifies as a structured note, its income taxation depends on whether the bond and the derivative financial instrument(s) embedded therein are recorded separately from each other and whether the Product is classified as a structured note with or without a predominant one-time interest payment (a structured note is classified as a note with a predominant one-time interest payment if the one-time interest payment exceeds the sum of the periodic interest payments): Non-transparent derivative financial instruments: If the bond is not recorded separately from the embedded derivative financial instrument(s), the Product is classified as non-transparent structured note and any return over the initial investment is classified as a taxable interest payment. Non-transparent derivative financial instruments generally include a predominant one-time interest payment and are taxed in accordance with the principles set forth below under "—Transparent derivative financial instruments with a predominant one-time interest payment".

Transparent derivative financial instruments without a predominant one-time interest payment

If the bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment (see below "*—Transparent derivative financial instruments with a predominant one-time interest payment*"), then any such periodic interest payment and the non-predominant one-time interest payment, if any, is taxed when paid to the holder of the Product. A gain, including interest accrued, a loss, respectively, realized on the sale of a Product is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively (see below "*—Capital Gains, Products held as Private Assets by a Swiss resident holder*"). The same applies if the Product is redeemed except that interest accrued is taxed when paid.

Transparent derivative financial instruments with a predominant one-time interest payment

If the bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments, then any periodic interest payments and on the sale or redemption of the Product, the difference between the value of the bond at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, converted, in each case, into Swiss Francs at the exchange rate prevailing at the time of redemption or sale, issuance or purchase, respectively (modified differential taxation method) constitutes taxable income. A value decrease on the bond respectively realized on the sale or redemption of the Product may be offset against any gains (including periodic interest payments) realized within the same taxation period from all instruments with a predominant one-time interest payment. Any residual return realized on the embedded derivative financial instrument(s) is a tax-free private capital gain, and any residual loss is a non-tax-deductible private capital loss, respectively (see below "*—Capital Gains, Products held as Private Assets by a Swiss resident holder*").

Bonds

Bonds without a predominant one-time interest payment

If a Product is classified as a pure bond without a predominant one-time interest payment (the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment), Swiss resident private investors will be taxed on the periodic and any one-time interest payments, if any, converted into Swiss Francs at the exchange rate prevailing at the time of payment. A gain, including interest accrued, a loss, respectively, realized on the sale of a Product is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively (see below "*—Capital Gains, Products held as Private Assets by a Swiss resident holder*").

Bonds with a predominant one-time interest payment

If a Product is classified as a pure bond with a predominant one-time interest payment (the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments), Swiss resident private investors will be taxed on any periodic interest payments and on any gains, including capital and foreign exchange gains, realized on the Products (differential taxation method).

Pure Derivative Financial Products

Periodic and one-time dividend equalization payments realized on a Product which is classified as a pure derivative financial instrument (such as pure call and put options, including low exercise price

options with a maturity not exceeding one year, pure futures, static certificates replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) and which is held as part of a holder's private assets constitute taxable investment income. Any other return will be classified as a tax-exempt capital gain or a non-tax deductible capital loss (see below "*—Capital Gains, Products held as Private Assets by a Swiss resident holder*").

Low Exercise Price Options

According to the current practice of the Swiss Federal Tax Administration low exercise price options are given if the underlying of an option has been pre-financed by at least 50% at the time of issuance. For low exercise price options with a maturity exceeding one year the interest component of the low exercise price option (i.e. issue discount) constitutes taxable investment income. Any other return will be classified as a tax exempt capital gain or a non-tax deductible capital loss (see below "*—Capital Gains, Products held as Private Assets by a Swiss resident holder*").

Fund-like Products

A Product classified as a fund-like instrument will be considered a pass-through instrument for Swiss tax purposes if dividend and interest income (less attributable costs) from, and capital gains and losses (less costs attributable) realized on, the underlying investments, are reported and distributed separately. Under such conditions, an individual holding a fund-like Product as part of private assets only receives taxable income (which he or she must report annually) over such portion of the distributions (in case the fund is distributing the income realized on the underlying investments) or earnings credits (in case the fund is reinvesting the income realized on the underlying investment) as derive from dividends and interest (less attributable costs) on the underlying instruments. Any distributions or credits deriving from capital gains realized on the underlying investments constitute a tax-free private capital gain and any respective loss on the underlying investments is a non-tax-deductible private capital loss. Any gain realized within a taxation period on the sale of a fund-like instrument (including accrued dividends and interest) is exempt from income taxation as a private capital gain, and, conversely, any loss realized a nontax-deductible capital loss (see below "*—Capital Gains, Products held as Private Assets by a Swiss resident holder*").

Products held as Assets of a Swiss Business

Corporate entities and individuals who hold Products as part of a trade or business in Switzerland, in the case of residents abroad carried on through a permanent establishment or a fixed place of business in Switzerland, are required to recognize any payments on, and any capital gains or losses realized on the sale or redemption of, such Products (irrespective of their classification) in their income statement for the respective taxation period and will be taxed on any net taxable earnings for such period.

The same taxation treatment also applies to Swiss-resident individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities.

Capital Gains Taxation

Products held as Private Assets by a Swiss resident Holder

A gain, a loss, respectively, realized by an individual resident in Switzerland for tax purposes upon the sale or other disposal of a Product held as part of his or her private assets is a tax-free private capital gain, a non-tax deductible capital loss, respectively, unless such individual is classified, for income tax purposes, as a "professional securities dealer" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities. If an individual is classified as a "professional securities dealer" he or she will be taxed in accordance with the principles set forth above under "*—Products held as Assets of a Swiss Business*". In relation to the bifurcation of a tax-exempt capital gains component, non-tax deductible capital loss component, respectively, from taxable income components of a Product, see the bifurcation principles set forth above with regard to the different instruments under "*—Income Taxation, Products held as Private Assets by a Swiss resident holder*").

Products held as Assets of a Swiss Business

Capital gains realized on Products held as Assets of a Swiss Business are taxed in accordance with the taxation principles set forth above under "*—Income Taxation, Products held as Swiss Business Assets*").

Swiss Federal Stamp Taxes

Swiss Federal Issue Stamp Tax

The Products are not subject to Swiss federal stamp tax on the issuance of securities.

Swiss Federal Securities Turnover Tax

Dealings in Products which are classified as pure derivative financial instruments (such as pure call and put options, including low exercise price options with a maturity not exceeding twelve months, pure futures with a maximal pre-financing of 25%, static certificates replicating an index or a basket of at least five shares and with a fixed maturity on an annual redemption right) are not subject to the Swiss federal securities turnover tax.

Dealings in Products which have been issued by a Swiss issuer and which are classified as structured notes, share-like instruments (including low exercise price warrants on shares with a maturity exceeding twelve months) or fund-like instruments are subject to Swiss federal securities turnover tax of 0.15% on the consideration paid, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or intermediary to the transaction and no exemption applies.

Dealings in Products which have been issued by an issuer outside of Switzerland and which are classified as structured notes, share-like instruments (including low exercise price warrants on shares with a maturity exceeding twelve months) or fund-like instruments are subject to Swiss federal securities turnover tax of up to 0.3% on the consideration paid, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or intermediary to the transaction and no exemption applies.

Dealing in bonds and structured notes with a maturity not exceeding one year are exempt from Swiss federal turnover tax.

The delivery of an underlying taxable security at exercise or redemption to the holder of the Product is subject to Swiss federal securities turnover tax of 0.3% if a Swiss domestic securities dealer (as defined in the Swiss federal stamp tax act) is a party or intermediary to the transaction and no exemption applies.

Swiss Gift, Inheritance and Estate Taxes

Subject to an applicable tax treaty in an international scenario, transfers of Products may be subject to cantonal and/or communal inheritance tax, estate tax or gift tax if the deceased person has had his or her last domicile in Switzerland, the donor is resident in Switzerland, respectively, or in the case of a foreign deceased or resident person the transfer involves an unincorporated business in Switzerland and Products are held as part of such business. No such taxes exist at the federal level. Rates depend upon the existing relationship (i.e. the relationship between the deceased and the heirs, or between the donor and the recipient) and the size of the inheritance or gift. Interspousal gifts and gifts to descendants and inheritances collected by the surviving spouse and descendants are frequently exempt or taxed at very low rates (up to approx. 7%). Gifts and inheritances received from unrelated persons attract rates up to approx. 54.6% The taxable base is usually the market value of the property transferred.

Swiss Net Worth and Capital Taxes

A holder of Products who is an individual resident in Switzerland for tax purposes or is a non-Swiss resident holding Products as part of a Swiss business operation or a Swiss permanent establishment is required to report Products as part of private wealth or as part of Swiss business assets, as the case may be, and is subject to annual cantonal and/or communal private wealth tax on any net taxable wealth (including the Products), in the case of non-Swiss resident individual holding Products as part of a Swiss business operation or a Swiss permanent establishment to the extent the aggregate taxable wealth is allocable to Switzerland. Incorporated holders of Products are subject to cantonal and communal capital tax on net taxable equity, in the case of non-Swiss resident person holding Products as part of a Swiss permanent establishment, to the extent the aggregate taxable equity is allocable to Switzerland. No net worth and capital taxes exist at the federal level.

Non-Swiss resident holders

A holder of a Product who is not resident in Switzerland for tax purposes and who during the taxation year has not maintained a permanent establishment in Switzerland, will neither be subject to income tax and capital gains tax nor wealth or capital tax in Switzerland.

