

Key Information Document

Version exclusively for the United Kingdom

CoinShares

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

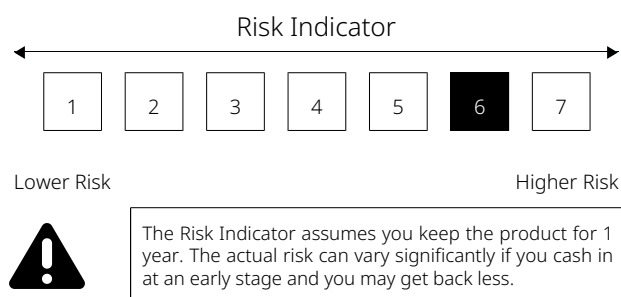
Name of the product	Coinshares Physical Staked Ethereum ("ETHE")
ISIN	GB00BLD4ZM24
PRIIP manufacturer	CoinShares Digital Securities Limited ("Issuer")
Phone number/website	Call telephone number +44 1534 513 100 for more information (www.coinshares.com/etps/physical)
Competent authority of the manufacturer of the product	The Financial Conduct Authority (FCA) is responsible for supervising CoinShares Digital Securities Limited, Jersey in relation to this Key Information Document
Production date of the KID	29/10/2025

You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type	This product, collectively referred to as Ethereum Securities, is a non-interest bearing, secured, undated, limited recourse debt security that is fully secured by the underlying Ethereum. Ethereum Securities are listed on the following stock exchanges: SIX Swiss Exchange (primary listing), Frankfurt Stock Exchange (XETRA) and London Stock Exchange; and may also be listed on additional exchanges and Multilateral Trading Facilities.
Term	Ethereum Securities do not have a fixed maturity. A Ethereum Security holder can sell the product on the regulated market on which it is listed, or in accordance with (and subject to) the terms of the Prospectus, may redeem the Ethereum Securities directly with the Issuer in return for an amount of Ethereum equal to the aggregate Coin Entitlement of the Ethereum Securities (less relevant fees and costs) or, in certain limited circumstances, for an amount in US dollars equal to the net proceeds of sale of the aggregate Coin Entitlement (less relevant fees and costs). The Issuer may, at any time, determine that all Ethereum Securities are to be redeemed compulsorily in accordance with (and subject to) the terms of the Prospectus.
Objectives	This product is designed to offer investors a means of investing in Ethereum without having to acquire Ethereum itself and to enable investors to buy and sell exposure to Ethereum by trading of a security on a regulated European stock exchange. The Ethereum Security is backed and secured by Ethereum, meaning that there is a direct relationship to the value of the underlying and that the product is not leveraged (meaning it does not use borrowed money or financial instruments to increase potential returns or losses).
Intended retail investor	This product is intended for retail investors and eligible counterparties who have sufficient knowledge and experience of, and familiarity with, investments in digital assets or similar high-risk products. Investors should be able to fully evaluate and understand the significant risks associated with investing in this product, including the risk of total loss of capital, and should have financial resources substantial enough to sustain any such loss. The product is not suitable for investors seeking capital preservation or any form of capital guarantee. It is designed for those who wish to gain exposure to the price performance of the underlying digital asset (Ethereum) without directly acquiring or holding the asset itself, and who have an investment horizon consistent with the recommended holding period. Prospective investors should carefully consider their investment objectives, experience, and financial situation, and are strongly encouraged to seek independent professional advice before investing.

What are the risks and what could I get in return?



The Summary Risk Indicator 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 the Issuer is unable to pay you.

We have classified this product 6 out of 7 which is the second-highest risk class.

This rates the potential losses from future performance at a high level, and poor market conditions could impact the ability for you to receive a positive return on your investment.

Be aware of currency risk. You will receive payments in a currency that is different to the product's base currency if the trading current is different to the base currency and as such, the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

This product doesn't include any protection from future market performance so you could lose some or all of your investment.

The product invests in the digital asset Ethereum, 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 invests in one volatile digital asset, 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 up 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.

Please refer to the product's Prospectus Disclosure for details of other materially relevant risks that may apply to this product. This product does not include any protection from future market performance so you could lose some or all of your investment.

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Investment Performance Information

The main factor affecting your return is the price movement of Ethereum, as each Ethereum Security is fully backed by and represents a direct entitlement to a specific quantity of Ethereum. The return on your investment will depend on the increase or decrease in the market price of Ethereum during the period you hold the Ethereum Security, less the impact of management fees and any applicable costs. Other factors that may materially impact performance include the liquidity of the Ethereum market, the ability of the issuer to maintain secure custody of the underlying Ethereum, and the costs associated with buying, selling and redeeming the Ethereum Security. The most relevant benchmark for this product is the spot price of Ethereum, as published by major digital asset exchanges and referenced by the Compass Crypto Reference Index. The performance and volatility of the product are expected to closely track the price and volatility of Ethereum, subject to the deduction of fees.

What could affect my return positively?

