

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

PRODUCT

Product:	1Valour Ethereum Physical Staking – 1Valour Ethereum Physical Staking
Manufacturer:	Valour Digital Securities Limited
ISIN	GB00BRBMZ190
Website:	www.valour.com
Contact:	hello@valour.com

This key information document is valid as at **04 August 2023**.

Competent Authority: Valour Digital Securities Limited is authorised in Jersey and regulated by Swedish Financial Supervisory Authority, Finansinspektionen (FI). This PRIIP is authorised in Jersey.

WHAT IS THE PRODUCT?

Type: This product is an open-ended, non-interest bearing, secured, limited recourse debt security of the Issuer, that is fully secured by holdings of Ethereum or other assets denominated therein. This product's primary listing is Börse Frankfurt but it may be listed on additional exchanges and MTFs. Typically, such products are known as exchange traded products (ETPs).

Term: This product is not subject to any fixed term.

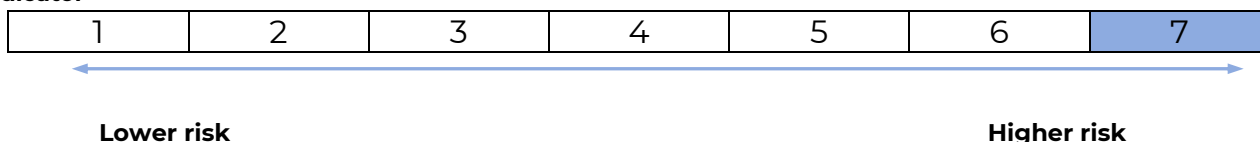
Objectives: 1Valour Ethereum Physical Staking ETP provides investors with exposure to the performance of Ethereum and potential income yield through staking. Investors are expected to purchase and sell the securities in the secondary markets on the stock exchanges or MTFs where the securities are listed during the relevant exchange opening hours. Price data (in USD) from Compass is used to calculate the price of the reference asset. The securities are only issued directly to authorised participants (who are generally regulated financial institutions) in return for delivery of the underlying asset(s) which must be newly minted or sourced from a defined list of crypto currency exchanges. All assets relating to the securities are secured by way of a pledge to a collateral agent acting on behalf of investors.

Product Currency	USD	Initial Fixing Date	17 August 2023
Underlying asset	Ethereum	Issue Date	17 August 2023
Type of underlying	Digital Asset	Maturity Date (Maturity)	Open Ended (the product has no maturity date)
Asset base currency	USD	Multiplier	N.A.
Collateralisation	1:1	Management Fee	1.49% p.a.
Reference Sources	Reference pricing is provided by Compass Financial Technologies.	Reference Price	Compass

Intended Retail Investor: This product is a complex product and is only intended for informed retail investors who (i) can bear loss of capital, are not seeking to preserve capital and who are not looking for a capital guarantee; (ii) have specific knowledge of and experience investing in similar products (complex securities) and in financial markets; (iii) seek a product offering exposure to the underlying asset and have an investment horizon in line with the recommended holding period stated below; (iv) are aware that the value of the product can change significantly due to the volatile underlying asset and, as a result, have sufficient time to actively monitor and manage the investment and (v) are willing to accept a level of risk that is consistent with the summary risk indicator for this product. This view does not represent an assessment of the suitability of the product for an individual investor.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

Risk indicator



The risk indicator assumes you keep the product for the recommended holding period of at least 1 Year. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may not be able to sell your product easily or may have to sell at a price that significantly impacts on how much you get back.

The summary risk indicator ("SRI") is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as class 7 out of 7, which is the highest risk class. This rates the potential losses from future performance at a very high level, and poor market conditions are very likely to impact the capacity of the fund to pay you.

Poor market conditions are very likely to impact the capacity of the Issuer to pay you. Material risks not included in the summary risk indicator are: lack of consensus on the legal status and regulation of digital assets and risks associated with nascent technologies and digital asset protocols.

This product does not include any protection from future market performance so you could lose some or all of your investment. If the Issuer is not able to pay you what is owed, you could lose your entire investment.

The product mirrors the performance of the digital asset Ethereum (as defined in the prospectus) which is traded on various digital exchanges and is generally characterized as presenting high risk, but which also allows for the opportunity of high returns. Given the fact that the product is linked to a single digital asset and the volatility of these assets, the product has a higher risk than other products using the diversification method of investing in a basket of digital assets.

The indicator mainly reflects the ups and downturns in the value of the product. The product can be expected to have large fluctuations due to the nature of the underlying asset class. The product does not include any protection from future market performance so you could lose some or all your investment.

This product is a complex product and is only intended for investors who understand the risks involved and have experience investing in similar products. Please refer to the 'Risk' section of the prospectus for more details.

If we are not able to pay you what is owed, you could lose your entire investment.

For detailed information about the risks relating to the product please refer to the risk sections of the base prospectus and any supplement thereto as specified in the section 'other relevant information' below.

Performance scenarios

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

The unfavourable, moderate, and favourable scenarios shown are illustrations using the worst, average, and best performance of the fund completed where applicable by that of its reference framework over the last 10 years. Markets could develop very differently in the future.