Automatic exchange of information in tax matters

Switzerland has concluded a multilateral agreement with the EU on the international automatic exchange of information (the **AEOI**) in tax matters, which applies to all 27 EU member states and some other jurisdictions. In addition, Switzerland has signed the Multilateral Competent Authority Agreement on the automatic exchange of financial account information (the **MCAA**), and based on the MCAA, a number of bilateral AEOI agreements with other countries. Based on such agreements and the

implementing laws of Switzerland, depending on the date of effectiveness of the applicable agreement, Switzerland began in 2017, or will begin at a later date, to collect data in respect of financial assets including Bonds and Shares held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individuals resident in an EU member state or in a treaty state, and began in 2018, or will at a later date begin, as the case may be, to exchange it with the authorities in the relevant jurisdiction. In addition, Switzerland has signed and will sign further AEOI agreements with further countries. An up-to-date list of the AEOI agreements to which Switzerland is a party can be found on the website of the State Secretariat for International Financial Matters SIF.

Swiss facilitation of the implementation of the U.S. Foreign Account Tax Compliance Act

The United States and Switzerland entered into an intergovernmental agreement (the **U.S.-Switzerland IGA**) to facilitate the implementation of the U.S. Foreign Account Tax Compliance Act (**FATCA**). Under the U.S.- Switzerland IGA, financial institutions acting out of Switzerland generally are directed to become participating Foreign Financial Institutions (**FFIs**). The U.S.-Switzerland IGA ensures that accounts held by U.S. persons with Swiss financial institutions (including accounts in which Notes are held) are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance on the basis of the double taxation agreement between the United States and Switzerland (the **Treaty**). The Treaty, as amended in 2019, includes a mechanism for the exchange of information in tax matters upon request between Switzerland and the United States, which is in line with international standards, and allows the United States to make group requests under FATCA concerning non-consenting U.S. accounts and nonconsenting non-participating foreign financial institutions for periods from 30th June 2014. Furthermore, the Swiss Federal Council approved a mandate for negotiations with the United States on 8th October 2014, with regard to a change from the current direct-notification-based regime to a regime where the relevant information is sent to the Swiss Federal Tax Administration, which in turn provides the information to the U.S. tax authorities. It is not yet known when negotiations will continue and if and when any new regime would come into force.

GENERAL INFORMATION

Authorization

The Program and the issuance of Products under the Program have been duly authorized by the Board of Directors of Helveteq pursuant to a resolution dated as of 6 April 2023.

Approval of the Base Prospectus

SIX has approved the Base Prospectus for purposes of the FinSA as the Reviewing Body as of 24 April 2023.

Settlement and Clearing Systems

The Products have been accepted for settlement through SIX SIS. Should the Products be settled or cleared through an additional or alternative settlement and clearing system, the appropriate information will be specified in the relevant Final Terms.

Significant change

Save as disclosed herein, there has been no significant change in the financial or trading position of the Issuer since its incorporation. There has been no material adverse change in the financial position or prospects of the Issuer since the date of the last financial statements.

Trend information

Save as disclosed herein, the Issuer is not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on their respective prospects during the current financial year.

Legal, administrative and arbitration proceedings

Helveteq has not been involved in any governmental, legal or arbitration proceedings which may have or have had during the 12 months preceding the date of this Base Prospectus a significant effect on the financial position or prospects of Helveteq nor are, so far as Helveteq is aware, any such proceedings pending or threatened.

Use of proceeds

The Issuer intends to use the net proceeds from each issue of Products for the purchase of the Underlying(s) to be used as Collateral and for general corporate purposes.

Third party information

Where information in this Base Prospectus has been sourced from third parties this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used to the best of the Issuer's knowledge.

Post-issuance information

The Issue Price and the number of the relevant Products will be determined before filing of the relevant Final Terms of each Product based on then prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to any of the indices or Products.

Documents on display

For so long as Products remain outstanding, the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the registered office of the Issuer in printed form:

- Account Control Agreement;
- Administration Agreement;
- Articles of Association;
- Authorized Participant Agreement;
- Base Prospectus;
- Custody Agreements (respectively the General Terms and Conditions of the relevant Custodian);
- Final Terms in respect of each Product;

- Market Making Agreement in respect of each Product;
- Paying Agent Agreement;
- Pledge Agreement;
- Security Agent Agreement.

Websites

Any website mentioned in this Base Prospectus does not form part of this Base Prospectus.

GLOSSARY

The following definitions are applicable to all Products issued under the Program by the Issuer and shall be read in conjunction with the relevant Final Terms.

As used in this Base Prospectus, the following definitions shall have the meanings in respect of any Product as set forth below. Words denoting the singular number only shall include the plural number also and *vice versa*.

51% Attack: A negative action of a single miner, or a group of miners acting in concert, control (even temporarily) a majority of the network mining power (known as hash power) of a particular blockchain network.

ACA or Account Control Agreement: The account control agreement entered into between the Issuer, the Security Agent, the relevant Custodian and the Investors, represented by the Security Agent, with respect to the Collateral.

Acceleration: In a case of an Event of Default, the redemption effected by the Issuer in accordance with Condition 22 (Default, Insolvency and Enforcement).

Administrator: Apex Corporate Services (Schweiz) GmbH (registration no. CHE-102.075.802), having its registered seat at Seestrasse 5, 8002 Zurich, Switzerland, or any other Administrator as specified in the relevant Final Terms.

Administration Agreement: The agreement between the Issuer and an Administrator which sets out the terms on which the Administrator will act in relation to the Products issued under the Program.

AEOI: The multilateral agreement between Switzerland and European Union for Automatic Exchange Of Information in tax matters.

Airdrop: 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 to participants in the blockchain. The new units of Digital Assets are allocated to some but not necessarily all participants in a blockchain and are typically designed to incentivize specific behavior in the network (i.e., increased participation, maintaining infrastructure, etc.).

AML: Anti-money laundering.

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

ARETP: The Additional Rules for the Listing of Exchange Traded Products of Six Swiss Exchange Ltd.

Articles of Association: The articles of association of Helveteq dated as of 26 September 2022.

Asset Management Strategy: In respect of any relevant Product, the investment strategy specified in the relevant Final Terms.

Auditor: Grant Thornton AG, Claridenstrasse 35, 8027 Zurich, Switzerland.

Authorized Participant(s): Goldenberg Hehmeyer LLP, London E14 9NN, United Kingdom, Flow Traders B.V., Jacob Bontiusplaats 9, 1018 LL Amsterdam, the Netherlands, or any other Authorized Participant as specified in the relevant Final Terms. **Authorized Participant Agreement:** The agreement between the Issuer and an Authorized Participant which sets out the terms on which the Authorized Participants will act as Authorized Participants in relation to each Product issued by the Issuer under the Program, as specified in the Final Terms.

Base Currency: The currency in which the Underlying(s) of a Product are trading on the Reference Sources.

Basket: The basket of underlying components specified in the final terms.

Base Prospectus: This document (together with all information incorporated by reference herein or otherwise forming part of this document and any and all supplements approved by the Reviewing Body and published by Helveteq.

Business Day: Any day on which (i) the relevant Settlement and Clearing Systems are open and Products can be settled, (ii) relevant banks and custodians as well as (iii) service providers are open, (iv) foreign exchange markets execute payments in the respective Settlement Currency, (v) Underlying(s) of the relevant Product can be settled, and/or (vi) any other day, as specified in the Final Terms, if applicable.

Board of Directors: As set out in the section "*Information about the Issuer and Collateral Provider*" in this Base Prospectus,

Calculation Agent: Unless specified otherwise in the relevant Final Terms, Helveteq.

Cash Settlement: The procedures set out in Condition 6.3.

CEO: Chief Executive Officer.

CHF: The Swiss Franc.

CIR3: Circular No. 3 Practice for the Listing of Derivatives of SIX Swiss Exchange Ltd.

CISA: The Swiss Federal Act on Collective Investment Schemes of 23 June 2006, as amended.

Collateral: The Underlying(s) for each Product credited to the Collateral Account and/or any other asset, such as but not limited to hedging or financing arrangements as specified in the relevant Final Terms which serve as collateral for the Products.

Collateral Account: The accounts to which the Underlying(s) are credited as Collateral following the collateralization procedures by the Custodian.

Collateralization: The process of the Issuer, crediting the Collateral of the Products or any other eligible asset specified in the relevant Final Terms to the respective Collateral Account for such Product as set out in the section headed "*Economic overview over the Products*".

Collateral Provider: Helveteq AG, Churerstrasse 25, 8808 Pfäffikon SZ.

Conditions: Conditions applicable to the Products issued under the Program as set out in the section "*Terms and Conditions*" of this Base Prospectus (together the Conditions and each a Condition).

Custodian: Bitcoin Suisse AG, Grafenauweg 12, 6300 Zug, Switzerland Taurus SA, 11 rue d'Italie, 1204 Geneva, Switzerland, or any other Custodian as specified in the relevant Final Terms.

Custody Agreement: The agreement between the Issuer and the Custodian which sets out the guiding principles governing the relation between the Issuer and the custodial services providers in respect of the Products issued under the Program and defines the duties and obligations of the Custodian.

DEBA: The Swiss Debt Enforcement and Bankruptcy Act of 11 April 1889, as amended.

DfP: Delivery free of Payment.

Digital Asset: Digital Assets are an evolving, non-uniform asset class characterized by the use of DLT where the holder can control the asset by means of cryptographic methods. Digital Asset is a general description and can be used both for already existing, traditional assets that are registered on a distributed ledger and for assets that are solely issued and existing on a distributed ledger. Digital Assets may constitute native units of value issued and transferred on a specific blockchain. These do not include or represent any claim against an issuer or any third party. Where such units are intended or used for payment purposes and do not qualify as a security or financial instrument, they are sometimes referred to as payments tokens or cryptocurrencies. For simplicity, the term Digital Asset is used throughout this Base Prospectus. Where Digital Assets constitute, embody, incorporate or represent securities or forms of financial instruments, the risks associated with them in their traditional form remains associated also in their representation of a Digital Asset.

