

# ISSUE SPECIFIC SUMMARY

## A. Introduction and warnings

The FiCAS Dynamic Crypto ETP (Ticker: BTCD) BTCD tracks the value of a basket of digital assets and fiat funds selected and weighted according to the Digital Asset Management strategy.

Name of the product	Ticker	ISIN	Security number	Currency
FiCAS Dynamic Crypto ETP	BTCD	CH1295937705	29593770	CHF

The issuer and provider of the securities FiCAS Dynamic Crypto ETP (BTCD) is Bitcoin Capital AG (LEI: 506700IC5128G2S3E076, Swiss company number: CHE-312.574.485), a public limited company based in Switzerland. The base prospectus was approved by the Liechtenstein Financial Market Authority (FMA) on 5 September 2023. The FMA only approved the base prospectus in accordance with the standards of completeness, comprehensibility and consistency. Such approval shall not be construed as an endorsement by the Issuer or as an endorsement of the quality of those securities.

Bitcoin Capital AG	FMA
<a href="mailto:operations@bitcoincapital.com">operations@bitcoincapital.com</a> +41 41 710 04 54	<a href="https://winw.fma.li/en/">https://winw.fma.li/en/</a> +423 236 73 73

Hints:

- (a) this issuance-specific summary should be read as an introduction to the base prospectus and the corresponding final terms and conditions in respect of those securities;
- (b) any decision to invest in such securities should be based on an examination by the investor of the base prospectus and the relevant final terms as a whole;
- (c) the investor could lose all or part of the invested capital;
- (d) in the event that claims are brought before a court on the basis of the information contained in the prospectus, the investor acting as the plaintiff could, under national law, have to bear the costs of translating the prospectus before the start of the proceedings;
- (e) Only the persons who have submitted and transmitted this summary of the prospectus, together with any translations, shall be liable under civil law, and only in the event that this summary, when read together with the other parts of the prospectus and the corresponding final provisions, is misleading, inaccurate or contradictory, or that it is read together with the other parts of the prospectus and the corresponding final provisions; does not provide the basic information that would assist investors in making decisions regarding investments in these securities.
- (f) You are about to acquire a product that is not easy and can be difficult to understand.

## B. Basic information about the issuer

### *Who is the issuer of these securities?*

#### **Registered office, legal form, law under which the issuer operates and country of registration**

Bitcoin Capital AG is the issuer of this instrument. Bitcoin Capital AG was founded on March 3, 2020 and is registered on March 10, 2020 in Zug, Switzerland, as a stock corporation pursuant to Art. 620 et seq. of the Swiss Code of Obligations for an indefinite period of time. Since that day, Bitcoin Capital AG has been registered in the commercial register of the canton of Zug, Switzerland, under the number CHE-312.574.485. Its LEI is 506700IC5128G2S3E076.

#### **Main activities**

Bitcoin Capital AG was established to issue exchange-traded products (ETPs) and other financial products related to the performance of crypto assets (FMA) on September 5, 2023. The Issuer will also engage in other activities related to the maintenance of exchange-traded products and the creation of new financial products.

#### **Majority Shareholder and Control**

The sole shareholder of Bitcoin Capital AG is the investment management company FICAS AG. Bitcoin Capital AG assumes the role of a special purpose vehicle for the issuance of exchange-traded products managed by the investment management company.

#### **Identity of the Chief Executive Officer**

The management of Bitcoin Capital AG consists of the following members: Olga Vögeli and Marcel Niederberger.

#### **Auditor**

Grand Thornton AG, Claridenstrasse 35, 8002 Zürich

#### **What is the key financial information regarding the issuer? (as of December 31, 2022)?**

<b>Income statement (in CHF)</b>	31 December 2020 (audited)	31 December 2021 (audited)	31 December 2022 (audited)
Operating profit/loss	57'172	(170'318)	(1'126'738)
<b>Balance</b>			
Net financial debt	n/a	379'731	1'094'888
Current Ratio	N/A	N/A	N/A
Debt-to-equity ratio	N/A	N/A	N/A
Zinsdeckungsgrad	N/A	N/A	N/A
<b>Cash flow statement</b>			
Net cash flow from operating activities	(3'690'069)	(13'214'578)	11'756'569
Net cash flow from investing activities			
Net cash flow from financing activities	3'690'069	13'248'483	(11'766'502)

#### **What are the main features of the securities?**

##### **Credit**

The financial situation of the issuer is influenced by a number of factors and depends on the capital of external investors. If the Issuer is unable to raise additional funds, the reserves to maintain business operations are limited, which may result in the Issuer not being able to ensure the continued existence of the Company. An investor's ability to receive a payment in accordance with the applicable ETP documentation depends on the issuer's ability to meet its payment obligations. In addition, regardless of the collateral, the creditworthiness of the issuer may affect the market value of any ETP, and in the event of default, insolvency or bankruptcy, investors may not receive the amount owed to them under the Terms and Conditions.

