

SUPPLEMENT NO. 1
dated 20 February 2024
to the Base Prospectus of



The prospectus

This document constitutes a supplement to 21Shares AG's base prospectus which was approved and registered by the Swedish Financial Supervisory Authority (**SFSA**) on 13 December 2023 (SFSA reg. no. 23-27619) (the **Base Prospectus**).

This supplement

This supplement forms an integral part of and should be read together with the other parts of the Base Prospectus. This supplement has been prepared by 21Shares AG pursuant to the provisions of Article 23 of the Prospectus Regulation (EU) 2017/1129. This supplement was approved and registered by the SFSA on 20 February 2024 (SFSA reg. no. 24-4732) and was published by the Issuer on said date.

Reason for this supplement

This supplement has been prepared for the following reason.

The Issuer has decided to remove the Issuer's option to enter into lending arrangements whereby it lends certain Underlyings or Underlying Components to third parties.

The changes resulting therefrom are set out in the following page of this supplement.

Right of withdrawal

Only investors who have already agreed to purchase or subscribe for any Products offered under the Base Prospectus before this supplement was published shall have the right, exercisable within two working days after the publication of this supplement, to withdraw their acceptances, provided that the circumstances stated above arose or were noted before the closing of the relevant offer or the delivery of the Products, whichever occurs first.

Such investors can exercise their right of withdrawal pursuant to Article 23(2) of the Prospectus Regulation (EU) 2017/1129 during the period from publication of this supplement up to and including **22 February 2024**. This right of withdrawal cannot be exercised after said date.

Such investors should contact the relevant financial intermediary through which the investor has purchased or subscribed for the Products in question should they wish to exercise the right of withdrawal.

AMENDMENT TO THE SECTION “RISK FACTORS”

The risk factor section under the heading “xx. Lending arrangements denominated in the Underlying or Underlying Components”, starting on page 21 of the Base Prospectus, shall be deleted in its entirety.

AMENDMENTS TO THE SECTION “GENERAL TERMS AND CONDITIONS”

The provisions in Condition 12 (*Taxation/Tax Call*), on page 64 of the Base Prospectus, shall be amended by deleting (i) the words “...and/or revenues from lending...” in the first line of the fourth paragraph and (ii) the words “...and revenues...” in the third line of said paragraph.

AMENDMENTS TO THE SECTION “FORM OF FINAL TERMS”

The subsection “Amount of any expenses and taxes specifically charged to the subscriber or purchaser” in the section “Form of Final Terms”, starting on page 77 of the Base Prospectus, shall be amended by deleting (i) the entire second paragraph, i.e. the optional text appearing between square brackets regarding lending arrangements, and (ii) the words “...net additional income from lending arrangements,...” in the second line of the fourth paragraph and (iii) the words “...additional income or ...” in the third line of said paragraph.

AMENDMENTS TO THE SECTION “COLLATERAL & SUMMARY OF THE SECURITY ARRANGEMENTS”

The section “Collateral & summary of the security arrangements” shall be amended by deleting (i) the words “...and/or lending arrangements” in the second line of the second paragraph on page 99 of the Base Prospectus and (ii) the words “...net additional income from lending arrangements,...” and “...additional income or...” from the second sentence of said paragraph.

AMENDMENTS TO THE SECTION “FEES RELATED TO THE PRODUCTS”

The section “Fees related to the Products” shall be amended by deleting the entire sentence: “In addition, where lending arrangements are applicable, the fee arrangements may include a fixed percentage charge on any arranger fee payable on lending agreements used to generate additional income for the relevant underlying, payable to the Issuer at the time of payment.” in the third paragraph on page 107 of the Base Prospectus.

The subheading “Income from lending arrangements and staking rewards” and the associated subsection on page 108 of the Base Prospectus, shall be deleted in its entirety and replaced by the following:

“Income from staking rewards

Certain Crypto Assets can be used for staking, a consensus algorithm used by some blockchains to validate agreements. Unless, and where applicable only to the extent, the Issuer has agreed to share any net earned staking rewards pursuant to the above, no such earned staking rewards will be shared with Investors in any manner.”

AMENDMENT TO THE SECTION “GENERAL DESCRIPTION OF CERTAIN UNDERLYINGS OR UNDERLYING COMPONENTS”

The subsection under the heading “Lending” on page 128 of the Base Prospectus, shall be deleted in its entirety and replaced by the following:

“The Issuer may not enter into any lending transactions regarding any Collateral, or part thereof, in relation to any Products under the Programme.”