DLT: Distributed Ledger Technology, a technology that allows individual participants (nodes) within a systems to propose, validate and securely store the operations in a synchronized data set (ledger) which is distributed across all nodes in the system.

Double Spend or Double Spending: The act of permitting coins to be spent on multiple occasions and, due to having sufficient network control, confirming and posting these transactions to the blockchain.

EEA: The European Economic Area.

ETP: exchange traded products.

EU: The European Union.

EUR: The Euro.

EUWA: The European Union (Withdrawal) Act 2018, as amended.

Enforcement Notice: A notice given to the Issuer by the 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.

Event of Default: When the Issuer is in breach of the issuance conditions of the Product that results in a claim for the Investors as set out in Condition 22.1.

Exchange: The stock exchange, regulated market, or multilateral trading facility specified in the Final Terms where the Product is listed or admitted to trading.

Extraordinary Event: Any fraud, theft, cyber-attacks, change in regulations and/or any analogous or similar event.

Fair Market Value: Determined by the Calculation Agent, in its duly exercised discretion and in accordance with established market practice representing the fair market value of the Products as described in the Condition 10.2.

FATCA: The U.S. Foreign Account Tax Compliance Act, as amended.

FFI: Any foreign financial institution under the U.S.-Switzerland IGA.

Fiat Currency: A currency issued by a central bank or Government, such as the U.S. Dollar or the Swiss Franc.

Fixing Date: The date for the determination of the Redemption Amount, specified in the Final Terms or in any Termination Notice, subject to provisions regarding a Market Disruption Event.

Final Terms: The final terms and conditions of each Product completing this Base Prospectus.

Final Valuation Date: The Termination Date or Investor Redemption Date, unless set out otherwise in the Final Terms.

FINMA: The Swiss Financial Market Supervisory Authority.

FinSA: The Swiss Federal Act on Financial Services, as amended.

FISA: The Swiss Federal Act on Intermediated Securities, as amended.

Fork or Fork Event: An event where a developer or group of developers split the code base powering a Digital Asset that serves as an Underlying 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 as described in the Condition 9.2.

Form of Order Request: Means the form of order request in respect of a creation and redemption of Products at the option of an Authorized Participant in accordance with Condition 6.4, as set out in the relevant Authorized Participant Agreement.

FX Disruption Event: An event that makes it impossible through legal channels for the Issuer or its affiliates to either (i) convert a Base Currency into the Settlement Currency; or (ii) deliver the Base Currency from accounts on which they have been held or are held upon the sale of Underlying(s) to other accounts required for the conversion into the Settlement Currency in accordance with Condition 11.

FX Rate: The exchange rate (determined by the Calculation Agent in good faith and in a commercially reasonable manner) for the sale of the Base Currency against the Settlement Currency on the Final Valuation Date or other date on which such exchange rate requires determination in accordance with Condition 11.

FX Hedge: Any foreign currency hedging.

Futures Exchange: Means the exchange, market or trading platform on which futures and/or options contracts for the respective Underlying (in particular equities, cryptocurrencies, currencies, indexes and futures) are traded. The Final Terms specify whether and, where applicable, which prices determined by a Futures Exchange apply for the purpose of any Barrier Observation or the determination of the relevant valuation or price. Adjustments to the conditions of the Products that may be necessary – for example, as a result of corporate actions relating to the Underlying (i.e. a measure which affects the capital and voting rights of the shareholders, such as a capital increase, a capital reduction or an exchange of shares, for example in the context of spin-offs or a merger) – are generally carried out in accordance with the rules and regulations of the Futures Exchange on which derivatives based on the Underlying are traded. If there are several Futures Exchanges, the Issuer designates the relevant Futures Exchange in each case in its discretion.

GBP: The British Pound Sterling.

In-Kind Settlement: The amount in respect of a termination and redemption of all or part of an Investor's holding of Securities of any one Product by delivery to the Authorized Participant of the Underlying(s) from the Collateral Account for such Products, in accordance with the Condition 6.4.

IDD: The Directive (EU) 2016/97, as amended.

Index: Any index selected by the Issuer as part of the program under which Products are issued.

Index Administrator: Party that controls the provision of the relevant underlying of the applicable Index.

Index Calculation Agent: Responsible party for calculation of the value of the applicable index and publishing this information in accordance with Swiss and EU requirements.

Index Sponsor: Responsible party for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the relevant Index; and announces (directly or through an agent) the level of the relevant Index on a regular basis.

Insolvency Event: An event where an Issuer is being declared bankrupt within the meaning of article 736 paragraph 3 Swiss Code of Obligations and the DEBA by a competent court, in accordance with Condition 22.2.

Intermediated Securities: Products that are registered in the Main Register of SIX SIS and entered into the accounts of one or more participants of the Clearing System.

Investment Manager: Any Investment Manager as specified in the relevant Final Terms responsible for the Asset Management Strategy that is defined in the relevant Final Terms for each relevant Product issued under the Program.

Investment Manager Agreement: The Agreement between the Issuer and an Investment Manager.

Investor: The persons, other than intermediaries (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto/Wertschriftendepot*) with an intermediary (*Verwahrungsstelle*) and the intermediaries (*Verwahrungsstellen*) holding the Products for their own account, in each case in accordance with the provisions of the FISA.

Investor Fee: The Final Terms set out the Investor Fee and the process of determining the value of the Investor Fee.

Investor Put Option: The Investor's right to require the Issuer to redeem a number of Securities for any one Product through its financial intermediary, in accordance with Condition 6.2 and the relevant Final Terms.

Investor Redemption Date: The date as set out in the Final Terms at which the Investor exercises its right to require the Issuer to redeem a number of Securities for any one Product through its financial intermediary, in accordance with Condition 6.2 and the relevant Final Terms.

Issuer: Helveteq AG, Churerstrasse 25, 8808 Pfäffikon SZ.

Issue Date: The Issue Date specified in the Final Terms on which the Products are issued.

Issue Price: The Issue Price specified in the Final Terms.

Issuer Call Option: The Issuer's right to terminate and redeem all but not some of the Securities of a Product and designate the redemption date for such purposes in accordance with the Terms and Conditions.

KYC: Know-Your-Customer.

KYI: Know-Your- Intermediary.

Main Register: The main register of SIX SIS AG, Olten, Switzerland.

Management: As set out in the section "*Information about the Issuer and Collateral Provider*" of this Base Prospectus,

Management Fee: The fee as specified in the relevant Final Terms.

Market Disruption Event: An Event as set out in Condition 7.2.

Market Maker: Goldenberg Hehmeyer LLP, London E14 9NN, United Kingdom, Flow Traders B.V., Jacob Bontiusplaats 9, 1018 LL Amsterdam, the Netherlands, or any other Market Maker as specified in the relevant Final Terms.

Market Making Agreement: An Agreement between the Issuer and the Market Maker which regulates the provision of market making activities related to the Products.

MCAA: The Multilateral Competent Authority Agreement on the automatic exchange of financial account information.

Member State: A member state of the European Economic Area (EEA).

MiFID II: The Directive 2014/65/EU, as amended.

Minimum Investment Amount: The minimum investment amount for any Tranche of Products as specified in the Final Terms, if any.

Minimum Trading Lot: A minimum trading lot specified in the Final Terms, if any.

nETP: Non-listed and non-exchange-traded products.

New Issuer: Any affiliate, subsidiary or holding company of the Issuer that substitutes the Issuer as obligor under the Product.

Observation Period / Monitoring Period: The relevant "Observation Period" (sometimes also "Barrier Observation") or "Monitoring Period" of the Underlying(s) in relation to a particular barrier or barriers may be "continuous", i.e. in principle at all times during the trading hours of the Underlying(s), or on a specific date (such as "at maturity") or on specific dates (e.g. monthly) and denotes the period or time within or at which it is observed whether a certain barrier is reached.

Order: Persons who have professional experience in matters relating to investments falling within article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005

OTC: Over-The-Counter.

Paying Agent or Swiss Paying Agent: ISP Securities AG, Bellerivestrasse 45, 8008 Zurich, Switzerland, or any other Paying Agent as specified in the relevant Final Terms.

Paying Agent Agreement: The agreement between the Issuer and the Paying Agent which sets out the principal terms on which the Paying Agent is appointed in respect of the Products issued under the Program and sets out the duties and obligations of the Paying Agent in relation to creating and canceling securities, holding cash amounts and representing the Issuer in accordance with the Terms and Conditions.

Pledge: pledge created over the Collateral in favor for the benefit of Investors pursuant to the Pledge Agreement and the Collateral Account Agreement.

Pledge Agreement: The pledge agreement entered into between the Issuer, the Investors, represented by the Security Agent, and the Security Agent, providing a pledge in favor of the Investors to secure payment obligations of the Issuer under the Base Prospectus and the Final Terms.

Pledge Enforcement Proceeds: All monies received and all monies derived upon the enforcement of the Pledge by the Security Agent.

Potential Adjustment Event: An event that may have a diluting or concentrative effect on the theoretical value of the relevant Underlying(s).

PRIIPs Regulation: Regulation of the European Parliament and of the Council on key information documents for packaged retail and insurance-based investment products, Regulation (EU) No 1286/2014, as amended.

Priority of Payments: The payment priorities as set out in Conditions 21 and 22.4.

Products: As defined at page 7 of the Base Prospectus.

Program: The program under which Products are issued, as defined at page 7 of the Base Prospectus.

Prospectus Regulation: Regulation of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, the Regulation (EU) 2017/1129, as amended.