##### **Counterparty risk**

The Issuer is exposed to the credit risk of a number of counterparties with whom the Issuer conducts business, including, but not limited to, the custodian, the administrator, the wallet provider(s), the paying agents, market makers, authorized participants or exchanges. As a result, the Issuer is exposed to risks, including credit risk, reputational risk and settlement risk, arising from the non-performance of the respective obligations by any of its counterparties, which, if such risks occur, may have a material adverse effect on the financial condition and business of the Issuer.

##### **Risks associated with the Issuer's short history and limited business objective**

The Issuer's business activity consists of the issuance of ETPs, which are non-equity-linked securities that replicate a digital asset management strategy. As a special purpose vehicle, the issuer incurs costs for the admission of the ETPs to trading and for the maintenance of the ETPs. There is a risk that the issuer will not be successful in issuing ETPs, that the issuer will not make a profit, even though this is the issuer's goal. If the issuer is unsuccessful in issuing ETPs, the issuer could cease operations as an issuer or ultimately become insolvent. If the issuer becomes insolvent, it may not be able to repay all or part of the investor's investment. If the success of the digital assets fails to materialise or deteriorates in the future, and the issuer is unable to adapt to such changed circumstances, it may be unsuccessful in carrying out its business, which may also result in an impairment of the ETP.

***Availability risk of the trading platform***

The issuer relies on an offer of digital assets from reputable and verifiable exchanges and/or OTC platforms. These trading venues are affected by global and local economic conditions, market sentiment, and regulatory changes regarding the underlying digital assets. Should this offering be restricted or a disruption in trading occurs, the Issuer may not be able to issue additional ETPs, which in turn may adversely affect the financial performance and creditworthiness of the Issuer. This risk can lead to unexpected changes in the issuer's earnings.

***Liquidity risk***

The funds that the issuer receives through the issuance of ETPs will be used for the purchase of digital assets or for other transactions in order to secure financial exposure under the ETPs. This means that the issuer must have sufficient funds in the respective fiat currencies on the marketplaces where the digital assets are traded to meet liquidity needs. There is a liquidity risk for the issuer that would adversely affect the issuer's business situation.

***Operational risk***

Operational risks are risks related to losses to which the Issuer or other parties involved in the issuance of the ETPs may be exposed due to incorrect or inadequate procedures, human or systemic errors, and legal risks (including disputes and legal proceedings). Compared to other underlyings, the operational risk of digital assets is higher. If the alignment or control was inadequate, it could adversely affect hedging arrangements, reputation, operating results and financial condition. As a result, the Issuer's business activities and financial position are exposed to operational risks.

***No regulation of the issuer by a supervisory authority***

There is no obligation for the Issuer to obtain a licence, authorisation or approval under any currently applicable securities, banking or trading regulations in the country of its incorporation and will therefore operate in any jurisdiction without supervision by an authority. The ETPs issued under the program are debt instruments in the form of ETPs. They do not qualify as units of a collective investment scheme within the meaning of the relevant provisions of the Federal Act on Collective Investment Schemes (CISA), as amended, and are not registered under this Act. The legal status has been confirmed by the Swiss Financial Market Supervisory Authority (FINMA). Therefore, neither the issuer nor the ETPs are regulated by the CISA or supervised by FINMA. Accordingly, investors do not benefit from the specific investor protection provided for under the CISA. However, there can be no assurance that supervisory authorities in other countries will not come to the conclusion that the Issuer requires a licence, authorisation or approval in accordance with the applicable securities, banking or trading regulations of that jurisdiction, or that the relevant legal or regulatory requirements will not change in the future. Such requirements or changes could adversely affect the issuer or holders of the ETPs. New laws or regulations, decisions by public authorities or changes in the application or interpretation of existing laws, regulations or decisions of public authorities that apply to the Issuer's business, the ETPs or the Digital Assets may adversely affect the Issuer's business or an investment in the ETPs.

***Regulatory risks***

Digital currencies, tokens, and blockchain technologies are relatively new technologies, potentially posing risks related to law enforcement and government regulation. The lack of consensus on the regulation of digital assets and the way in which such currencies should be treated for tax purposes creates uncertainty about their legal status. It can be assumed that governments worldwide, including Switzerland and member states of the European Economic Area, will continue to review the benefits, risks, regulation, security and application of digital currencies and blockchain technology. The introduction of new laws or regulatory requirements, or changes to existing laws or regulations by governments, or the respective interpretation of the legal requirements, could have a significant adverse effect on the issuer, ETPs and underlyings.

