

Capital Market Prospectus

according to Schedule A of the Austrian Capital Market Act 2019

of Bitpanda GmbH



on the public offer of investments in the form of the Index product in a total amount of up to EUR 10 million (in words: EURO ten million) with the option to increase the total amount to EUR 30 million (in words: EURO thirty million)

08.05.2024

This capital market prospectus (the “**prospectus**”) has been prepared by Bitpanda GmbH, with its registered office in Vienna, Austria, and its business address at Stella-Klein-Löw-Weg 17, A-1020 Vienna, registered with the Commercial Register of the Commercial Court of Vienna under company register number FN 569240 v (“**Bitpanda**” or the “**Issuer**”), in accordance with the provisions of the Austrian Capital Market Act 2019 (“**KMG 2019**”) and in accordance with its Schedule A contained in attachment A, to enable investors in Index product (each an “**Investor**” and together the “**Investors**”) to make an informed investment decision on the Issuer’s so-called Index product (each an “**Investment**”, “**Bitpanda Index**”, “**Bitpanda Crypto Index**”, “**Index product**” or “**Bitpanda Index product**” and together “**Investments**”, “**Bitpanda Indexes**”, “**Bitpanda Crypto Indexes**”, “**Index products**” or “**Bitpanda Index products**”). The investments are offered exclusively in the Republic of Austria (“**Austria**”) and exclusively on the basis of this prospectus.

Only Bitpanda is authorised to use this prospectus. The distribution or disclosure of this prospectus by third parties is prohibited without the express consent of the issuer. Furthermore, it is prohibited to use the information contained in this prospectus for purposes other than the assessment of investing in the investment. The use of this prospectus by third parties requires the express consent of the issuer.

This prospectus and any supplements to the prospectus contain all statements and information provided by the issuer in connection with the offer of the investment. An offer of the investment is therefore made exclusively on the basis of this prospectus, completed by any supplements. With the exception of the issuer, no person is authorised to provide any information or give any assurances in connection with an offer of the investment. Should such information nevertheless be provided or assurances given, no one may rely on the fact that these have been authorised by the issuer. This prospectus is neither an offer to acquire the investment nor an invitation to submit a tender to acquire the investment.

POTENTIAL INVESTORS IN THE INVESTMENT MUST MAKE THEIR OWN ASSESSMENT OF THE ISSUER, THE INVESTMENT AND THE CORRESPONDING RISKS ASSOCIATED WITH AN CAPITAL INVESTMENT IN THE INVESTMENTS, WHICH MAY LEAD TO THE TOTAL LOSS OF AN INVESTMENT. ANY INVESTMENT DECISION SHOULD BE MADE SOLELY ON THE BASIS OF THE INFORMATION CONTAINED IN THIS PROSPECTUS AND ANY SUPPLEMENTS THERETO. ASSURANCES OR DESCRIPTIONS MADE BY THIRD PARTIES MAY DIFFER MATERIALLY FROM THOSE CONTAINED IN THE PROSPECTUS, SO IT IS ESSENTIAL TO READ THE PROSPECTUS. THE SUMMARY OF THE PROSPECTUS ALSO DOES NOT CONSTITUTE A COMPREHENSIVE BASIS FOR INFORMATION, BUT MERELY SUMMARISES THE MOST IMPORTANT POINTS, WHICH IS WHY IT IS ALSO NECESSARY TO READ THE PROSPECTUS. FURTHER IT SHOULD ALSO BE CONSIDERED THAT THE PROSPECTUS IS A GENERAL DESCRIPTION AND SUMMARY OF THE RIGHTS OF INVESTORS AND THE RISKS ASSOCIATED WITH THE ISSUER AND THE STRUCTURE OF THE INVESTMENTS. THE INDIVIDUAL INITIAL SITUATION OF INVESTORS MAY DIFFER IN INDIVIDUAL CASES. THE PROSPECTUS IS FOR INFORMATION PURPOSES ONLY AND CANNOT BE REGARDED AS LEGAL OR TAX ADVICE REGARDING THE SPECIFIC POSITION OF AN INVESTOR OR AS ADVICE ON THE INTERPRETATION OR ENFORCEABILITY OF THE INVESTOR'S RIGHTS.

THIS PROSPECTUS IS NOT A PROSPECTUS WITHIN THE MEANING OF REGULATION (EU) 2017/1129 IDGF (PROSPECTUS REGULATION) AND HAS NOT BEEN APPROVED BY THE AUSTRIAN FINANCIAL MARKET AUTHORITY (“FMA”) OR ANY OTHER COMPETENT AUTHORITY ISV ART 31 OF THE PROSPECTUS REGULATION. GRANT THORNTON AUSTRIA GMBH WIRTSCHAFTSPRÜFUNGS- UND STEUERBERATUNGSGESELLSCHAFT HAS ONLY CHECKED THE PROSPECTUS FOR CORRECTNESS AND COMPLETENESS AS PROSPECTUS AUDITOR PURSUANT TO SEC. 7 PAR. 1 NO 3 OF THE AUSTRIAN CAPITAL MARKET ACT 2019 AND SIGNED IT, STATING THE PLACE AND DATE AND ADDING “AS PROSPECTUS AUDITOR”.

The publication of this prospectus and the offer of investments will not be made in any countries outside Austria in which regulations on registration and authorisation or other regulations with regard to a public offer of investments exist or could exist. Any failure to comply with these restrictions may result in a violation of the capital market regulations of such countries. In addition, any foreign

investors may not rely on the description of the tax situation. This prospectus is not being (and must not be) used in connection with an offer in any jurisdiction in which it is unlawful to make such an offer. Persons into whose possession this prospectus comes should inform themselves about and observe any such restrictions. No offer or invitation to give an offer is being made outside Europe and therefore in no circumstances (inter alia) in the USA, Canada, South Korea, China, Australia or in any other jurisdiction in which such an offer or invitation to give such a tender is unlawful. The publication or distribution of this prospectus in these jurisdictions is expressly prohibited.

All examples in this prospectus are greatly simplified and intended to give potential investors a basic understanding of the investment. The simplification concerns, for example, the clearing of price mark-ups, the number of assets included, upper limits per index (cap) and other similar cases. Investors should therefore not rely on the direct comparability of the investment with the examples.

The Indexes described in this prospectus are acquired by Bitpanda from MarketVector Indexes GmbH, with registered office and business address at Voltastraße 1, 60486 Frankfurt am Main, Germany (hereinafter "**MarketVector**" or "**Index-Provider**"), which develops, monitors and markets these Indexes. MarketVector is therefore the **licensor** of the index. In general, MarketVector provides Indexes of various asset classes. MarketVector is the index business unit of VanEck, an investment management company based in the USA. MarketVector has entered into an agreement with CryptoCompare Data Limited ("**CryptoCompare**") to manage and calculate the index. CryptoCompare thus calculates the respective Indexes.

The Indexes described in this prospectus are not calculated by the issuer itself and the unlimited availability of the Indexes on the Bitpanda platform at all times cannot be guaranteed. The Issuer reserves the right to amend or terminate the Bitpanda Indexes at any time at its own discretion. The same applies to the Index product itself.

The Bitpanda Index product is not sponsored, endorsed, promoted or disposed by MarketVector Indexes GmbH ("**Licensor**"). The Licensor makes no representations whatsoever regarding advice on investments in securities in general, the Index product in particular or the ability of the Indexes used ("**Index**") to measure the performance of the digital asset market. The Licensor does not grant any express or implied (indirect) warranty to owners of the Index product or third parties. The legal relationship between the Licensor and the Licensee is limited to the licensing of certain services and brand names of the Licensor and the Index. The Index is maintained by the Licensor without regard to the specific needs of the Licensee and is calculated by a third party commissioned by the Licensor without regard to the specific needs of the Licensee. The Licensor has no obligation to take into account the requirements of the Licensee with regard to index maintenance and calculation. The Licensee is not responsible for the determination of prices and quantities of the Licensee's Index product and does not support the issuance and/or determination/calculation of prices at which the Index product is acquired and disposed. Similarly, the Licensee has no obligation and assumes no liability with respect to the administration, marketing or acquisition and disposal of the Index product by the Licensee or any third party.

THE LICENSOR MAKES NO WARRANTY AS TO THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY DATA CONTAINED THEREIN AND ASSUMES NO LIABILITY FOR ERRORS, OMISSIONS OR INTERRUPTIONS IN THE PROVISION OF DATA. THE LICENSOR MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE RESULTS OF THE CALCULATION RECEIVED FROM THE LICENSEE, OWNERS OF THE INDEX PRODUCT OR ANY OTHER PERSON/ENTITY IN THE CONTEXT OF INDEX USE OR USE OF OTHER INDEX-RELATED DATA. THE LICENSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MARKETABILITY AND MERCHANTABILITY FOR A PARTICULAR PURPOSE WITH RESPECT TO THE INDEX AND ANY DATA INCLUDED THEREIN. WITHOUT LIMITING THE FOREGOING, THE LICENSOR SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT OR CONSEQUENTIAL DAMAGES (INCL. LOST PROFITS).

The Bitpanda Index product is not sponsored, endorsed, promoted or disposed by CryptoCompare or in any other way supported by CryptoCompare. CryptoCompare makes no express or implied

warranties or representations regarding the use of the Index, the brand name or the Index values at any time in any context. The Index is calculated and distributed by CryptoCompare. CryptoCompare calculates the Index to the best of its knowledge and belief. Regardless its obligations to the Issuer, CryptoCompare has no obligations to any third party (including but not limited to investors and intermediaries) of the Index product. Neither the publication of the Index by CryptoCompare nor the licensing of the Index or the brand name for the purpose of use in the context of an Index product constitutes a recommendation by CryptoCompare to invest in such Index product and does not represent an opinion or commitment by CryptoCompare with respect to such investment. CryptoCompare is not responsible for ensuring that the legal requirements regarding the accuracy and completeness of the prospectus for the Index product are met.

The Bitpanda Index product is not sponsored, endorsed, promoted or disposed by Van Eck Associated Corporation ("**VanEck**") or any company affiliated with VanEck. VanEck makes no representation, warranty or responsibility, express or implied, as to the accuracy or completeness of this prospectus; or the advisability of investing in securities, other financial instruments or this Index product. It should be noted that this Index product is neither a security nor a financial instrument.

VANECK AND AFFILIATED COMPANIES ASSUME NO LIABILITY FOR ERRORS, OMISSIONS OR INTERRUPTIONS IN THE PROVISION OF DATA AND MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE RESULTS OF THE CALCULATION RECEIVED FROM THE LICENSEE, INDEX PRODUCT OWNER OR ANY OTHER PERSON/ENTITY IN THE CONTEXT OF INDEX USE OR USE OF OTHER INDEX-RELATED DATA. WITHOUT LIMITING THE FOREGOING, VANECK AND ITS AFFILIATES SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES (INCL. LOST PROFITS), EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

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General warnings

INVESTORS SHOULD NOTE THAT INVESTING IN THE INVESTMENT INVOLVES SUBSTANTIAL RISKS, UP TO AND INCLUDING A POSSIBLE TOTAL LOSS OF THE INVESTMENT. CRYPTO-ASSETS ARE HIGHLY VOLATILE ASSETS WHOSE PERFORMANCE CANNOT BE ESTIMATED. THEREFORE, ONLY THOSE INVESTORS SHOULD ACQUIRE THE INVESTMENT WHO CAN ECONOMICALLY ABSORB A TOTAL LOSS OF THE INVESTMENT AND WHO ARE NOT ECONOMICALLY DEPENDENT ON CORRESPONDING RETURNS FROM THE INVESTMENT. DEBT FINANCING OF THE ACQUISITION OF THE INVESTMENT IS EXPRESSLY DISCOURAGED. THERE IS NO PROTECTION IN THE EVENT OF INSOLVENCY OR COMPENSATION SCHEME FOR THE INVESTMENT, SUCH AS THE DEPOSIT INSURANCE FOR BANK DEPOSITS.

This prospectus contains certain forward-looking statements relating to the business activities, financial development and revenues of the issuer. Forward-looking statements can be recognised by terms such as “expects”, “plans”, “provide”, “intends”, “believes”, “to be anxious”, “estimates” and similar expressions. Forward-looking statements relate to expected future facts, events or other circumstances that are not historical facts. Such statements only reflect the assessment of the issuer at the time of the preparation of the prospectus.

If the assumptions made by Bitpanda in preparing this prospectus prove to be incorrect, it cannot be ruled out that the events that actually occur in the future will differ significantly from those described in this prospectus as assumed, believed, estimated or expected. For this reason, the issuer may be prevented from achieving its financial and strategic objectives. Neither the issuer nor its management can accept any responsibility for the future accuracy of the opinions expressed in this prospectus or the actual occurrence of the forecast developments. Furthermore, it should be noted that the issuer does not intend to update the information presented in this prospectus, and in particular the forward-looking statements, beyond what is required by law. In the event of an important or new circumstance or a significant mistake or inaccuracy in this prospectus pursuant to Sec. 6 KMG 6, Bitpanda will publish a corresponding supplement to the prospectus.

The information contained in this prospectus regarding the investment corresponds to the current economic and financial situation and planning of the issuer and is based on the laws and regulations that are in force in Austria in the time of prospectus control, the prevailing rulings of the courts and administrative authorities and the current supreme court jurisprudence of the Austrian Supreme Court (OGH) and the courts of public law.

Investors must note that the investment is a new type of product, the legal categorisation of which is largely lacking in supreme court jurisprudence and has only been dealt with in general terms in legal literature, if at all. There is therefore a risk that courts may in future judge the legal classification of the investment in question differently from the issuer, that future legislative projects at national or European level may lead to a different legal classification or lead to other legal uncertainties.

The economic and tax effects of the investment depend heavily on the individual tax situation of the respective investor. Changes in the legal situation and/or administrative practice/jurisprudence must be borne by the investor. Investors should obtain appropriate legal and tax advice before acquisition of the investment.

As the economic development of the investment is heavily dependent on various future events, the resulting risks may have a significant negative impact on the investor's financial situation. It is therefore strongly recommended not to finance the investment with borrowed funds.

Further risk information can be found in “*Chapter 1 – Risk Factors*” of this prospectus. Before making an investment decision, it is essential for potential investors to read all the risk factors contained in this prospectus carefully in order to be able to make an informed judgement about the risks associated with the investment.

List of definitions and abbreviations

Airdrop	Special form of distribution of crypto-assets, usually a provision of crypto-assets free of charge
AML5	5. European Anti Money Laundering Directive, Directive (EU) 2018/843 in the current version
Public limited company	A company listed on a stock exchange, and in the context of this prospectus also the following special forms: <i>Business Development Company</i> <i>Limited Partnership</i> <i>Master Limited Partnership</i> <i>Real Estate Investment Trust</i> <i>Special Purpose Acquisition Company</i>
Investor	Investor in the Bitpanda Index product
Assets	Generic term for assets, includes physical and intangible goods, used here in particular in connection with crypto assets.
B2C	Business-to-Consumer
BaFin	German Federal Financial Supervisory Agency
BAM	Bitpanda Asset Management GmbH, with registered office at Friedrich-Ebert-Anlage 36, 60325 Frankfurt a.M., Germany, registered with the district court of Frankfurt am Main under HRB 121696
BCI	Bitpanda Crypto Index
BCI, Bitpanda Crypto Index, Bitpanda Index, Index product, Bitpanda Index product or the investment	The Index product covered by the prospectus comprises the following Indexes: BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders and BCI Meme Coin Leaders.
BDC	<i>Business Development Company</i> , public limited company that primarily invests in start-ups and companies in crisis situations.
BEST	Bitpanda Ecosystem Token, which was issued by Bitpanda and provides customers with certain benefits when using the platform.
Bitpanda or Issuer	Bitpanda GmbH, a limited liability company established under Austrian law, with its business address at Stella-Klein-Löw-Weg 17, A-1020 Vienna, and registered with the Commercial Register of the Commercial Court of Vienna under company register number FN 569240 v
Bitpanda Financial Services	Financial Services GmbH, with its registered office in Vienna and business address at Stella-Klein-Löw-Weg 17, A-1020 Vienna, registered in the Commercial Register of the Commercial Court of Vienna under company register number FN 551181 k.

