

**ETC ISSUANCE GMBH  
FRANKFURT AM MAIN**

**SPLIT ANNOUNCEMENT**

**for the attention of the holders of  
the ETHetc Physical Ethereum ETC bonds with the  
ISIN DE000A3GMKD7  
issued by  
ETC Issuance GmbH**

This notice relates to the ETHetc Physical Ethereum ETC bonds with the ISIN DE000A3GMKD7 (the "**ZETH Bonds**"), offered by ETC Issuance GmbH (the "**Issuer**") under its base prospectus dated 23 November 2021, as supplemented from time to time (the "**Base Prospectus**") and must be read in conjunction with the Terms and Conditions of the Bonds (the "**T&Cs**"). Terms not otherwise defined herein shall have the meaning as specified in the T&Cs.

**1. Notification of Split**

The Issuer hereby informs the **Bondholders** of the **ZETH Bonds**, that the Mainnet of Ethereum has merged with the Ethereum Beacon Chain proof-of-stake system (the "**Merge**"). The Merge has taken place on 15 September 2022.

The Ethereum blockchain has been subject to a hard-fork, resulting in a split of the Ethereum blockchain into two separate blockchains and a corresponding split of the cryptocurrency Ether ("**ETH**") in two cryptocurrencies: (1) the main Ethereum blockchain and the cryptocurrency ETH, which is based on a proof-of-stake system and (2) a separate blockchain for a forked version of Ethereum and a newly created cryptocurrency ("**ETHW**"), which will continue to be based on a proof-of-work system.

This event constitutes a **Split** in accordance with §1 (8) of the T&Cs in relation to ETH, as underlying Cryptocurrency of the **ZETH Bonds**.

**2. Notification of Split Notification Event**

The publication of this notice constitutes a **Split Notification Event** in accordance with §1 (8) of the T&Cs.

**3. Consequences of the Split Notification Event for the ZETH Bonds and Bondholders**

As a consequence of the occurrence of the **Split Notification Event**, in accordance with §13 (1) of the T&Cs, directly after the Split Notification Event, each Bond represent a claim on a basket of ETH and ETHW corresponding to such **Cryptocurrency Entitlement** as each **Bond** represented before the **Split**, whereby the weighting of ETH and ETHW corresponded to (1) the balance of ETH and ETHW held on the **Depository Wallet** at the point of a **Split Notification Event**; divided by (2) the **Outstanding Amount** at the point of the **Split Notification Event**.

The balance of ETH and ETHW held on the **Depository Wallet** at the point of a **Split Notification Event** amounted to: 35,511.00473647

The **Outstanding Amount** at the point of the **Split Notification Event** amounted to: **3,635,185**

**4. Split of the ZETH Bonds and Suspension of Put Option Exercises**

The Issuer hereby notifies the Bondholders, that it has split the ZETH Bonds in accordance with §13 (2) of the T&Cs, resulting in two separate series of bonds: (1) a series of ZETH Bonds with the ISIN DE000A3GMKD7 representing a claim on the Issuer on ETH and (2) a series of bonds with the ISIN DE000A3G01J0 representing a claim on ETHW (such new series of bonds, the “**ETHW Bonds**”).

ZETH Bondholders will receive ETHW Bonds on a 1:1 ratio with a **Cryptocurrency Entitlement** of 0.00976869 per Bond for each Bond held at the point of the **Split Notification Event**.

The Issuer hereby further informs the bondholders of the ETHW Bonds that during the period from the occurrence of the **Split Notification Event**, however in no case for a period longer than 90 days, the Issuer will suspend any **Put Option Exercises** by **Bondholders** in relation to the ETHW Bonds. During this period, **Bondholders** will not be able to exercise their ETHW Bonds but will only be able to sell their ETHW Bonds in the secondary market via an exchange or over-the-counter.

#### 5. Next steps

It is intended that, within the next 24 hours, by way of separate notice, the Issuer will inform the **Bondholders of the ETHW Bonds** of the **Mandatory Redemption** and will provide further details relating to requirements to be fulfilled by **Bondholders**, the **Mandatory Redemption Date** and the **Mandatory Redemption Price**.

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This document is provided by ETC Issuance GmbH, in its capacity as the issuer of the Bonds. It is directed at **Bondholders** and prospective investors in the Bonds to draw particular attention to the modalities and consequences of the Split of the Bonds and the subsequent Mandatory Redemption of the ETHW Bonds that might impact the decision of prospective investors to invest in the Bonds.

A full description of the risks and the terms applicable to the Bonds is contained in the offering documentation for the Bonds, available on <https://etc-group.com/>.

PLEASE CONSIDER THESE RISKS CAREFULLY BEFORE MAKING ANY INVESTMENT DECISIONS IN RELATION TO THE BONDS AND, IF IN DOUBT, PLEASE SPEAK TO A FINANCIAL ADVISER TO UNDERSTAND THE IMPLICATIONS OF SUCH RISKS FOR YOUR INVESTMENT.

THE BONDS AND THE ETHW BONDS HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, (THE "**SECURITIES ACT**"). THE BONDS AND THE ETHW BONDS ARE BEING OFFERED OUTSIDE THE UNITED STATES OF AMERICA (THE "**UNITED STATES**" OR "**U.S.**") IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.