Redemption Amount: The amount per Product payable by the Issuer calculated by the Calculation Agent on a Termination Date or an Investor Redemption Date, unless set out otherwise in the Final Terms.

Redemption Order: The sell order as set out in the Final Terms by which the Investor exercises its right to require the Issuer to redeem a number of Securities for any one Product through its financial intermediary, in accordance with Condition 6.2 and the relevant Final Terms.

Redemption Notice Period: The notice period of thirty (30) Business Days as set out in the Final Terms by which the Investor exercises its right to require the Issuer to redeem a number of Securities for any one Product through its financial intermediary, in accordance with Condition 6.2 and the relevant Final Terms.

Reference Market: Means the stock exchange, market or trading platform on which the prices for the respective type of Underlying (such as shares, cryptocurrencies, currencies, precious metals, interest rates or exchange rates) can be determined for any envisioned Barrier Observation and/or for a fixing (initial and/or final fixing) of the Underlying(s). In the case of Underlyings such as indices or futures that have their own Futures Exchange on which futures or option contracts for the Underlying are traded, the relevant Barrier Observation and/or final fixings can be carried out on the basis of the prices determined on the indicated Futures Exchange (see also "Futures Exchange").

Reference Sources: SIX or other exchange(s) or quotation system(s) specified in the Final Terms issuing prices for trading and valuation purposes.

Regulation S: As defined in Regulation S under the U.S. Securities Act of 1933.

Regulatory Call: The Issuer's call to redeem all outstanding Securities of a Product, *inter alia*, for reasons of regulatory changes affecting the respective Product or any of the Underlying(s).

Relevant Persons: Persons in the United Kingdom who are (i) persons who have professional experience in matters relating to investments falling within article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **Order**), (ii) high net worth entities falling within article 49 (2) of the Order or (iii) persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the **FSMA**) in connection with the issue or sale of the Product may otherwise lawfully be communicated or caused to be communicated.

Relevant Underlying Exchange(s): The exchange(s) or a quotation system as specified in the Final Terms on which the relevant Underlying 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.

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

Reviewing Body: SIX Exchange Regulation AG, Switzerland, within the meaning of article 52 of the Swiss Federal Act on Financial Services, as the same may be amended from time to time (FinSA).

Risk Factors: As set out in the section captioned "*Risk Factors*" of the Base Prospectus.

Securities: Products issued by the Issuer under the Program.

Securities Act: U.S. Securities Act of 1933, as amended.

Security Agent: ADEXAS Rechtsanwälte AG, Seefeldstrasse 224, 8008 Zurich, Switzerland, or any other Security Agent specified in the relevant Final Terms.

Security Agent Agreement: The agreement between the Issuer and the Security Agent which sets out the principal terms on which the Security Agent is appointed in respect of the Products issued under the Program and sets out the duties and obligations of the Security Agent in relation to act on behalf of the Investors in an Event of Default or an Insolvency Event, in accordance with the Terms and Conditions.

Service Providers: These include, but are not limited to, the Administrator, the Custodian, Digital Asset exchanges, the Paying Agent, the Authorized Participant(s), the Market Maker(s), trading desks, parties to any arrangements in place in respect of any assets held as Collateral, lending desks, and wallet providers.

Settlement and Clearing System: The Settlement and Clearing of trades in the Securities through SIX SIS AG, Baslerstrasse 100, 4601, Olten (**SIX SIS**), or any other settlement and clearing system determined in the Final Terms.

Settlement Currency: The currency specified in the Final Terms in which the Redemption Amount is settled.

SFO: Securities and Futures Ordinance (Cap 571) of Hong Kong.

SIX: SIX Swiss Exchange Ltd, Pfingstweidstrasse 110, 8005 Zurich.

SIX SIS: SIX SIS AG, Baslerstrasse 100, 4601, Olten.

Successor Currency: A currency that replaces the Settlement Currency as set out in Condition 11.

Successor Underlying: An Underlying that replaces the Underlying as set out in Condition 9.3.

Summary: All the information required to be included in a summary within the meaning of article 40 paragraph 3 and article 43 FinSA as set out in the section "Summary" of this Base Prospectus.

Supplement: A supplement to this Base Prospectus, the Issuer may publish in case of a significant change affecting any matter contained in this Base Prospectus.

SSPA: Swiss Structured Products Association, Rämistrasse 4, 8001 Zurich.

Staking: A consensus algorithm used by some blockchains to validate agreements.

Termination Date: The date at which the Issuer exercises its right to terminate and redeem all but not some of the Securities of a Product, in accordance with Condition 6.1 and the relevant Final Terms.

Termination Event: An event which in the sole discretion of the Issuer requires a discontinuation of a Product.

Termination Notice: The Issuer's notice of the termination and redemption of a Product.

Terms and Conditions: The terms and conditions set out in the section "Terms and Conditions" of this Base Prospectus.

Tracker Certificates: Type 1300 under the road map of the Swiss Structured Product Association (www.sspa.ch).

Trading Day: Means a day on which the relevant Reference Market (i.e. a trading market, trading system or exchange) relating to the Products and the Underlying (or a component of the Underlying) is open for trading. Where the Reference Market is not a trading market or trading system and is also not an exchange or corresponding institution, the term "Trading Day" means a business day, other than days on which commercial banks and currency markets are closed in the country in which the Reference Market is located.

Treaty: The U.S.-Switzerland Intergovernmental Agreement that ensures that accounts held by U.S. persons with Swiss financial institutions (including accounts in which Notes are held) are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance on the basis of the double taxation agreement between the United States and Switzerland.

UK: The United Kingdom.

UK PRIIPs Regulation: The U.K. PRIIPs Regulation sets out rules on the format and content of the key information documents to be drawn up by PRIIP manufacturers before PRIIPs are made available to U.K. retail investors, the Regulation (EU) No 1286/2014, as amended.

UK Prospectus Regulation: Set out the requirements for the issue of a prospectus for an offer of securities to the public in the UK or a request for the admission to trading of securities on a regulated market in the UK, as well as exemptions from those requirements, the Regulation (EU) 2017/1129, as amended.

Underlying Illiquidity: In respect of any Underlying(s), low or no trading volume in the Underlying(s), the difficulty to buy and/or sell the Underlying(s) in a short period of time without its price being affected, or any comparable event that leads to an extraordinary illiquidity in any Underlying(s), as determined by the Issuer in its sole discretion.

Underlying(s): Include, without limitation, digital assets, certain single underlying assets, a basket of underlying components or an index, as set out in the Final Terms on which Products are offered and/or listed on a regulated or another market under the Base Prospectus.

U.S.: The United States of America.

U.S.-Switzerland IGA: The U.S.-Switzerland Intergovernmental Agreement.

USD: The United States Dollar.

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

Wallet Provider: A services provider that provides Wallets.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer, which has taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Pfäffikon, 24 April 2023

Helveteq AG

REGISTERED OFFICE OF THE ISSUER

Helveteq AG
Churerstrasse 25
8808 Pfäffikon
Switzerland

PAYING AGENT

ISP Securities AG
Bellerivestrasse 45
8008 Zurich
Switzerland

AUDITORS OF THE ISSUER

Grant Thornton AG
Claridenstrasse 35
8027 Zurich
Switzerland

LEGAL ADVISERS TO THE ISSUER

Baker McKenzie Zurich
Holbeinstrasse 30
8008 Zurich
Switzerland

FINANCIAL REPORTING

Annex A Helveteq AG audited financial statements as of 31 December 2022.

Helveteq AG

Directors' report and audited financial statements

For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022

Registered number CHE-224.032.032

In accordance with International Financial Reporting Standards (IFRS) and Swiss Law

Helveteq AG

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Directors and other information

Directors	Remigio Luongo (Appointed in 2021) Roger Studer (Appointed in 2022) Christian Katz (Appointed in 2022)	
Registered Office	Churerstrasse 25 8808 Pfäffikon Switzerland	
Administrator	Apex Corporate Services (Switzerland) GmbH <i>(Appointed on 1 December 2022)</i> Seestrasse 5 8002 Zurich Switzerland	Intertrust Financial Services B.V. <i>(Appointed on 23 March 2022 and terminated on 30 November 2022)</i> Basisweg 10 1043 AP Amsterdam Netherlands
Security Agent	ADEXAS Rechtsanwälte AG Seefeldstrasse 224 8008 Zurich Switzerland	
Custodian	Bitcoin Suisse AG Grafenauweg 12 6300 Zug Switzerland	
Paying Agent	ISP Securities AG Bellerivestrasse 45 8008 Zurich Switzerland	
Banker	Raiffeisenbank rechter Zürichsee Bahnhofstrasse 20 8708 Männedorf Switzerland	
Legal Advisor	Baker McKenzie Zurich Holbeinstrasse 30 8008 Zurich Switzerland	
Independent Auditor	Grant Thornton AG Claridenstrasse 35 8027 Zurich Switzerland	

Directors' report

The directors (the "Directors" or the "Board of Directors") present their first annual report and the audited financial statements of Helveteq AG (the "Company") for the financial period from 4 August 2021 (date of incorporation) to 31 December 2022. Consequently, there is no comparative information to be presented.

Principal activities and business review

The Company was incorporated and registered in Freienbach, Switzerland on 4 August 2021, as an Aktiengesellschaft, a corporation limited by shares, under the Swiss Code of Obligations. The Company has been established for an indefinite duration. On 18 March 2022, the Company established a program (the "Program") under which the Company may, from time to time and subject to compliance with all applicable laws and regulations, issue Exchange Traded Products and non-Exchange Traded Products (the "Products"). The Company may issue securities (the "Securities") for the Products.