Bitpanda Group	Bitpanda Group AG, a public limited company established under Swiss law, with its business address at Hardstrasse 201, CHE-8005 Zurich, and registered in the commercial register of the Canton of Zurich under commercial register number CHE-267.250.666.
Bitpanda Group	Bitpanda GmbH, Bitpanda Metals GmbH, Bitpanda Financial Services GmbH, Bitpanda Customer Care GmbH, Bitpanda Payments GmbH, Bitpanda Asset Management GmbH, Bitpanda Custody Ltd
Bitpanda platform or internet platform	Is the electronic platform operated by Bitpanda GmbH, through which customers can access Bitpanda services after successful registration
Bitpanda-Savings	Possibility to acquire assets via the Bitpanda platform on a recurring and regular basis (e.g. monthly/weekly).
Bitpanda System	Online or electronic platforms (e.g. https://www.bitpanda.com/) or mobile applications of Bitpanda and its subsidiary companies and associated programming interfaces of such a platform or application.
Bitpanda-Wallet or Wallet	Representation of assets held by customers of the Bitpanda platform. The wallet interacts with the blockchain.
blockchain, blockchain-Technology	Digital, immutable database technology that stores and cryptographically links transaction data.
BP Pro Europe	Bitpanda Pro Europe S.R.L.
BP Pro Germany	Bitpanda Pro Germany GmbH
resp.	respectively
Cap	Term for upper limits which index components do not exceed if exceeded; corresponds to a maximum value.
Claim	Termination/liquidation of the complete Bitpanda Index product by transferring all crypto assets individually to the corresponding Bitpanda wallets.
Cold-Storage	Refers to a special backup of the private keys of crypto assets; these are not online at any time, but are stored elsewhere (exclusively offline).
Corporate Actions	Measures in connection with share capital, in particular share splits, buyback of shares, capital reductions and bonus shares.
CryptoCompare	CryptoCompare Data Limited, 9 Appold Street, London, United Kingdom, EC2A - the company that calculates the weighting of the index in co-operation with MarketVector.
Tap issue	Indefinite offer period of a subscription. The subscription to the Bitpanda Index can be made until cancelled (indefinitely).
DeFi	Abbreviation for “decentralized finance”, a collective term for a group of crypto-based applications in the financial sector that are based on a blockchain. This includes financial

	applications that are based on decentralized networks without central intermediaries.
Digital-Asset Market	Market by bringing together supply and demand for crypto-assets, another term for crypto-assets market.
Diversification effect	Reduction of risk by spreading the investment amount over several assets.
dKWG	German Banking Act in the current version
ETC	<i>Exchange Traded Commodities</i> , a sub-form of certificates that enable investments in commodities.
etc.	et cetera
ETF	<i>Exchange Traded Fund</i> , exchange-traded investment products in the form of a special fund that replicate a specific index.
ETN	<i>Exchange Traded Notes</i> , a sub-form of certificates that invest in asset classes that cannot be represented by ETCs and ETFs, such as cryptocurrencies.
EUR	Euro
Factsheet	Document containing essential information on the underlying index from MarketVector.
FMA	Austrian Financial Market Authority
FM-GwG	Financial Market Money Laundering Act in the current version
F-Token or Fiat-Token	Proprietary tokens in the form of vouchers for the acquisition of products and services via the Bitpanda systems, issued by Bitpanda GmbH and denominated in various currencies for sale against payment with a legally recognised means of payment
Fork	A fork is a situation in which a blockchain splits temporarily (soft fork) or permanently (hard fork) into two separate chains. Forks are (i) either a natural occurrence during mining, where two blockchains that follow the same consensus rules temporarily receive the same proof of work (consensus mechanism ensures agreement in the network) and are both considered valid, or (ii) they can also occur as a result of the deliberate use of two different sets of rules that attempt to control the same blockchain.
GBP	Great Britain Pound
GICS	Global Industry Classification Standard
GmbHG	Limited Liability Companies Act in the current version
Hot-Wallet	An internet-connected storage medium for crypto assets.
Initial Coin Offering (ICO)	Initial Coin Offerings (ICOs) are the issuance of an own token against existing crypto assets.
Indexes/Index	Baskets/basket of different assets that show the development of the weighted assets (in this case crypto

	assets), usually with periodic adjustment to market conditions.
Index methodology	Methodology for calculating the weighting of crypto assets by the index provider.
Index-Provider	MarketVector Indexes GmbH (MarketVector), Voltastraße 1, 60486 Frankfurt am Main.
Index-Only-Coins	These coins are not offered on the Bitpanda platform outside of the Bitpanda Index. A claim is not possible.
Infrastructure	Describes applications that are necessary for the functioning and development of the blockchain.
incl.	inclusive
in the sense of	in the sense of
i.c.w.	in connection with
KESt	Capital revenue tax
KMG 2019	Capital Market Act 2019 in the current version
KÖSt	Corporate income tax
Krypto-Assets	Digital representation of the value of assets. Crypto assets are transferable via the blockchain.
Crypto asset	Digital representation of a value or a right.
Customer	Refers to a legal or natural person for whom Bitpanda provides services.
Liquidity	Key figure in relation to the daily trading volume of various crypto assets (in relation to the index methodology) or the ability to fulfil its payment obligations in a timely manner (in general).
MarketVector	MarketVector Indexes GmbH, Index Provider, Voltastraße 1, 60486 Frankfurt am Main - the company that acts as licensor of the Indexes.
MAR	Market Abuse Regulation (EU) 596/2014 in the current version
Market capitalisation	Key figure in relation to the total equivalent value, calculated (simplified) from the number of units and the current price of the asset.
Meme Coin	Assets whose name, brand or other external aspects relate to a common meme, i.e. an interesting or funny idea or joke captured in an image, video or other media form. Usually, meme coins only have a trading value without any relevant function or practical use behind the asset.
CET	Central European Time and Central European Summer Time
Metaverse	is a combination of two worlds: the virtual and the real world. It describes a virtual space that is added to the real world, but also exists on its own.

MiFID II	<i>Markets in Financial Instruments Directive II</i> , Directive (EU) 2014/65/EU in the current version
MiFIR	<i>Markets in Financial Instruments Regulation</i> , Directive (EU) 600/2014/EU in the current version
M	Million
Multiple Debit Order	Refers to the regular and recurring automatic acquisition of crypto assets via Bitpanda.
BN	Billion
On-chain	Transfer of crypto assets to blockchain wallets managed by the customer.
Austria	Republic of Austria
PAN/Pantos-Token	Tokens issued by Pantos GmbH, a wholly owned subsidiary of Bitpanda, as part of an ICO.
Price information service providers	External service providers that provide prices for various financial instruments
Prospectus	This capital market prospectus pursuant to KMG 2019
Prospectus auditor	Grant Thornton Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Gertrude-Fröhlich-Sandner-Straße 1/Top 13, 1100 Wien - the auditor of this prospectus.
Rebalancing	Monthly, automated adjustment of the weighting of crypto assets according to the index methodology.
Rebalancing-Tag	The day on which the rebalancing actually takes place.
Smart Contracts	Describes programmes stored on a blockchain that are executed when certain conditions are met. They are typically used to automate the execution of an agreement so that all parties have immediate certainty of the outcome.
Stablecoins	Crypto-assets that are collateralised, backed or bound by a currency that is legal means of payment or by any other asset in any form whatsoever.
Swap	Exchange of tokens (all except F-Tokens) for other tokens (all except F-Tokens) via the Bitpanda platform.
Trade	Umbrella term for all forms of acquisitions/disposals of crypto assets including swaps and similar.
Token	Digital representation of an asset, used here in particular in connection with crypto assets.
Trade-Only-Coins	These coins can be acquired and disposed on the Bitpanda platform, but cannot be withdrawn from it.
USD	United States dollar
VanEck	Van Eck Associates Corporation (or any other VanEck company), 666 3 rd Ave, New York, NY 10017, United States
KMG 2018	Securities Supervision Act 2018 in the current version
ZaDiG	Payment Services Act 2018 in the current version

e.g.

for example

Summary

This summary should be read as an introduction to this Prospectus and is based on the information contained in this Prospectus. It should therefore only be read in conjunction with the entire Prospectus. Potential investors should base their decision to purchase the offered investments on a thorough examination of the entire Prospectus, including all annexes thereto.

Issuer

Bitpanda GmbH is a limited liability company established under Austrian law, with its seat in Vienna and the business address at Stella-Klein-Löw-Weg 17, A-1020 Vienna, registered in the companies' register (*Firmenbuch*) of the commercial court of Vienna (*Handelsgericht Wien*) under FN 569240 v.

Bitpanda's core services include the custody of crypto assets and the operation of trading venues for crypto assets. With the issuance of the A-Token product, Bitpanda has expanded its service portfolio to include traditional financial instruments.

Investment

Investors are able to purchase multiple crypto assets with one click according to a pre-defined allocation of funds. The crypto assets included in the selected BCI and calculated according to the index methodology are purchased directly.

Bitpanda currently provides investors with eight indices (BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders). These eight indices, including the compilation and corresponding updates, are purchased by Bitpanda from the index provider MarketVector as an external service provider. All indices included in this prospectus contain only crypto assets.

The investor acquires the crypto assets in the respective ratio at the time of purchase. The weighting and the total value of the Index product are calculated on an ongoing basis. This information can be accessed via the Bitpanda platform.

The index is adjusted monthly according to the index methodology (rebalancing). These changes in the index lead to corresponding buy/sell orders on behalf of the investor holding an Index product. Crypto assets are thus bought and sold so that the index product again corresponds to the allocation key according to the respective index.

Acquisition of the Index product

The Issuer offers the Index product via the Bitpanda platform. Bitpanda provides its investors by the investment subject to this prospectus a function with which investors can buy crypto assets in the index allocation key with "one click" and thus follow the respective index. The investor selects the index themselves and becomes the beneficial owner of the underlying crypto assets. Bitpanda holds the corresponding crypto assets in trust for the investor.

The purchase of assets requires an existing balance on the Bitpanda platform. This can be in the form of crypto assets or Fiat-Tokens.

Maximum Amount

There is no maximum amount set as such, but Bitpanda reserves the right to refuse offers above certain sums or to apply its own maximum amounts for special acquisition methods (e.g., via Bitpanda Savings).

Minimum Investment

A minimum investment of EUR 10 applies. Investors cannot purchase or sell an Index product below the amount of this minimum investment.

Currency

The currency of the investment is EUR.

Indices

The Bitpanda Crypto Index follows the following indices in its eight versions (BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders):

- MVIS CryptoCompare Digital Assets 5 Index (MVDA5) (ISIN: DE000A2GGQM9)
- MVIS CryptoCompare Digital Assets 10 (MVDA10) (ISIN: DE000A2GGQF3)
- MVIS CryptoCompare Digital Assets 25 Index (MVDA25) (ISIN: DE000A2GGQL1)
- MVIS CryptoCompare Decentralized Finance Leaders Index (MVDFLE) (ISIN: DE000SL0D7U3)
- MVIS CryptoCompare Infrastructure Application Leaders Index (MVIALE) (ISIN: DE000SL0D7W9)
- MVIS CryptoCompare Media & Entertainment (Metaverse) Leaders Index (MVMELE) (ISIN: DE000SL0D7Y5)
- MVIS CryptoCompare Smart Contract Leaders Index (MVSCLE) (ISIN: DE000SL0D703)
- MarketVectorTM Meme Coin Index (MEMECOIN) (ISIN: DE000SL0K625)

Offer Period

The offer period is not limited, the Index products are issued by means of a continuous offering. The issuance is limited to a total amount of EUR 10 million. There is an option to increase the offer to up to EUR 30 million or the offer may be increased further by supplement according to § 6 of the Austrian Capital Market Act 2019 (*Kapitalmarktgesetz 2019*).

The period for subscribing to the Index product begins on 10 May 2024. The subscription is not subject to any time

restrictions. Therefore, the subscription period is, in principle, indefinite. However, the issuer reserves the right to terminate the issuance at any time, to accept no further subscription offers, and/or to terminate the management of the Index product. The closing of the offer is without prejudice to the management of the Index product further on.

Costs

In the event of a purchase/sale as part of the monthly rebalancing, costs are incurred by the investor. In addition, a price premium of up to 1.99% is charged for each purchase/sale of the Index product. The claim is free of charge, except for Index-Only-Coins sold as part of the claim process.

In general, it should be noted that additional costs may be incurred for the use of the platform.

Transferability

The Index product is not eligible for trading via any stock exchange. Therefore, the Index product can only be purchased or terminated via the Bitpanda platform. Any form of transfer – even between investors – is technically and legally excluded.

Investors may terminate the Index product either by selling the Index product against all possible assets of the Bitpanda platform (Fiat-Tokens, crypto assets, precious metals). In addition, the Index product can be terminated and the crypto assets can be transferred to the usual Bitpanda wallets (claim). The crypto assets withdrawn then correspond to the crypto assets otherwise acquired via the Bitpanda platform and do not differ from them.

It is not possible to sell or withdraw individual crypto assets. This can only be done by terminating the entire Index product (claim).

In principle, the Index product can be sold at any time, but certain circumstances may result in the suspension of this redemption, such as technical disruptions, lack of market prices, etc. In such a case, the investor remains exposed to the risk of falling prices for crypto assets and his capital remains tied up in the Index product.

The investor does not have an unconditional and immediate right of return.

Risk Factors of the Issuer

The following is a summary of risk factors which the Issuer considers to be the most material risk factors specific to the Issuer (see "*Chapter 1 – Risikofaktoren 1. Emittentenbezogene Risikofaktoren*" of this prospectus):

Risk Factors related to the Issuer's Business Operations

- The issuer is highly dependent on the functionality and attractiveness of the crypto market as well as the macroeconomic environment. It is exposed to the risk of

any deterioration of macroeconomic conditions and negative developments in the crypto market. The collapse of individual crypto ecosystems and platform operators can lead to an impairment of the crypto market and cause lasting damage.

- Bitpanda is subject to the risk of insolvency. In the event of insolvency, the repayment of investors' capital is not secured.
- Bitpanda is exposed to the risk of default by credit and financial institutions, crypto trading venues, and other partners. Insolvencies in the financial or crypto trading sector can adversely affect Bitpanda's liquidity and solvency.
- Bitpanda is subject to reputational risk vis-à-vis its customers. A loss of trust may have a material adverse effect on Bitpanda's business and financial situation.
- Bitpanda's business model is subject to the risk of changes in market prices, such as exchange rates, interest rates, stock prices, and crypto values (market and interest rate risk).
- The resignation or loss of key personnel, including the CEOs, senior executives, and IT specialists, as well as any difficulties in recruiting or retaining qualified personnel, may adversely affect Bitpanda's ability to implement its strategy or continue its business operations.
- Bitpanda is exposed to the risk of becoming involved in significant legal disputes, lawsuits, or regulatory proceedings. Any non-compliance with applicable legal regulations may have a material adverse effect on Bitpanda's business, financial condition and reputation.
- As part of its core business (crypto assets), the Bitpanda Group operates a comparatively new business model in a fast-moving industry. In addition, the crypto market is strongly competitive. For instance, declining sales, sharply rising costs or any misinterpretation due to a lack of experience could have a significant negative impact on Bitpanda's business and financial condition.
- Bitpanda is exposed to the risk that business partners or customers do not pay their liabilities and/or default (counterparty risk). Additionally, there is the risk that Bitpanda may be defrauded by customers, employees or business partners (malversation risk). Both risks can have a significant negative impact on Bitpanda's business and financial condition as well as its reputation.