A sustained increase in the price of Ethereum will lead to higher returns for investors. Favourable market conditions, such as increased adoption of Ethereum, positive regulatory developments or greater demand for digital assets, are likely to support higher returns.

What could affect my return negatively?

A decrease in the price of Ethereum will reduce the value of your investment and may result in a partial or total loss of your investment. Adverse market conditions, such as regulatory restrictions, security breaches, loss of confidence in digital assets or significant market disruptions, could lead to lower returns or a total loss of your investment. The product does not provide any capital protection and you may not be able to sell your securities at a price equal to or greater than your original investment.

Severely Adverse Market Conditions

In severely adverse market conditions, such as a rapid and sustained collapse in the price of Ethereum or a failure of the Issuer or a custodian, you may lose the entire value of your investment. In such circumstances, the proceeds on redemption or sale of your Ethereum Securities may be significantly less than your initial investment or you may be unable to realise any value at all.

What happens if CoinShares Digital Securities Limited is unable to pay out?

Although the product is secured with Ethereum, investors bear the risk that the Issuer may not be able to fulfil its obligations in relation to the product. For example, in the event of the Issuer's insolvency. The Issuer has no other business activities except to issue digital securities that provide exposure to a single type of underlying digital asset. In the case of default by the Issuer the assets it holds as collateral may be realized to meet its obligations and the cash proceeds will be paid in accordance with a priority order applicable to the product. The cash 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 realise the full value of your securities and you will suffer a partial or total loss on your investment. A total loss of invested capital is possible. The product is not covered by an investor protection or guarantee scheme.

What are the costs?

The reduction in yield 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 assume you invest USD 10,000. The figures are estimates and may change in the future.

Costs over time

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

Investment USD 10,000 Scenario	If you exit after 1 year (recommended holding period)
Total costs	USD 0
Annual cost impact*	0.0%

* This illustrates how costs reduce your return each year over the holding period. For example, it shows that if you exit at the recommended holding period your average return per year is projected to be 0.0% before costs and 0.0% after costs.

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Composition of Costs

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories

This table shows the impact on return per year		
One-off costs		
Entry costs *	0%	The impact of costs you pay when entering your investment. We do not charge an entry fee, but the person selling the product may do so.
Exit costs *	0%	The impact of costs you pay when exiting your investment. We do not charge an exit fee, but the person selling the product may do so.
Ongoing costs		
Portfolio transaction costs	0%	The impact of the costs of us buying and selling underlying investments for the product. No such costs are incurred.
Other ongoing costs	0.0%	The impact of the costs that we take each year for managing your investments and other administrative or operating costs. Investors are charged a management fee in respect of the Ethereum Securities. This is deducted each day by a reduction in the Coin Entitlement. The management fee for this product has been reduced to 0.0% per annum (which may be revised at the discretion of the Issuer, with any such reduction announced by the Issuer via RNS).
Incidental costs		
Performance fees	0%	The impact of the performance fee. There is no performance fee for this product.
Carried interests	0%	The impact of carried interests. There are no carried interests for this product.

* Not applicable for secondary market investors. Secondary market investors deal directly with authorised participants or via an exchange and will pay fees charged by their authorised participants or brokers respectively. Please refer to your broker, financial adviser, or distributor for the actual charges.

How long should I hold it and can I take my money out early?

Recommended Holding Period: 1 year

The recommended holding period for this product is 1 year. However, as Ethereum is highly volatile, investors should monitor the value of the product constantly as sudden changes in value will be frequent and abrupt.

A Ethereum Security holder can sell the product on the regulated market on which it is listed, or in accordance with (and subject to) the terms of the Prospectus, may redeem the securities directly with the Issuer in return for an amount of Ethereum equal to the aggregate Coin Entitlement of the Ethereum Securities (less relevant fees and costs).

How can I complain?

Any complaint about the sale of the product should be made to your intermediary or distributor. A complaint about any other aspect of this product sold (including, relating to the conduct of the Issuer) can be submitted to the Issuer in writing at the following address: 2nd Floor, 2 Hill Street, St. Helier, Jersey JE2 4UA, or by email: physical@coinshares.com.

Please see disclosures at the following website: <https://coinshares.com/uk/disclosures/>.

Any complaint shall be handled in line with the Issuer's normal process. Further details can be provided upon request.

Making a complaint will not prejudice your right to take legal action.

Other relevant information

This document may be updated from time to time. The latest Key Information Document (KID) is available free of charge at www.coinshares.com/etps/physical. The prospectus (a base prospectus as may be supplemented from time to time and completed by final terms) contains important and legal information regarding the product, its risk, the Issuer, and its Guarantor. It is available free of charge at www.coinshares.com/etps/physical. The information contained in this KID does not constitute a recommendation to buy or sell the product and is no substitute for individual consultation with the investor's bank or advisor. The KID is a pre-contractual document which gives you the main information about the product (characteristics, risks, costs, etc.).