On 11 April 2022, the Company issued Series 1 - Tracker Securities on Bitcoin (the "Bitcoin Zero ETP Securities"). The net proceeds from the issue of the Bitcoin Zero ETP Securities were used to purchase the underlying collateral, Bitcoin (BTC).

On the same date, the Company issued Series 2 - Tracker Securities on Ethereum (the "Ether Zero ETP Securities"). The net proceeds from the issue of the Ether Zero ETP Securities were used to purchase the underlying collateral, Ethereum (ETH).

As at 31 December 2022, Series 1 and Series 2 are listed on the Six Swiss Exchange.

Key performance indicators

During the financial period:

- the Company made a comprehensive loss of CHF 308,197

- Financial liabilities issued
- Financial liabilities redeemed
- Net changes in fair value of investments
- Net changes in fair value of financial liabilities

Bitcoin Zero ETP Securities	Ether Zero ETP Securities
31-Dec-22	31-Dec-22
CHF	CHF
952,113	987,794
(402,647)	(328,290)
(496,650)	(597,858)
496,650	597,858

As at 31 December 2022:

- the net assets of the Company were CHF 241,964;

- Total ETP Securities issued
- Investment in Bitcoin (BTC)
- Investment in Ethereum (ETH)

Bitcoin Zero ETP Securities	Ether Zero ETP Securities
31-Dec-22	31-Dec-22
CHF	CHF
(52,816)	(61,646)
52,816	-
-	61,646

Digital assets are included in Note 10 to the financial statements; and the ETP Securities that the Company has in issue are included in Note 14 to the financial statements.

Future developments

The Company expects to achieve continued growth and achieve profitability in the upcoming years, driven by a combination of increased revenue from existing products, expansion to new products and issuance services as well as the successful acquisition of new customers. The Company anticipates that the financial performance will be supported by ongoing investments in marketing, sales and operational efficiencies.

To support the growth plans, the Company intends to deepen the strategic partnerships as well as invest in the workforce and infrastructure. The Company also plans to continue focusing on the strategy on sustainability and social responsibility, as the Company believes this will not only benefit the stakeholders but also continue to strengthen the reputation and long-term viability.

However, there are risks and uncertainties that could impact the future financial performance, including changes in economic conditions, competitive pressures, and regulatory requirements. The Company will continue to monitor these factors and adjust the strategies accordingly.

Overall, the Company is confident in the ability to execute the strategic plans and achieve the financial objectives in the upcoming years, while maintaining the commitment to transparency and integrity in financial reporting.

Directors' report (continued)**Going concern**

The financial statements of the Company have been prepared on a going concern basis. The Company, being in a start-up phase, made a loss in the first period of trading. Shareholders recapitalized the Company during the period to assist with cashflow and they are determined to provide ongoing support to the Company.

The Board of Directors has assessed the Company's ability to continue as a going concern, taking into account its current financial position and future cash flow projections. Based on this assessment, the Directors have concluded that the Company is set to break even in the following period and is able to continue as a going concern for the foreseeable future. This assessment is based on the fact that the Company has a strong pipeline of potential customers, has demonstrated its ability to secure significant contracts and is expanding from the issuance of ETPs to the issuance of non-listed ETPs.

The performance, marketability and risks of the Company's products are reviewed on a regular basis throughout the financial period. On this basis the Board of Directors believes that the Company will continue in operational existence for the foreseeable future and is financially sound. The Board of Directors is satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements of the Company.

Results and dividends for the financial period

The results for the financial period are set out on page 8. No dividends are recommended by the Directors for the financial period under review.

Corporate Governance Statement

The Company is subject to and complies with Swiss Code of Obligations. As the Company has been admitted as an issuer of Exchange Traded Products at the regulated market SIX in Switzerland, the Company adheres to the Listing Rules of SIX as an issuer of such products. As well as being mindful of the requirements of the Swiss Code of Obligations and the Listing Rules of the securities market SIX, the Company complies with its own corporate governance requirements as set out in its Articles of Association (the "Articles").

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' report and the financial statements, in accordance with the applicable laws and regulations.

Company law requires the Directors to prepare financial statements giving a true and fair view of the state of affairs of the Company and the profit or loss of the Company for each financial period. Under that law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS").

The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position, of the Company as at the financial period and of the profit or loss of the company for the financial period, and otherwise comply with the Swiss Code of Obligations.

In preparing these financial statements, the Directors are required to:

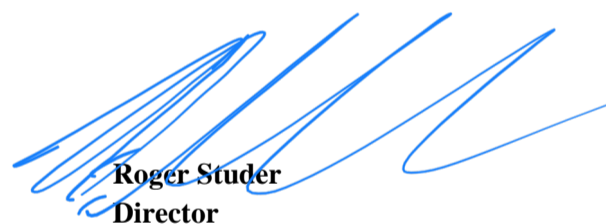
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they intend to liquidate the Company or cease operations, or have no realistic alternative but to do so.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with applicable laws and regulations and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board of Directors



Christian Katz
Director



Roger Studer
Director

Date: 19 April 2023

Report of the Statutory Auditor

To the General Meeting of the Shareholders of
Helveteq Ltd, Freienbach

Opinion

We have audited the financial statements of Helveteq Ltd (the Company), which comprise the balance sheet as at December 31, 2022, and the statement of comprehensive income, statement of changes in equity and the cashflow statement for the period from August 4, 2021 to December 31, 2022, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements (page 8 to 24) give a true and fair view of the financial position of the Company as at December 31, 2022, and of its financial performance and its cashflows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law, the International Standards on Auditing (ISAs) and the Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the «Auditor's Responsibilities for the Audit of the Financial Statements» section of our report. We are independent of the Company in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession and the legal requirements on licensing according to the Auditor Oversight Act (AOA), as well as the *International Code of Ethics for Professional Accountants (including International Independence Standards)* of the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS and the provisions of Swiss Law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law, SA-CH and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law, SA-CH and ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a paragraph 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We recommend that the financial statements submitted to you be approved.

Zurich, April 21, 2023

Grant Thornton AG

Marco Valenti
Audit expert
Auditor in charge

Michael Merz
Audit expert

Enclosures:

- Financial statements (balance sheet, statement of comprehensive income, statement of changes in equity, cashflow statement and notes)

Statement of comprehensive income

For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022

	Note	31-Dec-22 CHF
Net gain on financial liabilities designated at fair value through profit or loss	4	1,094,508
Interest expense		(4,712)
Net fair value loss on digital assets	10	(1,094,508)
Income	5	9,633
Depreciation of right-of-use asset	8	(35,877)
Operating expenses	6	<u>(270,995)</u>
Operating loss before tax		(301,951)
Tax on loss on ordinary activities		<u>(246)</u>
Net loss after tax		<u>(302,197)</u>
Other comprehensive income for the period		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Remeasurement loss on defined benefit plans		(6,000)
Other comprehensive loss for the period net of income tax		<u>(6,000)</u>
Total comprehensive loss for the financial period		<u><u>(308,197)</u></u>

All of the items dealt with in arriving at the loss for the financial period are from continuing operations.

Statement of financial position
As at 31 December 2022

	Note	31-Dec-22 CHF
Assets		
Non current assets		
Intangible fixed assets	7	80,348
Right-of-use asset	8	9,785
Rental deposit	9	12,000
		<u>102,133</u>
Current assets		
Right-of-use asset	8	39,138
Digital assets	10	114,462
Cash and cash equivalents	11	139,306
Other receivables	12	78,864
		<u>371,770</u>
Total assets		<u>473,903</u>
Liabilities and equity		
Non current liabilities		
Lease liability	13	40,079
Net employee defined benefit liabilities		6,000
		<u>46,079</u>
Current liabilities		
Lease liability	13	10,490
Financial liabilities designated at fair value through profit or loss	14	114,462
Other payables	15	60,908
		<u>185,860</u>
Total liabilities		<u>231,939</u>
Shareholder's funds - Equity		
Share capital	16	315,800
Capital contribution reserve		234,361
Accumulated other comprehensive income (loss)		(6,000)
Retained deficit		(302,197)
Total equity		<u>241,964</u>
Total liabilities and equity		<u>473,903</u>

The notes on pages 12 to 24 form an integral part of the financial statements.

Statement of changes in equity

For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022

	Note	Called up Share Capital CHF	Capital contribution reserve CHF	Accumulated loss CHF	Total Equity CHF
Balance as at 3 August 2021		-	-	-	-
Issue of shares during the financial period	16	315'800	-	-	315'800
Capital contribution reserve	16	-	234'361	-	234'361
Total comprehensive loss for the financial period		-	-	(308'197)	(308'197)
Balance as at 31 December 2022		<u>315'800</u>	<u>234'361</u>	<u>(308'197)</u>	<u>241'964</u>
Net loss after tax for the financial period				(302'197)	
Other comprehensive loss for the financial period				(6'000)	

The notes on pages 12 to 24 form an integral part of the financial statements.

Statement of cash flows

For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022

	Note	31. Dez 22 CHF
Cash flows from operating activities		
Operating loss before taxation		(307'951)
<i>Adjustments for:</i>		
Net fair value loss on digital assets	10	1'094'508
Net gain on financial liabilities designated at fair value through profit or loss	4	(1'094'508)
Depreciation of right-of-use asset	8	35'877
Remeasurement loss on defined benefit plans		6'000
<i>Movements in working capital</i>		
Increase in other receivables		(78'864)
Increase in other payables		60'662
Net cash used in operating activities		<u>(284'276)</u>
Cash flows from investing activities		
Purchases of intangible assets	7	(80'348)
Rental deposit	9	(12'000)
Net cash used in investing activities		<u>(92'348)</u>
Cash flows from financing activities		
Proceeds from issuance of shares		315'800
Capital contribution reserve		234'361
Repayment of lease liability	13	(34'231)
Net cash generated from financing activities		<u>515'930</u>
Increase in cash and cash equivalents		139'306
Cash and cash equivalents at start of the financial period		-
Cash and cash equivalents at end of the financial period	11	<u><u>139'306</u></u>
Non-cash transactions during the financial period include:		
		31. Dez 22 CHF
Digital assets designated at fair value through profit or loss - Additions		1'939'907
Digital assets designated at fair value through profit or loss - Disposals		(730'937)
Financial liabilities designated at fair value through profit or loss - Issued		(1'939'907)
Financial liabilities designated at fair value through profit or loss - Redeemed		730'937

The notes on pages 12 to 24 form an integral part of the financial statements.