- Bitpanda is subject to operational risks. Operational risk is the risk of losses that may occur as a result of the inadequacy or failure of internal processes, people and systems or as a result of external events.
- As historical financial figures are derived from data from the past, they do not allow any conclusions about the future.
- It cannot be ruled out that Bitpanda will no longer offer the Bitpanda Index product at a later date. Bitpanda makes no guarantee that it will offer the product permanently.

Legal, regulatory and tax risk factors

- Bitpanda is exposed to risks based on findings from audits, inspections and similar investigations by regulatory authorities or auditors. Any necessary changes in financial reporting may have a material adverse effect on financial results and a negative impact on reputation.
- Past, current and future regulations, any changes to the legal framework (in particular in relation to, but not limited to, FinTechs, financial instruments and crypto assets), including additional and stricter regulations and the influence of the public sector on the FinTech sector, could have a material adverse effect on Bitpanda's financial condition.
- Bitpanda's assumptions may prove to be incorrect. This applies, among other things, to the regulatory, civil, corporate and tax law interpretation as well as the financial assessment. There is a lack of legal certainty in certain areas of Bitpanda's activities. Misinterpretations, negative court judgements, decrees by authorities etc. can have a significant negative impact on Bitpanda.

Risk factors in relation to internal control, IT and cyber security

- Unauthorised access to the specially secured Bitpanda wallets and/or successful cyber attacks can lead to significant losses at Bitpanda and - depending on the extent - also jeopardise Bitpanda's financial condition, which can ultimately lead to a total failure.
- A failure of the IT systems can lead to a significant impairment of Bitpanda's business operations. Depending on the cause and duration, this may have a

significant negative impact on Bitpanda's business and financial condition.

Risk Factors of the Investment

The following is a summary of risk factors which the Issuer considers to be the most material risk factors specific to the Investment (see "*Chapter 1 – Risikofaktoren 2. Anleger- und produktbezogene Risikofaktoren*" of this prospectus):

- Risk that the acquisition of ownership cannot be guaranteed
- Risks associated with restrictions on tradability and availability
- Product discontinuation risk
- Acquisition ban risk
- Market value risk and interest rate risk
- Tracking error
- Risk that the index is calculated incorrectly
- Risk of termination of the cooperation with the index provider or failure of the index calculation
- Legal risk
- Risk that the distribution of crypto assets does not correspond to that of the underlying index or the distribution of the index provider
- Risk of high price premiums
- Risk associated with Index-Only-Coins
- Phishing risk
- Product liability risk
- Tax risk
- Risk that protection standards usually inherent in other regulated (financial) products are not applicable
- Product categorisation risk

Summary

This summary should be read as an introduction to this Prospectus and is based on the information contained in this Prospectus. It should therefore only be read in conjunction with the entire Prospectus. Potential investors should base their decision to purchase the offered investments on a thorough examination of the entire Prospectus, including all annexes thereto.

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Chapter 1 – Risk Factors

When evaluating the investments offered under this prospectus as well as the issuer and his business activities and before investing in the investment in question, the following specific risk factors in particular, which the issuer considers to be the most significant, should be carefully considered together with the other information contained in this prospectus. Potential investors are advised to read carefully the risks associated with the investments summarised in this section.

If one or more of the following risks materialise, they may have a material adverse effect on the Issuer's business operation, assets, financial and/or profit situation and/or business prospects. The Issuer may default or become insolvent as a result. Investors may incur significant losses. Investors may also suffer a total loss of their investment under this prospectus.

The following description is limited to those risk factors which, in the current opinion of the Issuer, may significantly impair its ability to fulfil its obligations towards investors. Furthermore, additional risks which are currently unknown to the Issuer or which appear immaterial may have a significant adverse effect on the Issuer's business operation, assets, financial and/or profit situation and/or business prospects. The risks described below or other risks could also materialise cumulatively and this could further increase their impact. The following risk factors do not claim to be complete.

Before potential investors make a decision regarding the acquisition of the investment, they should carry out their own thorough analysis, in particular of the financial, legal and tax aspects, as the assessment of the suitability of investing in the investment for the potential investor depends both on his corresponding financial and general situation and on the specific conditions of the respective investment. Where investors lack experience in financial, business and investment matters which do not allow them to make such a decision, they should seek professional advice from their financial adviser before making a decision as to the suitability of investing in the investment. The investments should only be subscribed to by investors who can bear the risk of the total loss of the capital they have invested, including the transaction costs incurred and any financing costs.

Investors should also observe the principle of risk diversification. Investors should therefore only ever invest an appropriate proportion of their assets in the investments issued under this prospectus. Even if an investor has a high willingness to take risks, we expressly advise against a credit-financed acquisition of the investments, as this also harbours the significant risk of not being able to service the loan taken out to finance the investment due to the risk of a total loss.

The risk factors described below are categorised. The categorisation does not allow any conclusions to be drawn about the relevance of the risk factor and the risk factors are not classified in order of materiality.

1. Risk Factors related to the Issuer

1.1. Risk factors relating to the Issuer's business operations

1.1.1. The Issuer is highly dependent on the functionality and attractiveness of the crypto market and the macroeconomic environment. It is subject to the risk of a deterioration in the macroeconomic environment and negative developments in the crypto market. Collapses of individual crypto ecosystems and platform operators can have a negative impact on the crypto market and cause lasting damage to it.

Macroeconomic conditions can have a significant negative impact on Bitpanda's business and financial condition. For example, Bitpanda's continuous decline in turnover in the first half of 2022, which resulted in lower turnover of EUR 2.316 billion for the financial year 2022 compared to EUR 7.881 billion in the financial year 2021, began with the outbreak of the war in Ukraine in February 2022,

followed by rising energy prices which, together with post-COVID-19 supply chain issues, led to a global increase in inflation. In response, the US and European central banks in particular began to tighten their monetary policy by continuously raising interest rates. These variables had and continue to have a negative impact on the disposable income of private individuals and led to a decline in investment activity. The tight monetary policy of the US and European central banks continues.

The impact of these macroeconomic developments on the general economic condition may also result in the need to change certain of Bitpanda's assumptions and estimates and require significant adjustments to certain assets and liabilities. The negative environment resulted in Bitpanda generating a negative operating result of EUR -117.8 million in the financial year 2022 (financial year 2021: EUR 51.7 million) and a annual shortfall of EUR -116.0 million (financial year 2021: annual net profit of EUR 37.5 million).

In addition, there was a massive slump in the crypto market in 2022. In May 2022, for example, there were double-digit percentage declines for all crypto-assets; Bitcoin fell by almost 23% in seven days, while some of the top 10 altcoins recorded losses of over 50%. This was partly caused by the collapse of the Terra ecosystem, the LUNA-Token and the TerraUSD stablecoin. Furthermore, the collapse of the US crypto trading platform FTX in November 2022 also unsettled investors in crypto-assets. There is a risk that the recovery in crypto asset prices in 2023 and at the beginning of 2024 was only temporary and that the crypto market could continue to be subject to further or even more severe slumps and price losses. Such trends could intensify if there are further inconsistencies or collapses of crypto-assets and/or platform operators.

Further deterioration in macroeconomic conditions and negative developments in the crypto market or among operators of crypto trading platforms may have a significant adverse effect on the Issuer's business operation, assets, financial and/or profit situation and/or business prospects.

1.1.2. Bitpanda is subject to insolvency risk. In the event of insolvency, the repayment of investors' capital is not secured.

Bitpanda is a limited liability company, which is why the Issuer's recoverable assets is limited to the existing company assets. There is therefore a risk that investors' claims against Bitpanda cannot be satisfied in full or at all. This risk exists in particular if Bitpanda's solvency deteriorates significantly and thus jeopardises its ability to make repayment. The investor bears the insolvency risk vis-à-vis Bitpanda. This risk is not limited to external events, such as cyber-attacks. Rather, falling sales figures, rising costs, unexpected liabilities, significant legal disputes, incorrect business decisions and so forth can also lead to the insolvency of the issuer. If insolvency proceedings or proceedings to avert insolvency are opened against Bitpanda, there is a risk for investors that there are insufficient bankrupt estate to repay the capital they have invested – regardless of the amount – and that their claims cannot be satisfied at all or only partially. In addition, the claims of individual other creditors may take priority over the claims of the investors. Such claims would be satisfied primarily from the company's assets, which would reduce the bankrupt estate remaining to the investors and all other non-priority creditors for their claims. Bitpanda is not subject to any statutory deposit insurance or investor compensation for securities firms or financial institutions, which is why investors will not receive any compensation from a compensation scheme in the event of insolvency. In addition, the customer's acquisition of ownership of the crypto assets is not to be regarded as secured (see "*Chapter 1 , 2.1 Risk that the acquisition of ownership cannot be guaranteed*"). This may result in the total loss of an investor's invested assets. If insolvency proceedings are opened against Bitpanda, investors can expect high losses and even a considerable risk of total loss.

1.1.3. Bitpanda is exposed to the risk of loss by credit and financial institutions, crypto trading centres and other partners. Insolvencies in the financial or crypto trading sector can have a negative impact on Bitpanda's liquidity and solvency.

Bitpanda is exposed to the risk that payouts can no longer be made in the event of illiquidity or insolvency of a credit and financial institution, crypto trading centre or other partner with which

Bitpanda holds accounts, custody accounts or crypto-assets. Claims of Bitpanda could fall into the insolvency estate of the respective counterparty and not be able to be honoured in full or in part. This could lead to the total or partial loss of Bitpanda's capital or assets pooled with the relevant counterparty and/or to payout delays. In the event of the insolvency/default of the counterparty, Bitpanda would no longer be able to dispose of the deposits, which would deprive the issuer of the possibility of payout. This applies in particular to funds that exceed the amounts of the respective deposit insurance. In addition, funds could be invested with counterparties that are not subject to any deposit insurance at all. In the case of crypto trading centres, there is often neither regulation nor corresponding hedging, which is why a total loss of the funds invested by Bitpanda seems likely in the event of a counterparty crisis. Such defaults may have a significant adverse effect on Bitpanda's assets, financial and/or profit situation and/or business prospects and, depending on the nature and extent of the default, may also impair the ability to repay and lead to the total loss of the invested assets.

1.1.4. Bitpanda is subject to reputational risk towards its customers. A loss of trust may have a negative impact on Bitpanda's business and financial condition.

Reputational risk is the risk of losing the trust of customers or other partners in Bitpanda. Reputation is closely linked to the success of the company. Reputational damage can result from customer complaints, hacking and data attacks, IT system failure, other technical faults, legal disputes or FMA penalties. Reputational risk can lead to a decline in customer confidence, lower trading volumes on the Bitpanda platform, illiquidity or even insolvency due to the associated decline in customer numbers and the associated decline in Bitpanda's turnover. There is also the risk that Bitpanda cannot escape a market-specific reputational risk, for example because large providers get into difficulties or are involved in cases of fraud. One example is the US crypto trading platform FTX, which collapsed in November 2022, exposing competitors and the crypto market itself to a significant negative trend. This could have a significant negative impact on investors in the form of delays in payouts and even the total loss of the capital invested.

1.1.5. Bitpanda's business model is subject to the risk of changes in market prices, such as exchange rates, interest rates, share prices and crypto values (market and interest rate risk).

High market fluctuations, the interest risk and the exchange rate risk may have a negative impact on the assets, financial and/or profit situation and/or business prospects of the issuer. Market fluctuations are a relevant risk for Bitpanda in particular because Bitpanda acquires crypto assets in stock and buys them back from customers as part of its core business. This results in various price risks. In particular, falling market prices of crypto-assets could have a negative impact on the assets, financial and/or profit situation and/or business prospects of the issuer. Hedging, if at all possible, could prove to be insufficient. Unexpected developments or other circumstances may result in Bitpanda being exposed to this market risk. Strong and unexpected price fluctuations, incorrect data or prices as well as weaknesses in hedging can therefore have a significant impact on Bitpanda's solvency. As Bitpanda also accepts currencies other than the euro, exchange rates of various foreign currencies against the euro represent a risk. In the event of negative developments in currency pairs that are not or not sufficiently hedged by Bitpanda, the issuer may suffer losses. Market risks that Bitpanda has not sufficiently hedged or otherwise has to bear can lead to liquidity and solvency problems for Bitpanda and, in the worst case, result in a total loss of the invested capital for the investor.

1.1.6. The resignation or loss of key personnel, including the CEOs, senior executives and IT professionals, and any difficulties in hiring or retaining qualified personnel may adversely affect Bitpanda's ability to implement its strategy or continue its business operations.

In any case, key personnel refers to the managing directors of Bitpanda, Bitpanda Financial Services, senior executives, in particular the chief clerks and other members of the management team, as well as IT personnel due to the technical focus and the shortage of specialists there. The resignation or loss of key personnel entails the risk of a deterioration in the quality of the service, a temporary standstill

of the service and the loss of expert know-how to Bitpanda. Furthermore, in view of increasing competition or other external events, the Issuer may not be able to recruit sufficient qualified employees to manage and develop the Issuer's business activities and to programme and further improve the Bitpanda platform. Similarly, the Issuer was forced to reduce its workforce to a significant extent in 2022 due to the negative development of macroeconomic factors and the negative trend in crypto-assets. There is a risk that the Issuer will not be able to cover any future need for new employees to the corresponding extent. There is also a risk that Bitpanda will be less attractive to qualified key employees due to the staff reduction in 2022 and that it will not be possible to convince them of Bitpanda as an employer. All of these factors could have a negative impact on Bitpanda's reputation and competitiveness and ultimately on its financial and profit situation.

- 1.1.7. Bitpanda is exposed to the risk of becoming involved in significant legal disputes, lawsuits or regulatory proceedings. Any failure to comply with the applicable legal provisions may have a material adverse effect on Bitpanda's business, financial condition, results of operations and reputation.

Bitpanda is exposed to the risk of becoming involved in civil, administrative and criminal proceedings, the outcome of which cannot be determined with any predictable accuracy. Regulatory violations that are or have been determined by the FMA or other supervisory authorities may, in addition to the imposition of fines, lead to the temporary or complete prohibition or discontinuation of the services and products offered by Bitpanda. It cannot be ruled out that the use of crypto-assets and their underlying blockchain technology (which is completely transparent, can be viewed by anyone and cannot be changed) may lead to data protection problems and violations. It should also be noted here that these risks also exist in particular in connection with the new "Bitpanda Crypto Index" business model. Various legal disputes in connection with Bitpanda Crypto Index could therefore arise in the future, which could have a corresponding impact on Bitpanda's business operation, financial or profit situation and reputation.

- 1.1.8. As part of its core business (crypto-assets), the Bitpanda Group operates a comparatively new business model in a fast-moving industry. In addition, the crypto market is strongly competitive. Factors such as falling sales, sharply rising costs or misjudgements due to a lack of experience could have a significant negative impact on Bitpanda's business and financial condition.

The market for the digital representation of value of assets ("**crypto-assets**") and the business models used by Bitpanda in this business segment are comparatively new and the market for crypto-assets is very fast-moving. The attractiveness of crypto assets among investors can quickly increase or decrease. Unlike asset classes, which have a long investment history among investors, there is no long-term historical experience of developments on the supply and demand side for crypto-assets. Innovative developments by the Issuer's competitors as well as new types of crypto-assets and crypto products may lead to intense competition with the Issuer and the products and services it offers. Ongoing further development or new development of products may significantly reduce the demand for the products currently offered by the issuer in this case. The constantly changing technological developments are also subject to certain risks such as eg. hacking, quantum computers, replacement of blockchain technology with a new process and regulatory changes. A decline in demand for crypto-assets could have a significant impact on the Issuer's assets, financial and/or profit situation and/or business prospects.