Recommended minimum holding period: 01 Year Investment: 10 000 USD		
Scenarios		01 Year (recommended holding period)
Minimum:		
Stress scenario	What you might get back after costs	0 USD
	Average return each year	- 99.97 %
Unfavourable scenario	What you might get back after costs	1 110 USD
	Average return each year	- 88.91%
Moderate scenario	What you might get back after costs	17 140 USD
	Average return each year	71.39%
Favourable scenario	What you might get back after costs	814 870 USD
	Average return each year	8 048.68%

The table shows the money you could get back over the next one year, under different scenarios assuming that you invest 10,000 USD. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past of how the value of this investment has varied and are not an exact indicator. What you will get will vary depending on how the market performs and how long you keep the investment/product. The stress scenario shows what you can get back in extreme market conditions and does not take into account a situation where the issuer is not able to pay you back.

Unfavourable: This type of scenario occurred for an investment between 02/2018 and 01/2019.

Moderate: This type of scenario occurred for an investment between 07/2022 and 06/2023.

Favourable: This type of scenario occurred for an investment between 02/2017 and 01/2018.

WHAT HAPPENS IF Valour Digital Securities Limited IS UNABLE TO PAY OUT?

In the case of default by the Issuer, the assets it holds as collateral may be realized in order to meet its obligations to investors and the cash proceeds of this will be paid out in the order of priority of payments applicable to the product. These proceeds may not be sufficient to meet all obligations and make all payments due in respect of the securities. In these circumstances, you may not be able to realize the full value of your securities, and this may result in you losing some or all of your investment. There is no compensation or guarantee scheme in place which may offset all or any of this loss.

WHAT ARE THE COSTS?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself for the recommended holding period. They include potential early exit penalties. The figures are estimates and may change in the future.

Costs over Time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does. The amounts shown here are illustrations based on an example investment amount and different possible investment periods:

We have assumed:

- In the first year you would get back the amount that you invested (0% annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario.

- USD 10 000 is invested.

The entity distributing this product to you or advising you about this product may charge you other costs. If so, this person will provide you with information about those costs and show you the impact that all costs will have on your investment over time.

Investment: 10 000 USD	If you exit after 1 Year
Total Costs	151 USD
Cost Impact	1.51 %

*This illustrates the effect of costs over a holding period of less than 1 year. This percentage cannot be directly compared to the cost impact figures provided for other PRIIPs.

Composition of Costs

One-off costs upon entry or exit		If you exit after 1 Year
Entry costs	The impact of the costs you pay when entering your investment on exchange	N/A
Exit costs	We do not charge an exit fee for this product, but the person selling you the product may do so.	N/A
Ongoing costs		
Management fees and other administrative or operating costs	The impact of costs we take each year from managing your investment.	151 USD
Portfolio transaction costs	The impact of costs of us buying and selling the underlying investments for the product.	N/A
Incidental costs taken under specific conditions		
Performance Fee	No performance fee is charged for this product.	0 USD

*Retail investors who purchase the product on the secondary market conclude trades directly with a participating broker or via an exchange and therefore additional costs may apply. These costs are publicly available on the stock exchanges on which the product is listed or can be requested from online brokers.

HOW LONG SHOULD I HOLD IT AND CAN I TAKE MY MONEY OUT EARLY?

Recommended minimum holding period: 1 Year

Sudden changes in value may be frequent and abrupt, due to the highly volatile nature of the underlying type. The value of the product should be monitored constantly. You are able to sell the product in the secondary market on the relevant stock exchanges where the products are listed. Both the issuer and the holder of the product have the possibility to request early redemption of the securities under certain circumstances. The precise process and costs of doing so are defined in the base prospectus.

HOW CAN I COMPLAIN?

In case of any unexpected problems in the understanding, trading or handling of the product, please feel free to contact Valour directly.

Website: www.valour.com
E-mail: hello@valour.com
Address: Bundesstrasse 3, CH-6302 Zug, Switzerland

Valour will handle your request and provide you with a response as soon as possible. Please include the name of the product, the ISIN, and the reason for the complaint. Submitting a complaint does not prejudice your right to take legal action. Any complaint regarding the conduct of the person advising on, or selling, the product must always be submitted directly to that person or entity.

Other Relevant Information

This document may be updated from time to time. Updated and additional documents on the product, in particular the prospectus, the final terms, supplements and financial statements are published on the Issuer website (www.valour.com) in accordance with the relevant legal provisions.

It is recommended that you read these documents for more information, particularly on the structure of the product and the risks associated with investing in the product.

This KID does not constitute a recommendation to buy or sell the product and is no substitute for individual consultation with your bank or financial advisor. The KID is a pre-contractual document which gives you the main information about the product. The past performance of this product can be found on kneippriips.com or by following this link https://api.kneip.com/v1/documentdata/permalinks/KPP_GB00BRBMZ190_en_AT-BE-CZ-DE-DK-FI-FR-GB-HR-HU-IE-IT-LI-LU-MT-NL-NO-PL-PT-RO-SK.pdf. Please note that past performance is not indicative of future performance. It cannot provide a guarantee of returns that you will receive in the future. Past performance shows the fund's performance as the percentage loss or gain per year over the last 0 years.

Previous performance scenario calculations can be found at https://api.kneip.com/v1/documentdata/permalinks/KMS_GB00BRBMZ190_en_AT-BE-CZ-DE-DK-FI-FR-GB-HR-HU-IE-IT-LI-LU-MT-NL-NO-PL-PT-RO-SK.xlsx or by following this link https://api.kneip.com/v1/documentdata/permalinks/KMS_GB00BRBMZ190_en_AT-BE-CZ-DE-DK-FI-FR-GB-HR-HU-IE-IT-LI-LU-MT-NL-NO-PL-PT-RO-SK.xlsx.