Notes to the financial statements

For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022

1 General information

The Company was incorporated and registered in Freienbach, Switzerland on 3 August 2021, as an Aktiengesellschaft, a corporation limited by shares, under the Swiss Code of Obligations. The registered office of the Company is at Churerstrasse 25, 8808 Pfäffikon, Switzerland.

2 Basis of preparation

(a) Reporting entity

The Company was incorporated and registered in Freienbach, Switzerland on 3 August 2021, as an Aktiengesellschaft, a corporation limited by shares, under the Swiss Code of Obligations. The Company has been established for an indefinite duration. On 18 March 2022, the Company established a program (the "Program") under which the Company may, from time to time and subject to compliance with all applicable laws and regulations, issue Exchange Traded Products and non Exchange Traded Products (the "Products"). The Company may issue securities (the "Securities") for the Products.

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and Swiss Law.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- Financial liabilities designated at fair value through profit or loss are measured at fair value.

(c) Functional and presentation currency

The financial statements are presented in Swiss Franc ("CHF") which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The issued share capital of the Company is denominated in CHF. All amounts have been rounded to the nearest whole number, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates as detailed in note 17(e) to the financial statements. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and in future periods affected.

(e) New standards, amendments or interpretations

The following amendments are effective for the period beginning 1 January 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8); and
- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).

The following amendments are effective for the period beginning 1 January 2024:

- IFRS 16 Leases (Amendment – Lease liability in a Sale and Leaseback);
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-current); and
- IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants).

The new standards are not expected to have any impact on the Company's financial position, performance or disclosures in its financial statements.

There are no other standards, interpretations or amendments to existing standards that are not yet effective or that would be expected to have a significant impact on the Company.

Notes to the financial statements (continued)**For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022****3 Significant accounting policies****(a) Income and expenses**

Income and expenses are accounted for on an accrual basis.

Service revenue

Originators will be charged an annual administration fee for the services of the Company regarding issuance assistance and life cycle management of the Products.

Other income

Investors will be charged a fee in respect of the Products in the amount specified in the relevant Final Terms (the "Investor Fee"). The rate will be set out in the relevant Final Terms, and is applied to the Collateral on a daily basis, each following calendar day after the issue date (including holidays and weekends) until redemption.

The Investor Fee is paid from the Collateral, thus affecting the Collateral calculation for the subsequent trading day. Because the Collateral forms the basis for determining the value of each Security, the aggregate effect of the Investor Fee will increase or decrease in a manner directly proportional to the value of each Security and the amount of Securities.

(b) Cash and cash equivalents

Cash and cash equivalents includes cash held at bank which are subject to insignificant risk of changes in their fair value, and are used by the Company in the management of its capital.

There are no restrictions on cash and cash equivalents.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

(c) Share capital

Share capital is issued in CHF.

(d) Other receivables

Other receivables do not carry any interest, are short-term in nature and have been reviewed for any evidence of impairment. Other receivables are accounted at amortised cost.

(e) Other payables

Other payables are accounted at amortised cost.

(f) Financial instrumentsFinancial liabilities*Classification*

The Company classifies its Securities (Bitcoin Zero ETP and Ether Zero ETP) as financial liabilities at fair value through profit or loss on initial recognition.

The exchange quoted price of the Securities is determined by reference to the underlying digital assets. Changes in the fair value of the Securities are recognised in the statement of comprehensive income. The Securities have been designated as at fair value through profit or loss in order to eliminate an accounting mismatch, that would otherwise arise with the underlying digital assets, enabling both the Securities and the underlying digital assets to be measured at fair value with gains or losses on both being recognised in the statement of comprehensive income.

Initial recognition

All financial liabilities (including financial liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company issues Securities to offer investors means of gaining market exposure to digital assets. Each Product has a continuous issue and redemption process, under which additional Securities may be issued by the Company to Authorized Participants and Securities may be redeemed by the Company from the Authorized Participants on a daily basis on any business day. The value of an investor's entitlement for the Securities equals the aggregate value of assets held as Collateral for the relevant Product converted into the currency in which the issues and redemptions will be settled divided by the number of outstanding Securities for the Product.

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Notes to the financial statements (continued)**For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022****3 Significant accounting policies (continued)****(f) Financial instruments (continued)**Financial liabilities (continued)*Subsequent measurement*

After initial measurement, the Company measures financial liabilities which are classified as at fair value through profit or loss at their fair value. Subsequent changes in the fair value of financial liabilities designated at fair value through profit or loss are recognised directly in the statement of comprehensive income.

Fair value measurement principles

The fair value of the Securities is determined by reference to the underlying digital assets. Changes in the fair value of the Securities are recognised in the statement of comprehensive income. The Securities are valued using valuation techniques, as detailed in the fair value hierarchy note to the financial statements.

Net changes in fair value of financial liabilities designated at fair value through profit or loss

Net changes in fair value of financial liabilities designated at fair value through profit or loss relates to Bitcoin Zero ETP Securities issued/ Ether Zero ETP Securities issued and includes all realised and unrealised fair value changes.

(g) Intangible digital assets*Digital assets*

The Company holds digital assets (BTC and ETH) equal to the amount due to holders of Digital Securities solely for the purposes of meeting its obligations under the terms of the Securities.

The Board of directors have determined to account for digital assets at fair value on the basis there is an active market for the transfer and sale of the digital assets that the Company holds. The digital assets are held to provide the security holders with the exposure to changes in the fair value of digital assets and therefore the Board of directors consider that carrying the digital assets at fair value reflects the objectives and the purpose of holding the asset.

Fair value measurement principles

BTC is measured at fair value using the CME CF Bitcoin Reference Rate (BRR) as an input. ETH is measured at fair value using the CME CF Ether-Dollar Reference Rate (ETHUSD_RR) as an input.

Net changes in fair value of digital assets

Net changes in fair value of digital assets relates to movement in prices of the digital assets and includes all realised and unrealised fair value changes.

(i) Issue and redemption

Upon initial recognition and the receipt of digital assets, they are recorded at fair value using the Quoted Price.

Upon redemption of Securities and the transfer out of digital assets, the attributable cost shall be calculated in accordance with the average cost methodology, and the overall cost reduced accordingly to represent the de-recognition of the digital assets. Any previously recognised gains on the digital assets de-recognised as a result of the transfer are reclassified to retained earnings.

(i) Subsequent measurement

An increase in fair value is recorded first through profit or loss in respect of any previous losses below the original cost recognised being reversed, with any further gains being recognised in the statement of comprehensive income.

A decrease in fair value is recorded first through profit or loss in respect of any previous gains recognised being reversed, with any further loss being recognised in the statement of comprehensive income.

Notes to the financial statements (continued)**For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022****3 Significant accounting policies (continued)****(h) Leases and right-of-use asset***Company as Lessee - accounting for leases in accordance with IFRS 16*

The Company recognises a right-of-use asset and a lease liability in the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequently, the Company depreciates the right-of-use asset on a straight-line basis from the initial date of application to the earlier of the end of the useful life and lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

On the other hand, the Company measures the lease liability at the present value of the remaining lease payments, discounted using the discount rate of 7.4%, given that the rate implicit in a lease is generally not observable to the lessee. Lease payments include fixed payments. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

(i) Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity). The Company currently operates in a single operating segment.

(j) Foreign currency transaction

Transactions in foreign currencies are translated to the reporting currency at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the reporting currency at the beginning of the financial period, adjusted for effective interest and payments during the financial period, and the amortised cost in foreign currency translated at the exchange rate at the end of the financial period.

The Company is applying foreign exchange rates published by the Swiss Federal Tax Administration.

(k) Statement of cash flows

The indirect method has been applied in the preparation of the statement of cash flows.

(l) Intangible fixed assets*Development of the Program*

Costs incurred for the development of two ETP products relate to costs such as product design, development of Base Prospectus, review of the Base Prospectus by SIX Exchange and set-up services. Development costs are capitalised considering that the products have been developed and put on the market. These assets, by its nature, do not have an identifiable market on which the intangible assets could be recovered.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation.

Amortisation of the program is recognised on a straight-line basis over its estimated useful life, being 5 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(m) Employee benefits*Employee benefit plans*

Helveteq's pension fund is organized through the affiliation to a collective pension fund. It is a typical Swiss contribution-based promise plan that is qualified under IAS 19 as a defined benefit plan because both the actuarial risks and the investment risks are borne not only by the insured but also by the Company. In the case of a defined benefit plan, the pension obligation and the expense are determined based on an actuarial valuation using the projected unit credit method prepared by an external expert (defined benefit obligation: TCHF 123; fair value planned assets: TCHF 117). The most recent actuarial calculation according to IAS 19 was carried out as per 31 December 2022 (actuary assumptions: discount rate 2.24%, salary increase 1.75%). The net amount recognized in the statement of financial position corresponds to the funding deficit/surplus of the defined benefit pension plan.

Short term benefits

All short term benefits are recognised as an expense in the statement of comprehensive income in the financial period in which the employees rendered their services.