Like the crypto asset market, the Issuer does not have a long history. The Issuer therefore lacks experience in a fast changing market environment for crypto-assets. Bitpanda's lack of many years of experience in different market situations may e.g. lead to a misjudgement of the market, pricing, risks, settlement and the positioning of the Issuer and its business prospects. In the area of securities services in the broader sense, the Issuer is confronted with considerable competition and contest from established market participants. These include not only "neo-brokers", but also banks and securities firms, most of which have significantly longer histories and market experience than Bitpanda or other

companies with shorter business histories. If Bitpanda's business model is not able to establish itself on the market – in particular due to the high costs associated with the product launch, which are to be borne by Bitpanda – this could have a significant negative impact on the assets, financial and/or profit situation and/or business prospects of the issuer.

1.1.9. Bitpanda is exposed to the risk that business partners or customers do not pay their liabilities and/or default (counterparty risk). There is also the risk that Bitpanda may be defrauded by customers, employees or business partners (malversation risk). Both risks can have a significant negative impact on Bitpanda's business and financial condition as well as its reputation.

Bitpanda is exposed to the risk of fraudulent actions by customers (e.g. unauthorised withdrawals of crypto-assets, cancellation of deposits, exploitation of any system errors and similar actions) as well as by its employees. Customers, employees or business partners could defraud Bitpanda, which could have a significant negative impact on Bitpanda's financial condition and, in the worst case, could lead to insolvency. Bitpanda has contractual relationships with various counterparties as part of its business operations. The default of such counterparties, such as suppliers or customers, can have a negative impact on Bitpanda's liquidity and solvency.

1.1.10. Bitpanda is subject to operational risks.

Operational risk is the risk of losses that may occur as a result of inadequate or failed internal processes, people and systems or as a result of external events. It is possible that typing errors could lead to transposed figures or technical faults could be caused by employees. There is also the possibility of technical errors, such as faulty programming, incorrect prices or double payouts. In addition, fraudulent actions by employees, business partners or customers cannot be ruled out. There may be gaps in the issuer's internal control system and errors, malfunctions or fraudulent actions could occur. The liquidity, solvency and reputation of Bitpanda may therefore be significantly affected by the realisation of such operational risks. The realisation of operational risk can also mean a significant risk for the investor in the sense of a partial or total loss of the invested capital due to the liquidity and solvency risk of Bitpanda. Potential conflicts of interest and the associated wrong decisions by members of the company's bodies and employees also represent a risk for Bitpanda. This is particularly the case if conflicts of interest can arise for individual persons due to multi-board functions in several Bitpanda companies or if the interests of the management in their function as managing directors of the companies differ from their interests as (direct or indirect) shareholders.

1.1.11. As historical financial figures are derived from data from the past, they do not allow any conclusions to be drawn about the future.

The fact that Bitpanda generated a net profit in 2021 does not allow any conclusion to be drawn that profits can be generated in future financial years. For example, Bitpanda generated a negative operating result of EUR -117.8 million in the 2022 financial year (2021 financial year: EUR 51.7 million) and a annual shortfall of EUR -116.0 million (financial year 2021: annual net profit of EUR 37.5 million). After a balance sheet profit of EUR 50.6 million in the 2021 financial year, Bitpanda recorded a balance sheet profit of EUR 0 for the 2022 financial year. Without the release of capital reserves in the amount of EUR 116.0 million in the 2022 financial year, a balance sheet loss of a significant amount would have been recorded for 2022. Forward-looking forecasts of the issuer may not be used as a criterion for an investment decision by investors. The historical financial figures are only comparable to a limited extent due to the changing business model and it is not possible to estimate whether the Bitpanda Index product will generate sufficient additional turnover to cover the corresponding costs. The new business model may therefore have a significant impact on Bitpanda's financial condition. The investor individually bears the risk of his investment decision and the decision as to which data was included in the decision-making process.

- 1.1.12. It cannot be ruled out that Bitpanda will no longer offer the Bitpanda Index product at a later date. Bitpanda gives no assurance that it will offer the product permanently.

Bitpanda is the sole and exclusive provider of the Bitpanda Index product. Apart from the Bitpanda platform, the Bitpanda Index product can therefore not be acquired or sold elsewhere. In addition, Bitpanda works on the Bitpanda Index product with external partner companies that are independent of Bitpanda (e.g. licensor, Index provider, trading centres, etc.). Neither Bitpanda nor the partner companies guarantee unlimited and permanent availability of the Bitpanda Index product or the supply of the necessary data. Bitpanda reserves the right to terminate or modify the Bitpanda Index product at any time at its own discretion.

1.2. Legal, regulatory and tax risk factors

- 1.2.1. Bitpanda is exposed to risks based on findings from audits, inspections and similar investigations by supervisory authorities or auditors. Any necessary changes in financial reporting may have a material adverse effect on financial results and a negative impact on reputation.

Bitpanda is subject to a variety of different controls, in particular by auditors, revision or supervisory authorities. Bitpanda is legally obliged to co-operate with supervisory authorities in their investigations. In doing so, the authority or the respective auditor may make findings that could have a significant negative impact on Bitpanda's reputation or financial condition. In addition, authorities can also impose supervisory measures or fines, which can have a significant negative impact on Bitpanda's reputation and solvency. The investor bears the additional risk that the business relationship must be terminated due to regulatory necessity; that a (short or longer) suspension of parts of Bitpanda's online service is ordered; that the sudden negative financial result leads to liquidity and solvency difficulties for Bitpanda or; that payout delays may occur. Each of these circumstances can entail a considerable risk, up to the total loss of the capital invested.

- 1.2.2. Past, current and future regulations, reforms and initiatives relating to legislation or supervision (in particular in relation to, but not limited to, FinTechs, financial instruments and crypto-assets), including additional and stricter regulations and the influence of the public sector on the FinTech sector, could have a material adverse effect on Bitpanda's financial condition.

Especially legal regulations and requirements for crypto-assets are comparatively new and there is therefore sometimes a risk of interpretation and it is sometimes unclear whether certain existing regulations are even applicable to crypto-assets. There is therefore a risk that new and emerging legal regulations could be contrary to Bitpanda's business model or that existing laws could be interpreted by courts and authorities in such a way that they have a negative impact on the business models and products and services offered by Bitpanda and Bitpanda may have to amend or even terminate them. Particularly at the beginning of the Bitpanda Index product, there is a relevant risk that courts or supervisory authorities will judge the Bitpanda Index business model differently than currently expected. There is also a relevant risk that supervisory measures will be taken by the authorities or that the Bitpanda Index product or the target group will be restricted (see also "*Chapter 1, 2.9. Legal risk*").

- 1.2.3. Bitpanda's assumptions may prove to be incorrect. This applies, among other things, to the regulatory, civil, corporate and tax law categorisation as well as the financial statement presentation. There is a lack of legal certainty in certain areas of Bitpanda's activities. Misjudgements, negative court judgements, findings by authorities and so forth can have a significant negative impact on Bitpanda.

Due to the legal uncertainty in the Issuer's business area, specifically in connection with crypto-assets, which are largely not yet uniformly classified and many legal issues are unresolved or have not yet

been brought before the supreme court, legal classifications may prove to be erroneous. Misjudgements in regulatory, civil, corporate or tax law categorisation and accounting due to incorrect assumptions, negative judgements, findings by authorities, negative changes in doctrine or practice, changes in the legal framework, general changes in the initial situation or similar could have a significant negative impact on Bitpanda's business model, financial and business condition and reputation. All of these risks are increasingly associated with the new business model.

1.3. Risk factors in relation to internal control, IT and cyber security

1.3.1. Unauthorised access to the specially secured Bitpanda wallets and/or successful cyber-attacks can lead to significant losses at Bitpanda and – depending on the extent – also jeopardise Bitpanda's economic solvency, which can lead to a total loss.

Any unauthorised access to Bitpanda's IT systems could have a significant impact e.g. on Bitpanda's reputation, financial situation and solvency. The impact depends heavily on the scope and depth of the unauthorised access. Cyber attacks can therefore lead to significant losses for Bitpanda in general. Due to its technical design, this risk exists in particular in connection with Bitpanda's cryptocurrency business. In this context, access to the private key of a crypto wallet and the possible loss of the private key by Bitpanda should be mentioned in particular. In such a case, the attacker would be able to transfer all assets from this wallet. Successful hack, phishing or similar cyber attacks could result in the theft of all of Bitpanda's crypto-assets or manipulation or other critical interventions in the IT infrastructure, which could cause lasting damage to Bitpanda's systems and subsequently its business activities. This means that crypto assets acquired for the customer as part of the Index product can also be stolen. Despite security precautions, unauthorised access to the systems cannot be completely ruled out. Especially unauthorised access can jeopardise Bitpanda's ability to fulfil contracts and its solvency, which can lead to a total loss of the invested capital of customers.

1.3.2. A failure of the IT systems can lead to a significant impairment of Bitpanda's business operations.

Depending on the cause and duration, this may have a significant negative impact on Bitpanda's business and financial condition. Bitpanda handles all acquisition and selling processes via its online platform. Due to its online operations, there are a number of situations that can result in or necessitate a platform outage. Cyber attacks, for example, which are aimed at a outage or even a takeover of the platform: (i) DDoS attacks (a *Distributed-Denial-of-Service-Attack* aims to limit or prevent the availability of an internet service by deliberately sending many requests to the server, resulting in an overload of the system), hacking, domain takeover, cyber attacks of any kind, etc.); (ii) technical or operational errors (technical outage, maintenance work, faulty programming or updates, errors in the system, etc.) as well as (iii) the inability to retrieve necessary data (no server connection, no prices, no connection from customer sites, etc.). An outage can lead to a considerable loss of sales and – depending on the reason and duration – also to a considerable loss of reputation. Customers could switch to competitors of the issuer due to such cases and withdraw customer funds. This may have a significant adverse effect on the Issuer's assets, financial and/or profit situation and/or business prospects and may also impair its ability to repay investors.

2. Risk Factors related to the investor and product

2.1. Risk that the acquisition of ownership cannot be guaranteed

In general, the acquisition process within the framework of the Index product is aimed at acquiring ownership of the respective underlying asset. However, the acquisition of ownership of crypto-assets is still controversial in legal literature, as they are incorporeal objects to which, according to the prevailing opinion, no ownership can be acquired. It is therefore unclear whether the investor actually acquires ownership of the underlying crypto assets or can acquire them at all. Furthermore, it is unclear

what steps a liquidator or insolvency administrator in the event of insolvency would take. This could contest certain transactions or special rights under insolvency law. This must be seen in particular against the background of the possibly unclear ownership position of the Index product investor. There is therefore a risk that Index investors will not receive preferential treatment and that claims will have to be asserted against the general insolvency estate. This can result in a high loss for the investor, up to and including total loss.

2.2. Risks associated with restrictions on tradability and availability

The design of the Index product imposes some restrictions on tradability, such as minimum amounts for acquisitions and disposals. If the value of an Index product falls below the minimum amount, a disposal is not possible, only a claim. In addition, no individual crypto assets can be withdrawn or disposed. Furthermore trading and transfer of the Index product between investors is technically and legally impossible. Bitpanda is the sole and exclusive provider of the Index product. Apart from the Bitpanda platform, the Index product can therefore not be acquired or sold or traded elsewhere. If the Issuer suspends trading, terminates or changes the Index product (e.g. due to regulatory requirements, technical difficulties, internal risk considerations or market disturbances), the investor cannot sell or terminate the Index product. In addition, Bitpanda works on the Index product with external partner companies that are independent of Bitpanda (e.g. index providers). In the event of non-availability or termination or amendment of the Index product, the investor's capital remains tied up in the respective Index product and the investor continues to be exposed to price risks. If prices fall, this can lead to substantial losses, including the total loss of the investor's invested capital. There is also a liquidity risk, as in such cases the investor does not receive his capital back at the desired time. The investor does not have an unconditional right of return at any time.

2.3. Product discontinuation risk

Bitpanda may discontinue the offer or terminate the continuation of the Index product at its own discretion or take such measures only against individual investors (e.g. in the event of suspected money laundering or other unauthorised activities on and around the Bitpanda platform). In the event of termination of the offer, no new acquisitions of the Index product will be possible. The continuation of the Index product in terms of rebalancing etc. is independent of the termination of the offer. If the Index product is completely discontinued (i.e. completely removed from the Bitpanda platform), Bitpanda will inform the investor within a reasonable period of time. If no disposals are made regarding the Index product during this period, Bitpanda is authorised, at its own discretion, to carry out a disposal against Fiat-Tokens or to carry out a claim process. Investors are exposed to the risk that this may occur at an unfavourable time for them and that a corresponding loss may occur or that they may not be able to reinvest the Fiat-Tokens received on the same terms. In addition, there is a risk that investors may not be able to participate in the positive performance of the crypto assets that has occurred in the meantime as a result of a disposal in exchange for Fiat-Tokens.

2.4. Acquisition prohibition risk

Only fully registered and verified Bitpanda customers can make use of the services and products offered on the Bitpanda platform. If the establishment of an investor relationship between Bitpanda and a potential investor would lead to a violation of applicable legal requirements, Bitpanda will exclude such persons from using the services and benefits and no investor relationship will be established. Legal requirements may also result in Bitpanda terminating existing investor relationships immediately and with immediate effect, or Bitpanda blocking and suspending investor accounts. In all of the above cases, an affected (potential) investor is excluded from acquiring or selling the Index product.

2.5. Market value risk and interest change risk

The crypto-assets contained in the Index products and the market for crypto-assets in general are highly speculative and exposed to a considerable volatility risk. The prices of crypto assets can therefore fluctuate considerably and are not suitable for inexperienced investors in particular. In general, only crypto-assets are included in the Index product. No legal means of payment, precious metals, securities or other financial instruments are included in the Index product. Crypto-assets that are linked to a legal currency or other assets (so-called stablecoins) are also excluded from the Index. There is a risk that investors may lose all or part of the capital invested in the Index product. In particular, Bitpanda does not provide any guarantee, nor is there any statutory deposit protection for the crypto assets contained in the Index product.

2.6. Tracking-Error

There is a risk that the prices integrated on the Bitpanda platform and therefore also the prices of the Index products are incorrect. Figures, numbers, exchange reference prices or other relevant publications by Bitpanda, either via websites or mobile applications or otherwise, are in no way binding offers or guarantees for an exchange, acquisition or disposal, but should always be understood as invitations to the investor to make an offer. Due to unforeseeable technical disruptions, there may be delays in the processing of investor offers or the risk that the prices and exchange rates for crypto assets offered by Bitpanda do not reflect the general market price level and are incorrect. There is therefore a risk that in such cases the Index cannot be acquired or sold at the general market price level and the investor may therefore suffer a loss in value. As the investor acquires the underlying crypto assets when acquiring the Index product and does not follow any index value, it cannot be guaranteed that the performance of the Bitpanda Index product will correspond to the performance of the underlying Index. This is also referred to as "tracking error". This is enhanced by the fact that the valuation of the Index product is partly based on different price data than the valuation of the underlying Index.

2.7. Risk that the index is calculated incorrectly

The index (weighting) is calculated by CryptoCompare and checked and published by MarketVector (index provider). There is a risk that the index may be calculated incorrectly. Due to incorrect calculations by CryptoCompare as well as omissions or interruptions by the index provider, investors may suffer lost profits or other losses in connection with the Index product. Neither CryptoCompare, VanEck and affiliated companies nor Bitpanda assume any responsibility for the accuracy of the valuation and calculation of the Index product, nor is any express or implied warranty given in this regard. In this context, it cannot be ruled out that - based on such data - an incorrect rebalancing is carried out.