## C. Key information on the securities

### *What are the main characteristics of the securities?*

FiCAS Dynamic Crypto ETP (BTCD; ISIN CH1295937705) is a non-interest-bearing debt instrument issued in the form of unsecured securities in accordance with the Swiss Book Securities Act (BEG) and has no scheduled maturity.

BTCD tracks the value of a basket of digital assets selected and weighted by the asset manager in accordance with the digital asset management strategy. BTCD is a long-only strategy with the aim of achieving an absolute return. The investment style is discretionary. There is no leverage and only long positions are taken. It must be emphasized that FiCAS does not hedge fiat currency risk, i.e. the risk of unfavorable exchange rate fluctuations between CHF, EUR and USD. The use of crypto assets is possible depending on the investment strategy. Staking involves buying a certain, limited amount of digital assets and setting them aside to become an active validation node for a blockchain network. Simply put, staking is a way to earn rewards for holding crypto assets.

The total number of BTCD units issued as of the date of this prospectus summary is put option and is equipped with a continuous creation and redemption mechanism for authorized participants. The securities are 200,000 collateralized securities. Additional shares of the BTCD can be issued at any time. The securities are secured by an annual bond issued by the issuer through the underlying basket components. The securities are considered transferable securities under MIFID II and are not subject to any restrictions on transferability.

### *Where will the securities be traded?*

The products are traded on the SIX Swiss Exchange. Additional multilateral trading facilities may be added from time to time without notice or consent from the issuer.

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

#### ***Investment risk***

Investors in the ETPs may lose all or part of their investment in the ETPs. The ETPs issued under this base prospectus do not provide for capital protection equal to the amounts payable under the ETPs. Due to the conditions of the ETPs, an investment in the ETPs may result in a loss of the invested capital even if there is no default or insolvency of the issuer. Investors in the ETPs bear the risk of an unfavorable price development of the corresponding underlying assets and the risk of theft or hacking of an underlying asset serving as collateral.

#### ***Investment Management Risk***

The market value and settlement amount of the ETPs will depend on the digital asset management strategy as specified in the respective Final Terms and governed by the investment policy. The investment manager makes investment decisions based on fundamental, technical and market data with the aim of achieving a positive total return. The Investment Manager makes investment decisions at its sole discretion, but within the limits set by the Digital Asset Management Strategy, as set forth in the Final Terms and Investment Policy. There is a risk that the investment decision made by the investment manager will not result in a positive total return.

#### ***Liquidity risk in the digital asset market***

There is a risk that there is no achievable liquidity in the digital asset market. If the market is illiquid, pricing becomes highly volatile and even more difficult to predict. This, in turn, can reduce investor interest, which has a detrimental effect on demand, thus mathematically reducing the market value of the digital asset.

#### ***Risks associated with the development of protocols***

In the development of digital currencies, there may be hindrances and delays due to possible disagreements between participants, developers and members of the network. Should a situation arise in which it is not possible to reach a majority in the network regarding the implementation of a new version of the protocol, this may mean, among other things, that the improvement in the scalability of this protocol may be limited. Should the development of any of the protocols of the crypto assets be prevented or delayed, it may have a detrimental effect on the value of the currencies.

## **D. Basic information on the offer of collateral to the public and/or admission to trading on a regulated market**

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

These securities are offered to the public in all EU Member States (currently Belgium, Austria, Denmark, Finland, France, Germany, Italy, Luxembourg, Malta, Netherlands, Spain, Sweden), as well as in Liechtenstein and Switzerland. The offering for this security will remain in place until the end of the base prospectus (September 5, 2024) (Offer Period) and additional investors may enter a particular series at any time. Additional tranches of BTCDC may be issued at any time subject to further final terms. However, these additional issuances do not have a dilution effect and are collateralized to an appropriate extent with underlying assets. These securities include a 2% annual management fee and a 20% success fee above the High Watermark, which is reassessed quarterly, as well as a subscription/redemption fee for authorized participants. It is possible that investors may pay additional brokerage fees, commissions, trading fees, spreads, or other fees when investing in these products.

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

The Issuer has given its Authorised Participants its consent to the use of the Base Prospectus in connection with any non-exempt offering of these securities in the above-mentioned countries during the Offer Period by or to any of the following financial intermediaries (**each, an Authorised Offeror**):

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

An investor who intends to purchase or acquire securities from an Authorized Offeror acquires such securities from the Authorized Offeror in accordance with the terms and other agreements made between that Authorized Offeror and that investor, including agreements regarding pricing, allotment and settlement.

### ***Why is this prospectus being produced?***

The Issuer's business activities consist of the issuance of financial products, including Exchange Traded Products (ETPs) such as BTCDC.