Notes to the financial statements (continued)

For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022

4	Net gain on financial liabilities designated at fair value through profit or loss	31-Dec-22
		CHF
	Net gain on financial liabilities designated at fair value through profit or loss	1,094,508
		<u>1,094,508</u>

5	Income	31-Dec-22
		CHF
	Service revenue	60,000
	Other income	3,952
	Cost of sales	(54,319)
		<u>9,633</u>

6	Operating expenses	31-Dec-22
		CHF
	Personnel expenses	(121,929)
	Professional services	(24,636)
	Other operating expenses	(108,816)
	Amortisation of intangible assets	(14,567)
	Bank charges	(749)
	Foreign exchange losses	(298)
		<u>(270,995)</u>

Statutory information:

		31-Dec-22
		CHF
	Auditors' remuneration – Statutory Assurance services	24,636
	Auditors' remuneration – Tax compliance services	-

The auditor of the Company earned no other fees from the Company.

7	Intangible fixed assets	31-Dec-22
	<i>Cost:</i>	CHF
	At the start of financial period	-
	Additions	94,915
		<u>94,915</u>
	<i>Amortisation:</i>	
	At the start of financial period	-
	Amortisation during period	(14,567)
		<u>(14,567)</u>
	Net book value at start of financial period	-
	Net book value at end of financial period	<u>80,348</u>

Program Development relates to costs, that are capitalized and incurred for development of the ETP product.

Notes to the financial statements (continued)

For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022

8 Right-of-use asset	31-Dec-22
<i>Cost:</i>	CHF
At the start of financial period	-
Additions	84,800
	<u>84,800</u>
 <i>Accumulated depreciation:</i>	
At the start of financial period	-
Current period depreciation	(35,877)
	<u>(35,877)</u>
 Net book value at start of financial period	-
 Net book value at end of financial period	<u>48,923</u>

Maturity analysis of right-of-use asset

	31-Dec-22
	CHF
Less than 1 year	39,138
1-2 years	9,785
2-5 years	-
Over 5 years	-
	<u>48,923</u>

The Company leased the office space for 26 months, that started on 1 February 2022, under the terms and conditions set out in the Office Rental Agreement.

There was no impairment recognised during the financial period.

9 Rental deposit	31-Dec-22
	CHF
Rental deposit	12,000
	<u>12,000</u>

Rental deposit relates to the rent of the representative office on Seestrasse 25, 8702 Zollikon.

10 Digital assets	31-Dec-22
	CHF
Investment in Bitcoin (BTC)	52,816
Investment in Ethereum (ETH)	61,646
	<u>114,462</u>

On 1 March 2022, the Company entered into a pledge agreement with the investors, represented by the Security Agent, ADEXAS Rechtsanwälte AG. The pledge agreement provides a pledge in favor of the investors to secure payment obligations of the Company.

The BTC are held as collateral for Bitcoin Zero ETP Securities issued. The ETH are held as collateral for Ether Zero ETP Securities issued by the Company.

	31-Dec-22
	CHF
At the start of financial period	-
Additions	1,939,907
Redemptions	(730,937)
Net movements in fair value	(1,094,508)
At end of financial period	<u>114,462</u>

Notes to the financial statements (continued)

For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022

10 Digital assets (continued)

As at 31 December 2022, the financial assets held by the Company was as follows:

	BTC 31-Dec-22	ETH 31-Dec-22	Total 31-Dec-22
Units held	3.46	55.86	
Price (CHF)	15,264	1,104	
Fair Value (CHF)	52,816	61,646	114,462

Maturity analysis of financial assets

	BTC 31-Dec-22 CHF	ETH 31-Dec-22 CHF	Total 31-Dec-22 CHF
Less than 1 year	52,816	61,646	114,462
1-2 years	-	-	-
2-5 years	-	-	-
Over 5 years	-	-	-
	52,816	61,646	114,462

The Products are open-ended and do not have a fixed maturity date.

11 Cash and cash equivalents

	31-Dec-22 CHF
Cash at bank	139,306
	139,306

As at 31 December 2022, the cash and cash equivalents is held with Raiffeisenbank (100%).

12 Other receivables

	31-Dec-22 CHF
Issuance advisory	60,000
Other current receivables	10,922
Accrued income and prepaid expenses	3,990
Trade receivables from financial services	3,952
	78,864

13 Lease liability

At 31 December 2022, as per the terms of the Office Rental Agreement, the Company had contracted to pay the following lease rentals:

	31-Dec-22 CHF
<i>Future minimum lease payments due:</i>	
Less than one year	42,480
Between one and five years	10,620
More than five years	-
	53,100
Interest expense	(2,531)
Net investments in finance lease	50,569

Maturity analysis of lease liability

	31-Dec-22 CHF
Less than 1 year	40,079
1-2 years	10,490
2-5 years	-
Over 5 years	-
	50,569

The Company has no other contingent liabilities as at 31 December 2022 other than those already disclosed.

Notes to the financial statements (continued)

For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022

14 Financial liabilities designated at fair value through profit or loss	31-Dec-22
	CHF
Bitcoin Zero ETP Securities	52,816
Ether Zero ETP Securities	61,646
<i>Total ETP Securities issued</i>	<u>114,462</u>
	31-Dec-22
	CHF
At the start of financial period	-
Issuances	1,939,907
Redemptions	(730,937)
Net gain on financial liabilities designated at fair value through profit or loss	(1,094,508)
At end of financial period	<u>114,462</u>

As at 31 December 2022, the financial liabilities in issue was as follows:

	Bitcoin Zero	Ether Zero	Total
	ETP Securities	ETP Securities	
	31-Dec-22	31-Dec-22	31-Dec-22
Units held	3,503	5,640	
NAV (CHF)	15.08	10.93	
Fair Value (CHF)	<u>52,816</u>	<u>61,646</u>	<u>114,462</u>

Maturity analysis of financial liabilities

	Bitcoin Zero	Ether Zero	Total
	ETP Securities	ETP Securities	
	31-Dec-22	31-Dec-22	31-Dec-22
	CHF	CHF	CHF
Less than 1 year	52,816	61,646	114,462
1-2 years	-	-	-
2-5 years	-	-	-
Over 5 years	-	-	-
	<u>52,816</u>	<u>61,646</u>	<u>114,462</u>

The Securities are perpetual and do not have a fixed maturity date.

15 Other payables	31-Dec-22
	CHF
Accrued expenses and deferred income	44,955
Other payables	15,953
	<u>60,908</u>

16 Share capital	31-Dec-22
	CHF
<i>Issued and fully paid in</i>	
3,158 registered shares of CHF 100 each at par value	<u>315,800</u>
<i>Presented as follows:</i>	
Share capital presented as equity	<u>315,800</u>

Capital contribution reserve

This is an unconditional injection of capital funds into the Company of CHF 234,361. It is not a loan and accordingly, there is no servicing burden on it, and the shareholders have no right to seek its repayment. The contribution was not made in return for any share capital in the Company, nor for any rights such as voting rights, shares in profits or share in surplus assets of the Company on liquidation and the use to which its proceeds will be put is a matter for the absolute direction of the Directors of the Company.

Notes to the financial statements (continued)

For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022

17 Financial risk management

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to the following risks from its use of financial instruments:

- (a) Operational risk;
- (b) Credit risk;
- (c) Market risk; and
- (d) Liquidity risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital.

(a) **Operational risk**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

Operational risk arises from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in the preceding paragraphs. Accounting and VAT tax compliance functions were outsourced to Apex Corporate Services (Switzerland) GmbH.

(b) **Credit risk**

Credit/Counterparty risk refers to the risk that the Custodian will default on its contractual obligations resulting in the Company being unable to make payment of amounts due to the Securityholders. Accordingly, the Company and the Securityholders are exposed to the creditworthiness of the Custodian.

Although the digital asset is held by the Custodian in segregated accounts, which are intended to be protected in the event of insolvency of the Custodian, the insolvency of the Custodian or the Security Agent may result in delayed access to the digital asset. In such a situation, investors may face a loss due to asset price fluctuation and therefore bear a credit risk of the Security Agent and the Custodian. No party, including the Security Agent, Custodian, or the Company is liable for the loss of the Underlying(s) held as digital asset. In the case of loss of the Underlying(s), e.g. due to fraud, theft, cyber-attacks and/or any analogous or similar event, the liability belongs solely to the investor.

Bitcoin Suisse AG has been engaged as Custodian. As at 31 December 2022, the Custodian, Bitcoin Suisse AG, is not rated.

The maximum exposure to the credit risk at the reporting date was:

	31-Dec-22
	CHF
Investment in Bitcoin (BTC)	52,816
Investment in Ethereum (ETH)	61,646
	114,462

As at 31 December 2022, the Company held cash and cash equivalents with Raiffeisenbank amounting to CHF 139,306 which represents its maximum credit exposure on these assets.

There were no credit default events during the financial period ended 31 December 2022.

Notes to the financial statements (continued)

For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022

17 Financial risk management (continued)

(c) Market risk

Market risk is the risk that changes in market prices of the digital assets will affect the Company's income or the value of its holdings of financial instruments. The Securityholders are exposed to the market risk of the assets portfolio. Market risk embodies the potential for both gains and losses and price risk.

Interest rate risk

Interest rate risk is the risk that the fair value of the Securities will fluctuate because of changes in market interest rates. Changes in exchange rates and interest rates may have a positive or negative impact on the price, demand, production costs, direct investment costs of the collaterals and the returns from investments in the collaterals are therefore influenced by and may be correlated to these factors. The Company has deemed the effect of these valuation fluctuations insignificant. As a result, the Company is not subject to significant interest rate risk. The Products also do not bear interest.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Currency risk is the risk which arises due to the assets and liabilities of the Company held in foreign currencies, which will be affected by fluctuations in foreign exchange rates.