2.8. Risk of termination of the cooperation with the index provider or failure of the index calculation

In addition to the possibility of Bitpanda terminating or completely discontinuing the Index product at any time, there are also reciprocal cancellation options on the part of the index provider and Bitpanda. The continuation of the cooperation between the index provider and Bitpanda can therefore not be regarded as guaranteed. In addition, the index provider may decide not to offer certain Indexes in the future. This may result in Bitpanda having to find a replacement index provider. It is not possible to estimate whether, if at all and, if so, how quickly Bitpanda will be able to name a replacement index provider in such cases. In such cases, Bitpanda may have to discontinue the Index product.

2.9. Legal risk

Due to the legal uncertainty in the business areas in which Bitpanda operates, in particular in connection with crypto-assets, which are largely not yet uniformly classified and many legal issues are

unresolved or in any case not yet brought before the supreme court, especially legal classifications made by Bitpanda may prove to be incorrect. Legal regulations and requirements for crypto-assets are comparatively new and there is therefore sometimes a risk of interpretation and it is sometimes unclear whether certain existing regulations are even applicable to crypto-assets. There is a risk that new and additional legal regulations could lead to the acquisition and disposal of crypto assets or services having to be discontinued or restricted. Insofar as this also affects the Index product, there is a risk to the investor that Bitpanda may no longer offer the Index product and the investor may therefore neither acquire or dispose the Index product nor continue to hold it.

2.10. Risk that the distribution of crypto assets does not correspond to that of the underlying index or the distribution of the index provider

Bitpanda expressly reserves the right to exclude or remove individual crypto-assets from the respective Index product or not to include individual crypto-assets in the allocation key if there are important reasons for doing so (e.g. regulatory requirements). Bitpanda ensures that neither financial instruments nor other regulated financial products are included in a distribution key. As a result, the investor has the risk of acquiring other crypto-assets or crypto-assets to a different extent than specified by the index provider. Since the general soft fork and hard fork policy, as set out in Annex II of the Bitpanda Group's General Terms and Conditions, may also apply to the Index product, the investor cannot rely on the issuer supporting the corresponding fork and passing on any tokens created by the fork accordingly. This can therefore lead to a de facto less favourable treatment for the investor.

2.11. Risk of high price mark-ups

The price mark-ups charged by Bitpanda are always a percentage of the prices of the crypto assets concerned. There is no maximum amount in absolute terms up to which price mark-ups can be charged. This means that in the event of considerable market volatility of the crypto-assets contained in the Index product and correspondingly extensive rebalancing, investors may incur high price mark-ups. This can reduce the value of the investment. In addition, further costs may be incurred for the use of the platform, such as for deposits and withdrawals as well as reminder or processing fees, which can also have an impact on the return.

2.12. Risk associated with index-only coins

Individual crypto-assets cannot be withdrawn or disposed from the index. Index-only coins are crypto assets that are not offered on the Bitpanda platform outside of the Bitpanda index ("**index-only coins**"). Such index-only coins can therefore only be held as part of the Index product. This means that these crypto assets cannot be transferred to Bitpanda wallets at any time. A withdrawal (claim) of index-only coins is excluded. In contrast, trade-only coins can be claimed from the Bitpanda Index and subsequently acquired and disposed on the Bitpanda platform, but they cannot be withdrawn. In both cases, the investor bears the risk that it may no longer be possible to dispose these coins in the event of Bitpanda's insolvency, as both types of coins can only be disposed to Bitpanda. This can lead to a total loss of the respective coin. In the case of index-only coins, the investor also bears the risk that they will be disposed for Fiat-Tokens and that the value can therefore also be determined at an inopportune time as part of a claim. It should also be made clear that - due to the very nature of the Index product - it is not possible to dispose or withdraw individual crypto assets from the Index product. The investor is therefore expressly informed that the Index product can only be reduced proportionately in accordance with the current weighting and that the weighting cannot be changed by the investor through acquisitions and disposals.

2.13. Phishing risk

The investor can be defrauded by third parties in connection with his Bitpanda account, which also includes passwords and access rights of the investor, which could also be tapped through fake e-mails or log-in pages (*phishing*). There is also a risk that third parties may gain access to the Bitpanda account

and therefore also to the Index product. This risk exists in particular in the case of insecure passwords, a lack of security setups on the part of the investor or negligent handling of passwords by the investor. Bitpanda cannot accept any liability for such losses, which is why the investor bears the losses. When using two-factor authentication, there is a risk that the assets cannot be accessed temporarily (e.g. in the event of loss). In addition, once the Index product has been claimed by the investor, the investor may lose their private key or it may be stolen. Such a case would mean that the investor could no longer access his crypto assets or that third parties could dispose of his crypto assets and steal them accordingly. Bitpanda excludes any liability for unauthorised access to the investor account.

2.14. Product liability risk

No advice, investment recommendation, investment decision or similar is provided by the Bitpanda Group. The decision on the investment and its amount is made purely and exclusively by the investor, who therefore bears the risk of an incorrect investment decision. It cannot be ruled out that investors may acquire the Index product without having read this prospectus or otherwise sufficiently familiarised himself with the Index product. This may result in the investor not sufficiently understanding the Index product and therefore possibly acquiring an Index product without having sufficiently considered all the relevant risks. This situation could also be exacerbated by the fact that the binding languages are different. For example, the German version of this prospectus is binding, while the English version of the GTC is binding. The investor can therefore not rely on all documents being available in his native language, especially if his native language is not German/English, or communication with Bitpanda may not be offered in his native language. The compilation of the index is also not to be understood as advice or an investment decision by Bitpanda. The crypto-assets included in the index therefore do not correspond to those that are likely to achieve the strongest price gains in the future, are undervalued, are particularly recommendable or similar. Instead, the calculation is simply based on market capitalisation and liquidity.

2.15. Tax risk

Legal regulations have already been enacted in Austria regarding the tax treatment of crypto assets (so-called eco-social tax reform). However, the tax treatment of crypto assets is still partially unclear due to the lack of administrative practice. Although there are general statements by the competent authorities, these only apply to persons resident for tax purposes in Austria - other tax jurisdictions may treat the Index product quite differently for tax purposes. In addition, changes in the legal tax situation, for example due to Council Directive (EU) 2023/2226 of 17 October 2023 amending Directive 2011/16/EU on administrative cooperation in the field of taxation (DAC 8), or a different administrative practice may mean that the product is no longer attractive for the investor. Decisions by tax authorities or relevant courts may also lead to an increased tax load. All this may also have a significant negative impact on the performance of the product. Since the 1st of January 2024, Bitpanda has withheld the tax for tax residents in Austria. In addition, the investor is responsible for paying the correct tax and fulfilling any reporting obligations. The investor otherwise bears the risk of unexpected taxes being incurred, higher tax loads or non-compliance with obligations to the competent authorities on his part.

2.16. Risk that protection standards usually inherent in other regulated (financial) products are not applicable

The crypto-assets themselves are not legal means of payment. Key legal protection standards for investors (such as statutory deposit protection for licensed banks and other consumer rights) therefore do not apply to crypto-assets in some cases. Whether and to what extent protection standards are applicable has often not yet been conclusively clarified and there is a lack of relevant case law and official practice. By acquiring the Index product, the investor therefore bears the risk of not being able to assert protection standards that are usually inherent in other regulated (financial) products and for which there is established case law and official practice.

2.17. Product categorisation risk

It is not certain that the Index product constitutes an investment within the meaning of the KMG 2019. The definition of an investment is rather unclear and there is only judicature on selected classifications. In particular in connection with crypto-assets in general and the Bitpanda Index product in particular, there is - as far as can be seen - a complete lack of relevant judicature. There is therefore a risk that courts will reject the assessment as an investment. The FMA categorised Bitpanda's specific business model in the context of a Fintech enquiry as an investment within the meaning of the KMG 2019. Despite an enquiry to the FMA, Bitpanda can therefore by no means guarantee that an investment exists. Bitpanda therefore expressly reserves the right to question the categorisation as an investment in any subsequent proceedings. For investors, there is therefore a risk that certain protective standards of the KMG 2019 will not apply, such as the right of withdrawal, the obligation to publish a supplement, advertising requirements. Investors may therefore have fewer legal rights than assumed or may not be able to assert them sufficiently.

Chapter 2 – Information on those persons who are liable pursuant to Sec. 7 and 22 KMG 2019

1. General

The issuer (see “*Chapter 2, 2. Issuer*” below for details), the prospectus auditor (see “*Chapter 2, 3. Prospectus auditor*” below for details) and the auditor (see “*Chapter 2, 4. Auditor*” below for details) are responsible for the information provided in this prospectus, in particular its accuracy and completeness, in accordance with Section 22 Paragraph 1 KMG 2019. These persons are generally liable to the investors for any damage resulting from the incorrectness or incompleteness of the information in accordance with the following principles.

If the liability affects several of the above-mentioned persons, they are jointly and severally liable in accordance with Sec. 22 Par. 3 KMG 2019. This liability cannot be excluded or limited in advance pursuant to Sec. 22 Par. 4 KMG 2019.

Furthermore, investors may not derive claims for compensation pursuant to Sec. 22 Par. 5 KMG 2019 from the fact that they did not acquire the securities or investments described in the prospectus as a result of incorrect or incomplete information in the prospectus or prospectus supplements.

Any claims for compensation by individual investors are limited to the acquisition price paid by the respective investor, plus expenses and interest from payment of the acquisition price of the investment, unless the damaging behaviour was intentional, in accordance with Sec. 22 Par. 6 KMG 2019. In the case of acquisition free of charge, the last acquisition price paid plus expenses and interest from payment of the acquisition price is decisive.

Pursuant to Sec. 22 Par. 7 KMG 2019, investors must assert any liability claims within ten years of the termination of the offer, unless they have already become time-barred at an earlier date (Sec. 22 Par. 8 KMG 2019).

2. Issuer

Bitpanda GmbH, a limited liability company established under Austrian law, with its business address at Stella-Klein-Löw-Weg 17, A-1020 Vienna, Austria, and registered in the Commercial Register of the Commercial Court of Vienna under company register number FN 569240 v, is liable as issuer pursuant to Sec. 22 Par. 1 no. 1 KMG 2019 for incorrect or incomplete information provided through its own fault or the fault of its employees or other persons whose activities were used to prepare the prospectus. As the issuer, Bitpanda hereby declares that the information in the prospectus is correct to the best of its knowledge and that no information is missing that could change the statement in the prospectus and any supplements thereto.

3. Prospectus auditor

Grant Thornton Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, an auditing company with limited liability under Austrian law, registered in the Commercial Register of the Commercial Court of Vienna under FN 230316a, and with its business address at Gertrude-Fröhlich-Sandner-Straße 1 / Top 13, A-1100 Vienna, has reviewed the prospectus for accuracy and completeness as prospectus auditor pursuant to Sec. 7 Par. 1 no. 3 KMG 2019 and signed it, stating the place and date and adding “as prospectus auditor”.

Grant Thornton Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft is liable to investors pursuant to Sec. 22 Par. 1 no. 3 KMG 2019 for incorrect or incomplete checks due to its own gross negligence or the gross negligence of its employees or other persons whose activities were used to check the prospectus.

4. Auditor

The auditor of Bitpanda is KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, a limited liability company established under Austrian law, with its business address at Porzellangasse 51, 1090 Vienna, and registered in the Commercial Register of the Commercial Court of Vienna under company register number FN 269873 y.

Pursuant to Sec. 22 Par. 1 no. 5 KMG 2019, the auditor is liable for the information in the prospectus if it has issued an audit opinion on the annual financial statements in the knowledge that this information is incorrect or incomplete and in the knowledge that the annual financial statements certified by it constitute a document for the prospectus audit.

Chapter 3 – Information on the investment

1. Investment terms and conditions and structure of the investment

1.1. Overview of investment conditions

The issuer offers the Index product via the Bitpanda platform. By making the various Indexes available, Bidpanda submits a non-binding offer to potential investors to acquire the Index product at the prices shown on the Bitpanda platform. If a potential investor is interested in a acquisition, they submit a acquisition offer via the Bitpanda platform at the prices and general terms and conditions applicable at the time and displayed on the Bitpanda platform. Bitpanda reserves the right to accept or reject this offer at its own discretion.

If the offer is accepted by the issuer, a contract is concluded between the investor and Bitpanda based on the General Terms and Conditions of Bitpanda GmbH and BAM ("**Bitpanda GTC**", see also Appendix II). The contractual form of the investment is therefore a contractual obligation that is established between the issuer and the respective investor. The purchaser acquires neither shares nor a silent partnership, a profit participation right or other participation right or other interests in the issuer. The Index acquisition is therefore to be considered as an acquisition agreement with ancillary rights, such as custody of the crypto assets contained in the Index product and/or rebalancing (see "*Chapter 3, 1.5.. Holding the Index and rebalancing in detail*").

The service deposited by the purchaser (e.g. Fiat-Tokens or any other asset offered on the Bitpanda platform) is used to acquire the crypto assets contained in the respective Index product, less price mark-ups. The Index product therefore has no financing function for the issuer.

All investment conditions can be found in the Bitpanda GTC (in particular point 8 Bitpanda Index) (see appendix II).

The legal position of the investor can be summarised as follows:

- Any form of investment decision is made by the investor himself. Neither Bitpanda nor the index provider or other companies provide advisory services to the investor in any form. The compilation of the Index does not constitute a recommendation or advice.
- The investor decides for himself how much he want to invest in which Index at what time and in what form (e.g. using crypto assets), how long he wants to hold the Index and when he wants to liquidate the Index. Any minimum investment amounts must be taken into account.
- It cannot be ruled out that Bitpanda may suspend the offer at some point. In this case, the investor cannot carry out the liquidation in the meantime.
- During the period in which the Index is followed, the investor expressly agrees to regular rebalancing in accordance with the index methodology of the respective Index.

- Revocation of consent to rebalancing is therefore only possible with the liquidation (claim) or disposal of the Index product.
- The investor can retrieve a factsheet containing key information on the underlying Index from the Bitpanda platform.

1.2. The index provider and the Indexes in detail

1.2.1. Overview of the Indexes

Investors can buy several crypto assets with one click according to a predefined allocation key. The crypto-assets contained in the respective BCI and calculated according to the index methodology are acquired directly.

The (BCI) follows the following Indexes in its eight versions (BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders):

- MVIS CryptoCompare Digital Assets 5 Index (MVDA5) (ISIN: DE000A2GGQM9)
- MVIS CryptoCompare Digital Assets 10 (MVDA10) (ISIN: DE000A2GGQF3)
- MVIS CryptoCompare Digital Assets 25 Index (MVDA25) (ISIN: DE000A2GGQL1)
- MVIS CryptoCompare Decentralized Finance Leaders Index (MVDFLE) (ISIN: DE000SL0D7U3)
- MVIS CryptoCompare Infrastructure Application Leaders Index (MVIALE) (ISIN: DE000SL0D7W9)
- MVIS CryptoCompare Media & Entertainment (Metaverse) Leaders Index (MVMELE) (ISIN: DE000SL0D7Y5)
- MVIS CryptoCompare Smart Contract Leaders Index (MVSCLE) (ISIN: DE000SL0D703)
- MarketVectorTM Meme Coin Index (MEMECOIN) (ISIN: DE000SL0K625)

1.2.2. Index-Provider

Bitpanda currently provides investors with eight Indexes. These eight Indexes, incl. the compilation and corresponding updates, are acquired by the index provider MarketVector as an external service provider on behalf of Bitpanda. MarketVector develops, monitors and markets the Indexes. All Indexes included in this prospectus contain only crypto assets.

The index provider delivers the following services to Bitpanda:

- An independent calculation and determination of the composition of the Index and methodology. MarketVector has entered into an agreement with CryptoCompare to manage and calculate the Index.
- Provision of data and weighting, which serves as the basis for the acquisition.
- A technical interface regarding the value of the Index, which is used for charts on the Bitpanda platform.
- A monthly update of the weighting and composition of the Index

All these services have been contractually agreed. The fee for these services is not passed on to investors. Bitpanda has no direct or indirect influence on the calculation of the weighting according to the index methodology or the crypto assets included. However, Bitpanda reserves the right not to include certain assets for regulatory reasons or not to carry out individual rebalancings, for example for technical reasons or in the case of minimum amounts.

1.2.3. Bitpanda Crypto Index 5 (BCI5)

The Bitpanda Crypto Index 5 (BCI5) described in this prospectus is based on the MVIS CryptoCompare Digital Asset 5 Index, which tracks the performance of the five largest and most liquid digital assets (with the top 3 being included in the Index in any case, see below).

Thereby MarketVector determines the individual assets that are components of the MVIS CryptoCompare Digital Asset 5 Index based on the following methodology: In the first step, all assets that are components of the current MVIS CryptoCompare Digital Asset 5 Index and have an average daily trading volume of at least USD 600,000 in the current month are included in a list of potential index components. Additional assets ranked according to market capitalisation, which are components of the MVIS CryptoCompare Digital Asset 100, will be added to this list until the list of potential index components comprises ten assets. However, it should be noted that assets in the MVIS CryptoCompare Digital Asset 100 must have an average daily trading volume of at least USD 1,000,000 in the current month. Only when the list of potential index components using these liquidity criteria contains less than ten assets may further assets be added to the MVIS CryptoCompare Digital Asset 100 (this time ranked by liquidity, i.e. the average daily trading volume in the current month). It should be noted that stablecoins and digital assets whose values are linked to a currency or another asset are automatically excluded from the list of potential index components.

MarketVector then ranks the list of ten assets in two columns, one by market capitalisation and one by average daily trading volume in the current month. The rankings of the two columns are then added together and ranked from lowest to highest sum. If the combination of these two criteria results in the same ranking for two or more assets, the market capitalisation is decisive and assets with a higher market capitalisation receive a higher ranking. The top 3 assets in this ranking will then be included in any case in the MVIS CryptoCompare Digital Asset 5 Index for the following month.

The other two assets are selected by MarketVector from the assets ranked between 4th and 7th place. The prerequisite for this is that an asset is already part of the MVIS CryptoCompare Digital Asset 5 Index in the current period.

Example 1:

<i>Rank</i>	<i>Asset</i>	<i>Component Index current month?</i>
4	W	No
5	X	Yes
6	Y	No
7	Z	Yes

From the above ranking, assets X and Z would continue to be included in the MVIS CryptoCompare Digital Asset 5 Index for the next month, as they are already included in the Index for the current month. Assets W and Y would not be included, despite some higher rankings. Only if there are not a sufficient number of assets between positions 4 and 7 that are already included in the index in the current period will assets that are not included in the index in the current period be included in the index.

Example 2:

<i>Rank</i>	<i>Asset</i>	<i>Component Index current month?</i>
4	W	No
5	X	No
6	Y	No
7	Z	Yes

MarketVector would continue to include Asset Z in the Index as it is already part of the Index this month. However, as there are not yet enough assets included in the MVIS CryptoCompare Digital Asset 5 Index for the next month (four out of five), asset W will now also be included in the Index for the next month, although it is not included in the Index in the current period. The index review process described is carried out by MarketVector on a monthly basis. The components of the MVIS CryptoCompare Digital Asset 5 Index are ranked and weighted according to market capitalisation.

However, it should be noted that MarketVector assets in the MVIS CryptoCompare Digital Asset 5 Index are weighted with a maximum of 35% (35% cap) in the course of the monthly review to ensure diversification effects.

1.2.4. Bitpanda Crypto Index 10 (BCI10)

The Bitpanda Crypto Index (BCI10) described in this prospectus is based on the MVIS CryptoCompare Digital Asset 10 Index, which tracks the performance of the ten largest and most liquid digital assets (with the top 7 being included in the Index in any case, see below).

The index methodology largely corresponds to that of the BCI5, but is nevertheless presented in detail due to the corresponding differences.

MarketVector determines the individual assets that are components of the MVIS CryptoCompare Digital Asset 10 Index based on the following methodology: In the first step, all assets that are a component of the current MVIS CryptoCompare Digital Asset 10 Index and have an average daily trading volume of at least USD 600,000 in the current month are included in a list of potential index components. Additional assets ranked according to market capitalisation, which are components of the MVIS CryptoCompare Digital Asset 100, will be added to this list until the list of potential index components comprises 20 assets. However, it should be noted that assets in the MVIS CryptoCompare Digital Asset 100 must have an average daily trading volume of at least USD 1,000,000 in the current month. Only when the list of potential index components using these liquidity criteria contains less than 20 assets may further assets be added to the MVIS CryptoCompare Digital Asset 100 (this time ranked by liquidity, i.e. the average daily trading volume in the current month). It should be noted that stablecoins and digital assets whose values are linked to a currency or another asset are automatically excluded from the list of potential index components.

MarketVector then ranks the list of 20 assets in two columns, one by market capitalisation and one by average daily trading volume in the current month. The rankings of the two columns are then added together and ranked from lowest to highest sum. If the combination of these two criteria results in the same ranking for two or more assets, the market capitalisation is decisive and assets with a higher market capitalisation receive a higher ranking. The top 7 assets in this ranking will then be included in the MVIS CryptoCompare Digital Asset 10 Index for the following month.

The other three assets are selected by MarketVector from the assets ranked between 8th and 13th place. The prerequisite for this is that an asset is already part of the MVIS CryptoCompare Digital Asset 10 Index in the current period.

Example 1:

<i>Rank</i>	<i>Asset</i>	<i>Component Index current month?</i>
8	U	No
9	V	Yes
10	W	No
11	X	Yes
12	Y	Yes
13	Z	No

From the above ranking, assets V, X and Y would continue to be included in the MVIS CryptoCompare Digital Asset 10 Index for the next month, as they are already included in the Index for the current month. Assets U, W and Z would not be included, despite some higher rankings. Only if there are not a sufficient number of assets between positions 8 and 13 that are already included in the index in the current period will assets that are not included in the index in the current period be included in the index.

Example 2:

<i>Rank</i>	<i>Asset</i>	<i>Component Index current month?</i>
8	U	No
9	V	No
10	W	No
11	X	Yes
12	Y	Yes
13	Z	No

MarketVector would continue to include Assets X and Y in the Index as they are already part of the Index this month. However, as there are not yet enough assets included in the MVIS CryptoCompare Digital Asset 10 Index for the next month (nine out of ten), asset U will now also be included in the Index for the next month, although it is not included in the Index in the current period.

The index review process described is carried out by MarketVector on a monthly basis. The components of the MVIS CryptoCompare Digital Asset 10 Index are ranked and weighted according to market capitalisation.

However, it should be noted that MarketVector assets in the MVIS CryptoCompare Digital Asset 10 Index are weighted with a maximum of 30% (30% cap) in the course of the monthly review to ensure diversification effects.

1.2.5. Bitpanda Crypto Index 25 (BCI25)

The Bitpanda Crypto Index 25 (BCI25) described in this prospectus is based on the MVIS CryptoCompare Digital Asset 25 Index, which tracks the performance of the 25 largest and most liquid digital assets (with the top 20 being included in the Index in any case, see below).

The index methodology largely corresponds to that of the BCI5 or BCI10, but is nevertheless presented in detail due to the corresponding differences.

MarketVector determines the individual assets that are components of the MVIS CryptoCompare Digital Asset 25 Index based on the following methodology: In the first step, all assets that are a component of the current MVIS CryptoCompare Digital Asset 25 Index and have an average daily trading volume of at least USD 600,000 in the current month are included in a list of potential index components. Additional assets ranked according to market capitalisation, which are components of the MVIS CryptoCompare Digital Asset 100, will be added to this list until the list of potential index components comprises 50 assets. However, it should be noted that assets in the MVIS CryptoCompare Digital Asset 100 must have an average daily trading volume of at least USD 1,000,000 in the current month. Only when the list of potential index components using these liquidity criteria contains less than 50 assets may further assets be added to the MVIS CryptoCompare Digital Asset 100 (this time ranked by liquidity, i.e. the average daily trading volume in the current month). It should be noted that stablecoins and digital assets whose values are linked to a currency or another asset are automatically excluded from the list of potential index components.

MarketVector then ranks the list of 50 assets in two columns, one by market capitalisation and one by average daily trading volume in the current month. The rankings of the two columns are then added

together and ranked from lowest to highest sum. If the combination of these two criteria results in the same ranking for two or more assets, the market capitalisation is decisive and assets with a higher market capitalisation receive a higher ranking. The top 20 assets in this ranking will then be included in any case in the MVIS CryptoCompare Digital Asset 25 Index for the following month.

The other five assets are selected by MarketVector from the assets ranked between 21st and 31st place. The prerequisite for this is that an asset is already part of the MVIS CryptoCompare Digital Asset 25 Index in the current period.

Example 1:

<i>Rank</i>	<i>Asset</i>	<i>Component Index current month?</i>
21	Q	No
22	R	Yes
23	S	No
24	T	Yes
25	U	No
26	V	No
27	W	Yes
28	X	No
29	Y	Yes
30	Z	Yes

From the above ranking, assets R, T, W, Y and Z would continue to be included in the MVIS CryptoCompare Digital Asset 25 Index for the next month, as they are already included in the Index for the current month. Assets Q, S, U, V and X would not be included, despite some higher rankings. Only if there are not a sufficient number of assets between positions 21 and 30 that are already included in the index in the current period will assets that are not included in the index in the current period be included in the index.

Example 2:

<i>Rank</i>	<i>Asset</i>	<i>Component Index current month?</i>
21	Q	No
22	R	Yes
23	S	No
24	T	Yes
25	U	No
26	V	No
27	W	Yes
28	X	No
29	Y	No
30	Z	No

MarketVector would continue to include Assets R, T and W in the Index as they are already part of the Index this month. However, as there are not enough assets included in the MVIS CryptoCompare Digital

Asset 25 Index for the next month (23 out of 25), assets Q and S will now also be included in the Index for the next month, although they are not included in the Index in the current period.

The index review process described is carried out by MarketVector on a monthly basis. The components of the MVIS CryptoCompare Digital Asset 25 Index are ranked and weighted according to market capitalisation. However, it should be noted that MarketVector assets in the MVIS CryptoCompare Digital Asset 25 are subject to a maximum weighting in the course of the monthly review. All assets with an original weighting of more than 4.5%, but at least 5 assets, are summarised in a group. This group may not receive more than 50% of the weighting in total, i.e. if necessary, the weighting is redistributed to the remaining assets. In addition, individual assets in this group may have no more than 20% weighting and no less than 5% weighting, i.e. if necessary, the weighting is redistributed within this group. All other assets that are not components of the group described are subject to a maximum weighting of 4.5% (4.5%/20%/50% cap).

1.2.6. Bitpanda Crypto Index DeFi Leaders (BCI Defi Leaders)

The Bitpanda Crypto Index DeFi Leaders (BCI Defi Leaders) described in this prospectus is based on the MVIS CryptoCompare Decentralised Finance Leaders Index, which tracks the performance of the five largest and most liquid decentralised crypto-based applications in the financial sector and is an investable subset of the MVIS CryptoCompare Decentralised Finance Index. The classification of each asset as a decentralised crypto-based application is determined based on the description of the asset, which can be found on the public website or in the whitepaper of the respective asset.

MVIS uses the Global Industry Classification Standard (GICS) as a starting point. As soon as an asset that is not yet included in the MVIS CryptoCompare Decentralised Finance Leaders Index has a market capitalisation of more than USD 250,000,000 and an average trading volume of at least USD 10,000,000, MVIS analyses the asset in detail. In doing so, MVIS refers to resources such as the white paper of the respective asset, various third-party studies and community contributions to and about the respective asset - including social media channels - to identify the use case. If the use case of the respective asset is identified as a decentralised crypto-based application in the financial sector that is based on distributed networks and does not require central intermediaries, the respective asset qualifies for the index. All of these assets that qualify as DeFi use cases are eligible for the MVIS CryptoCompare Decentralised Finance Leaders Index.

Thereby MVIS determines the individual assets that are components of the MVIS CryptoCompare Decentralized Finance Leaders Index based on the following methodology:

In the first step, all assets that are either component of the current MVIS CryptoCompare Decentralised Finance Leaders Index and have an average daily trading volume of at least USD 20,000,000 in the current month and market capitalisation of at least USD 800,000,000 USD or assets that are component of the MVIS CryptoCompare Decentralised Finance Index and additionally have an average daily trading volume of at least USD 25,000,000 in the current month and a market capitalisation of at least USD 1,000,000,000 are included in a list of potential index components.

MVIS then ranks the list in two columns, one by market capitalisation and one by average daily trading volume in the current month. The rankings of the two columns are then added together and ranked from lowest to highest sum. If the combination of these two criteria results in the same ranking for two or more assets, the market capitalisation is decisive and assets with a higher market capitalisation receive a higher ranking. The top 5 assets in this ranking will then be included in the MVIS CryptoCompare Decentralized Finance Leaders Index for the following month.

Example:

<i>Rank</i>	<i>Asset</i>	<i>Component Index current month?</i>
1	U	Yes
2	V	Yes

3	W	No
4	X	Yes
5	Y	Yes
6	Z	Yes

From the above ranking, assets V, X and Y would continue to be included in the MVIS CryptoCompare Decentralized Finance Leaders Index for the next month, as they are already included in the Index for the current month. Assets Z would not be taken into account, despite currently being a component of the index. Asset W, on the other hand, would be included in the index in the next period.

The index review process described is carried out by MVIS on a monthly basis. The components of the MVIS CryptoCompare Decentralized Finance Leaders Index are ranked and weighted according to market capitalisation. However, it should be noted that the MVIS CryptoCompare Decentralised Finance Leaders Index is subject to a maximum weighting in the course of the monthly review, whereby individual assets in this group may not have a weighting of more than 30%, i.e. if necessary, weightings are redistributed within this group. If this value is exceeded, the weighting is reduced to 30% and the excess weighting is redistributed proportionately to all other index components. This process is repeated until no asset has a weighting that exceeds the respective maximum weighting. This procedure primarily serves to diversify the index.

1.2.7. Bitpanda Crypto Index Infrastructure Leaders (BCI Infrastructure Leaders)

The Bitpanda Crypto Index Infrastructure Leaders (BCI Infrastructure Leaders) described in this prospectus is based on the MVIS CryptoCompare Infrastructure Application Leaders Index, which tracks the performance of the five largest and most liquid assets for infrastructure applications and is an investable subset of the MVIS CryptoCompare Infrastructure Application Index. The classification of each asset as infrastructure applications is determined based on the description of the asset, which can be found on the public website or in the whitepaper of the respective asset.

MVIS uses the Global Industry Classification Standard (GICS) as a starting point. As soon as an asset that is not yet included in the MVIS CryptoCompare Infrastructure Application Leaders Index has a market capitalisation of more than USD 250,000,000 and an average trading volume of at least USD 10,000,000, MVIS analyses the asset in detail. In doing so, MVIS refers to resources such as the white paper of the respective asset, various third-party studies and community contributions to and about the respective asset - including social media channels - to identify the use case. If the use case of the respective asset is identified as being used for decentralised crypto-based applications that serve specific infrastructure purposes and are necessary for the functioning and development of the blockchain, the respective asset qualifies for the MVIS CryptoCompare Infrastructure Application Leaders Index. All of these assets qualifying as infrastructure use cases are eligible for the MVIS CryptoCompare Infrastructure Application Leaders Index.