The Company issued Securities in USD and invested in digital asset denominated in USD. The Company mitigates its exposure to currency mainly by matching the foreign currency assets with foreign currency liabilities. The Company is exposed to movement in exchange rates between the CHF, its reporting currency, and other foreign currency, namely USD.

The Company's net exposure to currency risk as at 31 December 2022 is shown in the following table:

	31-Dec-22
	CHF
Investment in Bitcoin (BTC)	52,816
Investment in Ethereum (ETH)	61,646
Total assets	<u>114,462</u>
Bitcoin Zero ETP Securities	52,816
Ether Zero ETP Securities	61,646
Total liabilities	<u>114,462</u>
Net exposure	<u><u>-</u></u>

The following significant exchange rates have been applied at the financial period end:

	Closing rate
	31-Dec-22
USD:CHF	0.9252

Sensitivity analysis

The impact of any change in exchange rates is borne by the Securityholders.

At 31 December 2022, had the CHF strengthened against USD by 1% with all other variables held constant, the fair value of the financial liabilities designated at fair value through profit or loss would have decreased by CHF 1,145. A 1% weakening of the CHF against the USD would have an equal but opposite effect on the fair value of the Securities issued.

This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the reporting date. The analysis assumes that all other variables, in particular interest rates which is zero coupon, remain constant.

The impact of any change in the exchange rates on the digital assets relating to any Series is offset by the foreign exchange rate changes on the Securities issued under the Series and will be borne by the Securityholders.

Notes to the financial statements (continued)**For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022****17 Financial risk management (continued)****(c) Market risk (continued)***Price risk*

Price risk is the risk that the fair value of digital assets or financial liabilities will fluctuate because of changes in market prices whether those changes are caused by factors specific to the collaterals, the individual Securities or its issuer, or factors affecting similar assets or Securities traded in the market. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions, or other events could have a significant impact on the Company and market prices of its investments.

Securityholders are exposed to market risk arising from market price of the Securities and from the holding of digital assets. The movements in the prices of these holdings result in movements in the performance of the Securities. The value of Securities will be affected by movements in the market price of the digital assets to which a particular Series is linked.

The market price of each Series of ETP Securities will be affected by a number of factors, including, but not limited to:

- (i) the value and volatility of the digital assets referenced by the relevant Series of Securities;
- (ii) the value and volatility of digital assets in general;
- (iii) market perception, interest rates, yields and foreign exchange rates;
- (iv) the creditworthiness of, among others, the Custodian, the Administrator, the Registrar, and the Authorised Participants; and
- (v) liquidity in the ETP Securities on the secondary market.

The Company does not consider market risk to be a significant risk to the Company as any fluctuation in the value of the digital assets will ultimately be borne by the Securityholders of the relevant Series.

Therefore, assuming all other variables remain constant any increase/(decrease) in the market price of the digital assets would have an equal increase/(decrease) on the value of the Securities issued in the relevant Series. As at 31 December 2022, a hypothetical 1% increase in the market price of the digital assets would have an increase of CHF 1,145 on the value of the Securities issued. A hypothetical 1% decrease in the market price of the digital assets would have an equal but opposite impact on the value of the Securities issued in the relevant Series. The Series offer investors instant, easily-accessible and flexible exposure to the movement in spot prices of the relevant digital assets. Each Series' performance is correlated to the performance of the digital assets invested into. The correlation of the Series' performance against this is a metric monitored by key management personnel.

(d) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another digital asset and thus, the Company will not be able to meet its financial obligations as they fall due.

Liquidity risk in a limited recourse vehicle is managed, where possible, by having the same maturity profile of financial liabilities and related digital assets.

The Company's obligation to the Securityholders is limited to the net proceeds upon realisation of the asset of the Series and should the net proceeds be insufficient to make all payments due in respect of a particular Series of Securities, the other assets of the Company are not contractually required to be made available to meet payment and the deficit is instead borne by the Securityholders according to the priority of payments mentioned in the agreements.

The Company does not have a significant exposure to liquidity risk due to the subscriptions and redemptions of the digital assets that backs such Securities are primarily non-cash transactions of the Company as they are carried out in-kind.

Liquidity in digital assets is significantly lower than other major currencies, such as U.S. Dollars, Euros or Japanese Yen, as well as certain stocks, bonds and structured products. As such, there is a greater possibility of market moving events such as a single large sale effecting the global market. Furthermore, liquidity crunches may also occur as a result of lower overall liquidity. In this case, it may be difficult or impossible to buy or sell underlying digital assets, resulting in a significant loss of value. This risk increases significantly as the market capitalization and liquidity of a digital asset declines and, accordingly, may be a more important risk for assets with lower market capitalization.

Notes to the financial statements (continued)

For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022

17 Financial risk management (continued)

(d) Liquidity risk (continued)

The following are the earliest contractual maturities of financial liabilities a at 31 December 2022:

	Carrying amount	Gross contractual cash flows	Less than one year	One to five years	More than five years
	CHF	CHF	CHF	CHF	CHF
Financial liabilities designated at fair value through profit or loss*	114,462	114,462	114,462	-	-
Other payables	60,908	60,908	60,908	-	-
	<u>175,370</u>	<u>175,370</u>	<u>175,370</u>	<u>-</u>	<u>-</u>

*The Securities are perpetual and do not have a fixed maturity date.

(e) Fair values

The fair value of a digital asset and financial liability is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amounts of all the Company's digital assets and financial liabilities at the reporting date approximated their fair values.

The Company's digital assets and financial liabilities carried at fair value are analysed below by valuation method. The different levels have been defined as follows:

- Level 1: Quoted market price in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

At the reporting date, the carrying amounts of digital assets at fair value through profit or loss and financial liabilities designated at fair value through profit or loss issued by the Company, for which fair values were determined directly, in full or in part and determined using valuation techniques are as follows:

	Fair value hierarchy as at 31 December 2022			
	Level 1	Level 2	Level 3	Total
	CHF	CHF	CHF	CHF
Investment in Bitcoin (BTC)	52,816	-	-	52,816
Investment in Ethereum (ETH)	61,646	-	-	61,646
Bitcoin Zero ETP Securities	(52,816)	-	-	(52,816)
Ether Zero ETP Securities	(61,646)	-	-	(61,646)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

No transfers between Level 1, Level 2 and Level 3 have taken place during the financial period.

Although the directors believe that their estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value as fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement e.g. interest rates, volatility, credit spreads, probability of defaults, estimates cashflows etc and therefore, cannot be determined with precision.

Notes to the financial statements (continued)**For the financial period from 4 August 2021 (date of incorporation) to 31 December 2022****17 Financial risk management (continued)****(e) Fair values (continued)**

For recognised fair values measured using significant unobservable inputs, changing one or more assumptions used to reasonably possible alternative assumptions would not have any effect on the profit or loss or on equity as any change in fair value of the digital assets will be borne by the Securityholders due to the limited recourse nature of the Securities issued by the Company.

The valuation inputs for the BTC are based on quoted market prices in active markets (as published by the CME CF Bitcoin Reference Rate (BRR)) and the valuation inputs for the ETH are based on quoted market prices in active markets (as published by the CME CF Ether-Dollar Reference Rate (ETHUSD_RR)). Therefore, the digital assets are classified as Level 1 in the fair value hierarchy.

Securities issued by the Company are classified within Level 1. The fair value of the Securities issued is determined by reference to the exchange quoted value of the underlying digital assets. This valuation technique represents the price of the Securities at which Authorised Participants subscribe and redeem the Securities directly with the Company. There are no significant unobservable inputs to this valuation technique.

18 Employee numbers and costs

The Company has 3 employees as at 31 December 2022. Employee costs amounted to CHF 121,929 as at 31 December 2022. Included in the employee costs was pension costs incurred of CHF 3,522 and social security costs of CHF 9,874.

19 Subsequent events

There are no significant events after financial period end up to the date of signing this report that require disclosure and/or adjustment to the financial statement.

20 Commitments and Contingencies

The Company had no commitments or contingencies as at 31 December 2022.

21 Approval of financial statements

The Board of Directors approved these financial statements on 14 April 2023.



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Independent Practitioner's Review Report

To the Executive Committee of
Helveteq AG, Freienbach

We have reviewed the accompanying opening balance sheet as of 3 August 2021 of Helveteq AG.

This opening balance sheet is the responsibility of the association's executive committee. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Swiss Standard on Review Engagements 910. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the opening balance sheet is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the opening balance sheet does not comply with Swiss law and the association's articles of incorporation.

Zurich, 21 February 2022
Grant Thornton AG

Audit expert
Auditor in charge

Audit expert

Enclosure:
- Opening balance sheet

Helveteq AG

Balance Sheet

03.08.2021

	CHF
ASSETS	
Current assets	
Cash and cash equivalents	100'000.00
Raiffeisenbank CHF - Capital Account (blocked)	100'000.00
	<hr/>
Total current assets	100'000.00
	<hr/>
TOTAL ASSETS	100'000.00
	<hr/> <hr/>

Helveteq AG

Balance Sheet

03.08.2021

	CHF
LIABILITIES AND EQUITY	
Shareholders' equity	
Nominal capital	100'000.00
Share capital	100'000.00
	<hr/>
Total shareholders' equity	100'000.00
	<hr/>
TOTAL LIABILITIES AND EQUITY	100'000.00
	<hr/> <hr/>

MATERIAL CHANGES SINCE THE MOST RECENT FINANCIAL STATEMENTS

As of the date of this Base Prospectus there have been no material change to the financial statements included in this Base Prospectus.