In the first step, all assets that are either component of the current MVIS CryptoCompare Infrastructure Application Leaders Index and have an average daily trading volume of at least USD 20,000,000 in the current month and market capitalisation of at least USD 800,000,000 USD or assets that are component of the MVIS CryptoCompare Infrastructure Application Index and additionally have an average daily trading volume of at least USD 25,000,000 in the current month and a market capitalisation of at least USD 1,000,000,000 are included in a list of potential index components.

MVIS then ranks the list in two columns, one by market capitalisation and one by average daily trading volume in the current month. The rankings of the two columns are then added together and ranked from lowest to highest sum. If the combination of these two criteria results in the same ranking for two or more assets, the market capitalisation is decisive and assets with a higher market capitalisation receive a higher ranking. The top 5 assets in this ranking will then be included in the MVIS CryptoCompare Infrastructure Application Leaders Index for the following month.

Example:

<i>Rank</i>	<i>Asset</i>	<i>Component Index current month?</i>
1	U	Yes
2	V	Yes
3	W	No
4	X	Yes
5	Y	Yes
6	Z	Yes

From the above ranking, assets V, X and Y would continue to be included in the MVIS CryptoCompare Infrastructure Application Leaders Index for the next month, as they are already included in the Index for the current month. Assets Z would not be taken into account, despite currently being a component of the index. Asset W, on the other hand, would be included in the index in the next period.

The index review process described is carried out by MVIS on a monthly basis. The components of the MVIS CryptoCompare Infrastructure Application Leaders Index are ranked and weighted according to market capitalisation. However, it should be noted that the MVIS CryptoCompare Infrastructure Application Leaders Index is subject to a maximum weighting in the course of the monthly review, whereby individual assets in this group may not have a weighting of more than 30%, i.e. if necessary, weightings are redistributed within this group. If this value is exceeded, the weighting is reduced to 30% and the excess weight is redistributed proportionately to all other index components. This process is repeated until no asset has a weighting that exceeds the respective maximum weighting. This procedure primarily serves to diversify the index.

1.2.8. Bitpanda Crypto Index Metaverse Leaders (BCI Metaverse Leaders)

The Bitpanda Crypto Index Metaverse Leaders (BCI Metaverse Leaders) described in this prospectus is based on the MVIS CryptoCompare Media & Entertainment (Metaverse) Leaders Index, which tracks the performance of the five largest and most liquid assets for Media & Entertainment (Metaverse) and is an investable subset of the MVIS CryptoCompare Media & Entertainment (Metaverse) Index. The classification of each asset as Media & Entertainment (Metaverse) applications is determined based on the description of the asset, which can be found on the public website or in the whitepaper of the respective asset.

MVIS uses the Global Industry Classification Standard (GICS) as a starting point. As soon as an asset that is not yet included in the MVIS CryptoCompare Media & Entertainment (Metaverse) Leaders Index has a market capitalisation of more than USD 250,000,000 and an average trading volume of at least USD 10,000,000, MVIS analyses the asset in detail. In doing so, MVIS refers to resources such as the white paper of the respective asset, various third-party studies and community contributions to and about the respective asset - including social media channels - to identify the use case. If the use case of the respective asset is identified as a possible use for various activities within a metaverse (e.g. content and games) or a general connection to social media, the respective asset qualifies for the MVIS CryptoCompare Media & Entertainment (Metaverse) Leaders Index. All of these assets qualifying as metaverse use cases are eligible for the MVIS CryptoCompare Media & Entertainment (Metaverse) Leaders Index.

In the first step, all assets that are either component of the current MVIS CryptoCompare Media and Entertainment (Metaverse) Leaders Index and have an average daily trading volume of at least USD 20,000,000 in the current month and market capitalisation of at least USD 800,000,000 USD or assets that are component of the MVIS CryptoCompare Media and Entertainment Index and additionally have an average daily trading volume of at least USD 25,000,000 in the current month and a market capitalisation of at least USD 1,000,000,000 are included in a list of potential index components.

MVIS then ranks the list in two columns, one by market capitalisation and one by average daily trading volume in the current month. The rankings of the two columns are then added together and ranked from lowest to highest sum. The resulting list is ranked according to market capitalisation and average daily trading volume in the current month. If the combination of these two criteria results in the same ranking for two or more assets, the market capitalisation is decisive and assets with a higher market capitalisation receive a higher ranking. The top 5 assets in this ranking will then be included in the MVIS CryptoCompare Media and Entertainment Leaders Index for the following month.

Example:

<i>Rank</i>	<i>Asset</i>	<i>Component Index current month?</i>
1	R	Yes
2	S	Yes
3	T	No
4	U	Yes
5	V	Yes
6	W	Yes
7	X	No
8	Y	No
9	Z	No

From the above ranking, assets R, S, U, and V would continue to be included in the MVIS CryptoCompare Media and Entertainment Leaders Index for the next month, as they are already included in the Index for the current month. The asset W would not be taken into account, despite currently being a component of the index. The asset T, on the other hand, would be included in the index in the next period.

The index review process described is carried out by MVIS on a monthly basis. The components of the MVIS CryptoCompare Media and Entertainment (Metaverse) Leaders Index are ranked and weighted according to market capitalisation. However, it should be noted that the MVIS CryptoCompare Media and Entertainment (Metaverse) Leaders Index is subject to a maximum weighting in the course of the monthly review, whereby individual assets in this group may not have a weighting of more than 30%, i.e. if necessary, weightings are redistributed within this group. If this value is exceeded, the weighting is reduced to 30% and the excess weight is redistributed proportionately to all other index components. This process is repeated until no asset has a weighting that exceeds the respective maximum weighting. This procedure primarily serves to diversify the index.

1.2.9. Bitpanda Crypto Index Smart Contract Leaders (BCI Smart Contract Leaders)

The Bitpanda Crypto Index Smart Contract Leaders (BCI Smart Contract Leaders) described in this prospectus is based on the MVIS CryptoCompare Smart Contract Leaders Index, which tracks the performance of the fourteen largest and most liquid assets for Smart Contracts and is an investable subset of the MVIS CryptoCompare Smart Contract Index. The classification of each asset as Smart Contract applications is determined based on the description of the asset, which can be found on the public website or in the whitepaper of the respective asset.

MVIS uses the Global Industry Classification Standard (GICS) as a starting point. As soon as an asset that is not yet included in the MVIS CryptoCompare Smart Contract Leaders Index has a market capitalisation of more than USD 250,000,000 and an average trading volume of at least USD 10,000,000, MVIS analyses the asset in detail. In doing so, MVIS refers to resources such as the white paper of the respective asset, various third-party studies and community contributions to and about the respective asset - including social media channels - to identify the use case. If the use case of the

respective asset is identified as the development and hosting of smart contracts, the respective asset qualifies for the MVIS CryptoCompare Smart Contract Leaders Index. All of these assets qualifying as Smart Contract use cases are eligible for the MVIS CryptoCompare Smart Contract Leaders Index.

In the first step, all assets that are either component of the current MVIS CryptoCompare Smart Contract Leaders Index and have an average daily trading volume of at least USD 20,000,000 in the current month and market capitalisation of at least USD 800,000,000 USD or assets that are component of the MVIS CryptoCompare Smart Contract Leaders Index and additionally have an average daily trading volume of at least USD 25,000,000 in the current month and a market capitalisation of at least USD 1,000,000,000 are included in a list of potential index components.

MVIS MarketVector then ranks the list in two columns, one by market capitalisation and one by average daily trading volume in the current month. The rankings of the two columns are then added together and ranked from lowest to highest sum. If the combination of these two criteria results in the same ranking for two or more assets, the market capitalisation is decisive and assets with a higher market capitalisation receive a higher ranking. The top fourteen assets in this ranking will then be included in the MVIS CryptoCompare Media and Entertainment Leaders Index for the following month.

Example:

<i>Rank</i>	<i>Asset</i>	<i>Component Index current month?</i>
10	Q	Yes
11	R	Yes
12	S	No
13	T	Yes
14	U	Yes
15	V	Yes
16	W	No

From the above ranking, assets Q, R, T and U would continue to be included in the MVIS CryptoCompare Smart Contract Leaders Index for the next month, as they are already included in the Index for the current month. Assets V and W would not be included. The asset S, on the other hand, would be included in the index in the next period.

The index review process described is carried out by MVIS on a monthly basis. The components of the MVIS CryptoCompare Smart Contract Leaders Index are ranked and weighted according to market capitalisation. However, it should be noted that the MVIS CryptoCompare Smart Contract Leaders Index is subject to a maximum weighting in the course of the monthly review, whereby individual assets in this group may not have a weighting of more than 30%, i.e. if necessary, weightings are redistributed within this group. If this value is exceeded, the weighting is reduced to 30% and the excess weight is redistributed proportionately to all other index components. This process is repeated until no asset has a weighting that exceeds the respective maximum weighting. This procedure primarily serves to diversify the index.

1.2.10. Bitpanda Meme Coin Leaders Index (BCI Meme Coin Leaders)

The Bitpanda Crypto Index Meme Coin Leaders (BCI Meme Coin Leaders) described in this prospectus aims to reflect the six meme coins with the highest market capitalisation available on the Bitpanda platform.

The classification of an asset as a meme coin and therefore the basic eligibility of an asset for the Bitpanda Crypto Index Meme Coin Leaders is carried out by Bitpanda. In doing so, Bitpanda refers to resources such as the whitepaper of the respective asset, third-party studies and community posts on the respective asset, including relevant social media channels.

If an asset is classified as a meme coin by Bitpanda and is available and tradable on the Bitpanda platform, the respective asset qualifies as a potential component of the Bitpanda Crypto Index Meme Coin Leaders.

Which assets are ultimately included in the BCI Meme Coin Leaders is based solely on the market capitalisation of the respective asset, with the top six assets classified as meme coins becoming a component of the BCI Meme Coin Leaders.

MarketVector ranks the individual meme coins according to market capitalisation. The first six assets in this ranking are included in the Bitpanda Crypto Index Meme Coin Leaders.

MarketVector evaluates the market capitalisation of the meme coins on a monthly basis and adjusts the index components accordingly for the following month.

Example:

<i>Rank (by market capitalisation)</i>	<i>Asset</i>	<i>Index component in the current month?</i>
1	A	Yes
2	B	No
3	C	Yes
4	D	Yes
5	E	Yes
6	F	Yes
7	G	Yes

From the above ranking list, assets A, C, D, E and F would also be included in the Bitpanda Crypto Index Meme Coin Leaders next month. The asset G, on the other hand, would no longer be part of the Bitpanda Crypto Index Meme Coin Leaders, even though it is already part of the index, because it is no longer part of the top six meme coins. The asset B, on the other hand, would be included in the index next month because it is now in the top six meme coins.

The index review process described above is carried out by MVIS on a monthly basis. The components of the Bitpanda Crypto Index Meme Coin Leaders are ranked and weighted according to their market capitalisation.

However, it should be noted that the Bitpanda Crypto Index Meme Coin Leaders Index is subject to a maximum weighting during the monthly review, whereby individual values in this group may not have a weighting of more than 30%, i.e. the weightings within this group are redistributed if necessary. If this value is exceeded, the weighting is reduced to 30% and the overweighting is redistributed proportionately to all other index components. This process is repeated until no asset has a weighting that exceeds the respective maximum value. This procedure primarily serves to diversify the index.

1.3. Overview of the assets included and restrictions

The crypto assets included in the Index product are generally understood to be a digital representation of value that is not issued or guaranteed by central banks or public authorities and does not have the legal status of currency or money, but is accepted as a medium of exchange and can be transferred, stored, acquired and disposed electronically.

There is no complete description of all crypto-assets potentially included in the Index. These may not even exist or be known at the time the prospectus is prepared. It is possible that new crypto-assets will be created in the future which could be included in the BCI 5/10/25 Indexes. Important features of crypto-assets are summarised here:

Crypto assets are a digital representation of value. Crypto assets can be transferred via the blockchain. In simple terms, a blockchain is a sequence of all transactions. This blockchain is encrypted, i.e. only the authorised person who has the corresponding key can carry out the respective transactions. Anyone who loses their key also loses access to their crypto assets. This cannot be reset by others, nor can the crypto assets be transferred elsewhere. The loss or theft of the private key therefore generally leads to a total loss of the crypto assets. As Bitpanda holds the crypto assets as part of the Index product, this risk exists for Bitpanda. For more details, see the risk factors in *“Chapter 1, 1.3. Risk factors in relation to internal control, IT and cyber security”*.

Market prices for crypto assets are determined through trades on various crypto trading centres. Crypto assets do not have a guarantee or intrinsic value per se, but they are effectively accepted or acquired and disposed as a medium of exchange. In some cases, crypto assets are also issued by unknown persons or programmes, which is why no claims can be asserted against the issuer for this reason alone.

Crypto assets within the meaning of the Index product therefore have the following points in common:

- Digital representation of a value
- Storage and transfer option on the blockchain
- Encryption of access rights with a private key
- No legal means of payment, no state guarantee
- Value is created by supply and demand (market value)

The Index is limited to crypto assets and therefore only crypto assets are included in the Index. This means that neither Fiat-Tokens, precious metals nor securities or other financial instruments are included in the Index. Crypto-assets that are linked to a legal currency or other assets (so-called Asset-Referenced Tokens or E-Money Tokens) are also excluded from the Index.

Bitpanda also expressly reserves the right not to include certain crypto assets in the respective Index product. This applies in particular due to regulatory requirements. If a token is a financial instrument or otherwise regulated product that requires a licence to perform the associated services, the inclusion of this token is excluded. Bitpanda therefore checks whether a new coin or token is a financial instrument or otherwise regulated financial product before including it in the Index product. Such regulated financial products are not included in the Index. The weightings attributable to them are distributed evenly among all other crypto assets.

If, in individual cases, crypto assets are not included on the platform, they will be included as “index-only coins” (see below), at least within a reasonable period of time. However, Bitpanda reserves the right, in particular for technical reasons, to acquire crypto assets that cannot be integrated in a sufficiently timely manner only in the following rebalancing. In such a case, the weightings attributable to them will be distributed evenly among all other crypto assets.

“Index-only coins” are a special type of crypto asset on the Bitpanda platform. Bitpanda has not integrated these crypto assets into its internet platform. This means that these crypto assets cannot be transferred to Bitpanda wallets at any time. Such index-only coins can therefore only be held as part of the Index product. When the Index product is disposed, index-only coins are treated in the same way as all other crypto assets and disposed accordingly (i.e. Disposed in exchange for Fiat-Tokens, which are credited to the respective Fiat wallet). However, a withdrawal (claim) of index-only coins as such is excluded in any case. The termination of the Index product through a claim always results in the disposal of index-only coins for Fiat Tokens. These are credited to the investor accordingly. Bitpanda acquires the crypto assets in the background as usual - however, withdrawal by the investor is excluded in all cases. The Internet platform shows which crypto assets are index-only coins. The Bitpanda platform also recognises so-called “trade-only coins”. However, these only play a limited role in the Index. With trade-only coins, it is possible to withdraw crypto assets from Bitpanda wallets (claim), but not to transfer them to blockchain wallets outside the Bitpanda platform (“on-

chain”). These crypto assets can therefore only be acquired and disposed within the Bitpanda platform and cannot be transferred to external wallets. Further information can be found on Bitpanda’s internet platform and on the issuer’s homepage (www.bitpanda.com). Bitpanda aims to fully integrate trade-only coins in the near future, which would also make it possible to transfer them to its own wallets.

1.4. Acquisition and payment options in detail and the acquisition process

Bitpanda provides its investors with a function in the prospectus that allows investors to acquire crypto assets in the index’s allocation key with “one click” and thus follow the respective Index. The investor selects the Index themselves and becomes the beneficial owner of the underlying crypto assets. This means that crypto assets are specifically purchased and acquired by the investor in accordance with the index weighting. Bitpanda holds the corresponding crypto assets in trust for the investor. The investor can already put together such a portfolio for himself and acquire them individually, although this would require a large number of acquisition transactions on the Bitpanda platform for the desired crypto assets. This process is made significantly easier with the Index product. In addition, the weighting is adjusted on a monthly basis (rebalancing, see “*Chapter 3, 1.5. Holding the Index and rebalancing in detail*” below) to ensure that the crypto assets weighted according to the index methodology are included in each case.

In general, it should be noted that the corresponding assets must already be included when the Index product is acquired on the platform. A acquisition without sufficient assets is technically impossible. Fulfilment takes place immediately after payment.

The Index portfolio is displayed in a separate overview (“Index product”) in the Bitpanda system. This makes it easy for the investor to distinguish between their conventional crypto assets and the Index product. The crypto assets in the Index product are fully allocated to the individual investor. The term “Index product” merely refers to the overall representation of the crypto assets contained in the Index and has no technical or legal significance beyond that. The investor therefore does not acquire an overall product or a token representing an index, but the individual crypto assets. Below is an example to illustrate this (for the sake of simplicity, the Index in the example only has two values, namely Bitcoin and Ethereum):

An investor wants to follow this Index by EUR 100. Thus, with a weighting of e.g. 60% Bitcoin and 40% Ethereum, he would buy Bitcoin for EUR 60 and Ethereum for EUR 40. The legal position and the process thus largely correspond to that if the investor selects the market capitalisation himself and acquires the crypto assets individually and updates this regularly.

The weighting of the crypto assets is calculated by the index provider at the time of acquisition and rebalancing. The investor acquires the crypto assets in the respective ratio at the time of acquisition. The weighting is calculated automatically for each acquisition and always corresponds to the weighting in the Index at the time of acquisition. This means that investors who buy the Index product at the same time and all those who hold the Index product at the time of rebalancing have the same distribution. For this reason, it is not possible to sell or withdraw individual crypto assets. This can only be done by liquidating the entire Index product (“claim”). The following example illustrates this:

Investor A acquires the above Index on 1st of January. As above, the weighting is 60% Bitcoin and 40% Ethereum. Investor B acquires the above Index on 5th of January. As the price of Bitcoin has fallen in the meantime in relation to the price of Ethereum and the current weighting in the Index is therefore 55% Bitcoin and 45% Ethereum, Investor B acquires 55% Bitcoin and 45% Ethereum on 5th of January. The distribution in the index of investor A therefore does not correspond to that of investor B. The index is valued after the time of acquisition on the basis of the prices integrated on the Bitpanda platform. At the time of acquisition on the 5th of January, the distributions in the index of investor A therefore differ from those of investor B until the next rebalancing date. The investor cannot sell Bitcoin or Ethereum directly from the Index product.

This weighting is used to determine the number of crypto-assets acquired. To do this, the amount of the investment is multiplied by the weighting in per cent. The number of units actually acquired is calculated by dividing the acquisition amount by the current market price of the crypto asset. Crypto assets are fully divisible and can therefore also be acquired with several decimal places or in small parts. Bitpanda reserves the right to apply standard rounding rules. The calculation of the specific units acquired is automated based on current market prices. See “Chapter 3, 15. Statement of the principles of valuation” for more details on courses and evaluation. Illustrative example:

If an investor wants to invest EUR 1,000 and the weighting of Bitcoin is 50% at the time of acquisition, Bitcoin is acquired for EUR 500. For example, if Bitcoin has a market value of EUR 10,000 at the time of acquisition, 0.05 Bitcoin is acquired.

1.5. Holding the Index and rebalancing in detail

The weighting and the total value of the Index product are calculated on an ongoing basis. This information can be accessed via the Bitpanda platform. For details on the valuation of the crypto assets, the total value and the weighting, see “Chapter 3, 15. Statement of the principles of valuation”.

The Index is adjusted monthly according to the index methodology. These changes in the Index result in corresponding acquisition/disposal orders on behalf of the Bitpanda investor holding an Index product. This is carried out on a contractually agreed key date in the Index product. However, Bitpanda reserves the right not to carry out minimal rebalancing (e.g. the equivalent of a few euro cents). This means that crypto assets are acquired and disposed so that the Index product once again corresponds to the allocation key according to the respective Index. The investor contractually agrees that a “rebalancing”, i.e. the disposal/acquisition of crypto assets, will take place if the Index is adjusted. The following example visualises the process:

The weighting before rebalancing is 60% Bitcoin and 40% Ethereum. The market capitalisation shifts so that the current weighting is 70% Bitcoin and 30% Ethereum. An automated disposal order for 10% Ethereum (from 40% to 30%) and an acquisition order for 10% Bitcoin (from 60% to 70%) are placed on the reporting date. Once this order has been executed, the Index product corresponds again to the weighting according to the index methodology. The investor can therefore rule out the possibility that his portfolio no longer corresponds to the current distribution.

If a crypto-asset is completely eliminated from the index, the corresponding shares are disposed and the new index crypto-asset is acquired in return - according to the new weighting. In the example above, this would be as follows:

The market capitalisation of Ethereum falls sharply and IOTA thus overtakes Ethereum - based on the index methodology. The new weighting is 80% Bitcoin and 20% IOTA, 30% (and therefore all) Ethereum is disposed and 10% Bitcoin and 20% IOTA is acquired.

Costs and price mark-ups will be incurred for the rebalancing (see “Chapter 3, 14. Distribution and administration costs, management costs, in each case by amount and form of clearing” for more details).

Bitpanda reserves the right not to include certain crypto-assets in the Index product, for example if inclusion is not technically possible in the time available or for regulatory reasons. There is therefore a risk that the respective Indexes do not reflect the current market capitalisation and liquidity (see also the risk factor “Chapter 1, 2.10. Risk that the distribution of crypto assets does not correspond to that of the underlying index or the distribution of the index provider”).

With minimal rebalancing, Bitpanda has the option of not rebalancing. In any case, this will only take place in cases where the change in weighting is minimal. Apart from this, Bitpanda reserves the right not to rebalance in general (e.g. in the event of technical problems in Bitpanda systems or at the index provider, distorted or incorrect data, etc.).

The Indexes described in this prospectus are not calculated by the issuer itself and the unlimited availability of the Indexes in the Bitpanda systems at all times cannot be guaranteed. The Issuer reserves the right to amend or terminate the Bitpanda Crypto Indexes at any time at its own discretion. The same applies to the Index product itself.

1.6. Disposal and liquidation options in detail and the acquisition process

1.6.1. Overview of the termination options

The investor can generally terminate his Index product in two ways: This can be done by disposing the Index product. A disposal in this sense can take place by exchanging it for Fiat-Tokens or by exchanging it for other tokens offered on the Bitpanda platform (e.g. precious metals or crypto assets). On the other hand, termination is possible by liquidating the entire Index product and withdrawing the crypto assets (claim).

The disposal can be made against any asset on the Bitpanda platform. The disposal can also be made on a pro rata basis (approximately EUR 100 or 20% of the Index product), but minimum disposal amounts must also be taken into account here. However, it is not possible to sell individual crypto assets from the Index. This is technically impossible as it would significantly distort the subsequent rebalancing.

When the Index is fully liquidated (claim), the crypto assets are transferred to the investor's Bitpanda wallets accordingly. A partial or pro rata withdrawal is not possible.

1.6.2. Disposal of the Index product

The disposal can be made against all assets of the Bitpanda platform (Fiat-Tokens, crypto assets, precious metals). When disposing against crypto assets or precious metals, the Index product is sold and the respective asset is purchased, whereby the acquisition is no longer part of the Index product.

In principle, the disposal is possible at any time; however, certain circumstances may result in the suspension of this redemption, such as technical faults, lack of market prices, etc. In such a case, the investor is still exposed to the risk of falling prices for crypto assets and his capital remains tied up in the Index product. For more details, see the risk factors in "*Chapter 1, 1.3.2. A failure of the IT systems can lead to a significant impairment of Bitpanda's business operations.*" and "*Chapter 1, 2.2. Risks associated with restrictions on tradability and availability*". The Index product can only be disposed within the Bitpanda platform and to Bitpanda (see "*Chapter 3, 13. Any restrictions on the tradability of the investment and the market on which it can be traded*"). The disposal of the Index product takes place as follows:

1. The investor selects the asset they wish to receive, such as Fiat Tokens or other crypto assets/precious metals.
2. All crypto assets contained in the Index product are disposed.
3. The price mark-up is offset (see "*Chapter 3, 25. Presentation of the possibilities and costs of a subsequent disposal of the investment*").
4. The selected asset is acquired (such as another crypto asset)
5. The investor receives the selected asset.

This process is fully automated and takes just a few seconds. The current market values of the products are used in each case. The disposal proceeds therefore do not necessarily correspond to the total value of the Index product due to the price mark-ups and the fact that prices may fluctuate during the disposal process. Explanatory example:

The investor holds EUR 100 immediately after acquiring the index; this value changes depending on the price fluctuations of the underlying crypto assets (see example below). The value changes to EUR 110. The investor wants to sell part of the Index product. He sets the

total disposal value to EUR 50 - crypto assets with a total equivalent value of EUR 50 are disposed on a pro rata basis. The weighting of the crypto assets contained is not changed; all assets are reduced proportionately.

The Index product can be disposed in whole or in part. Percentage shares or shares in the amount of a certain equivalent value can be disposed. In such a case, all crypto-assets in the respective weighting are disposed on a pro rata basis. The weighting therefore remains identical (apart from rounding). It is not possible to sell individual crypto assets. The disposal is only possible - both pro rata and in total - from a certain minimum amount of EUR 10. If the value falls below the minimum amount, a disposal is not possible, only a claim (see “Chapter 3, 1.6.3. Termination of the Index and withdrawal of crypto assets (claim)”).

The investor decides to sell the crypto assets assigned to the Index. While Bitcoin has risen by 10%, Ethereum has fallen by 10% - the EUR 60 (e.g. 0.006 Bitcoin) in Bitcoin has thus risen to EUR 66, while the EUR 40 (e.g. 0.33 Ethereum) in Ethereum has fallen to EUR 36. If the investor thus decides to dispose against Fiat-Tokens or against a crypto asset (swap), he receives (in continuation of the above values) the equivalent of approx. 102 EUR in his chosen asset. For example, the investor decides to swap his crypto assets contained in the index for IOTA and receives IOTA with an equivalent value of approx. 102 EUR (before offsetting the price mark-up). The investor can also exchange or dispose pro rata amounts, but at no time the crypto assets allocated to the Index itself. He can therefore also sell approximately 50% of his crypto assets allocated to the Index - the remaining total equivalent value is EUR 51; the investor therefore still holds 0.003 Bitcoin and 0.167 Ethereum. At no time can the investor dispose the 0.006 Bitcoin directly or otherwise change the weighting of the Index.

1.6.3. Termination of the Index and withdrawal of crypto assets (claim)

In addition, the Index product can be terminated and the crypto assets can be transferred to the usual Bitpanda wallets. This process is referred to below as a “claim”. The crypto assets withdrawn then correspond to the crypto assets otherwise acquired via the Bitpanda platform and are no different from them. The investor can then dispose them individually via the Bitpanda platform and/or transfer them to his own wallets, dispose them on other marketplaces or otherwise use them at his own discretion. Interruptions are also possible here, for example in the event of technical faults, and the liquidation (claim) of the Index product and/or the withdrawal of individual crypto assets from the Bitpanda platform (on-chain) may not be available for a short period of time.

The fictitious BCI 2 Index contains 80% Bitcoin and 20% Ethereum. The investor has invested EUR 1,000 and acquired 0.08 Bitcoin (i.e. around EUR 800 at a price of EUR 10,000 per Bitcoin) and 1 Ethereum (around EUR 200 at a price of EUR 200 per Ethereum) in accordance with the current market values. The investor has 0.5 Bitcoin and 4 Ethereum in his other Bitpanda wallets. He decides to liquidate the Index product and withdraw the crypto assets (claim). He is transferred 0.08 Bitcoin and 1 Ethereum. The investor therefore holds 0.58 Bitcoin and 5 Ethereum after liquidating the Index product.

However, this does not apply to certain coins, as these are not offered on the Bitpanda platform (“Index-Only-Coins”) or cannot be withdrawn from the Bitpanda platform, but can only be acquired and disposed via the Bitpanda platform (“Trade-Only-Coins”). In the case of the claim, the investor thus receives all crypto assets except the index-only coins, which are disposed in exchange for Fiat-Tokens. Whether it is an index or trade-only coin can be seen on the Bitpanda platform. For risks in connection with index-only/trade-only coins, see also the risk factor “Chapter 1, 2.12. Risk associated with index-only coins”. For index-only coins, as shown in “Chapter 3, 1.3. Overview of the assets included and restrictions”, the special feature of index-only coins is that they cannot be withdrawn. The investor have no possibility of having these crypto assets credited to his Bitpanda wallets. Index-only coins are therefore always disposed for Fiat Tokens in the event of a claim and the corresponding amount is credited to the investor on the Bitpanda platform. The following example illustrates this:

The fictitious BCI2 contains 80% (800 EUR) Bitcoin and 20% (200 EUR) crypto-asset X, which represents an index-only coin. If the investor wishes to dispose the Index or swap it for other crypto assets, both are disposed and the index-only coin is therefore treated equally. In the case of a claim, the Bitcoins equivalent to EUR 800 (e.g. 0.08 Bitcoin) are transferred to the investor's Bitpanda wallet. The Index-Only-Coin X cannot be transferred to his Bitpanda wallet, but is disposed and the investor is credited EUR 200 before the price mark-up is offset.

1.7. Illustrative overall example

1. An investor participates in the BCI5 with EUR 100. The composition of the Index is as follows, for example: 50% Bitcoin, 20% Ethereum, 15% Ripple, 10% Bitcoin Cash and 5% Litecoin. The investor therefore buys EUR 50 of Bitcoin, EUR 20 of Ethereum, EUR 15 of Ripple, EUR 10 of Bitcoin Cash and EUR 5 of Litecoin. Costs are incurred for the acquisition (see *"Chapter 3, 20. Presentation of the acquisition price of the investment including all incidental acquisition costs"*).
2. A rebalancing takes place at the end of the month and there were no price movements on the Bitpanda platform during the month (simplified). The independent index provider arrives at the following weightings: Bitcoin increases to 55% and Ripple decreases to 10%. The other values remain identical (simplified). This means that 5 percentage points of Ripple are disposed and 5 percentage points of Bitcoin are acquired. After rebalancing, the Index product therefore reflects the changes of the last month according to the index methodology of the crypto assets considered for the composition of the Index product. After this time, the investor again holds the current distribution. Costs are incurred for acquisitions/disposals as part of rebalancing (see *"Chapter 3, 14.2. Administration costs and rebalancing costs"* for more details).
3. At the end of the next month, Ripple, for example, has fallen further in the index weighting and is completely removed from the BCI5. IOTA is included instead. All Ripple is thus disposed and further acquisitions and disposals of the crypto assets already included in the Index product are made to match the weighting after the rebalancing.
4. The investor decides to sell his Index product. He wants to exchange his entire equivalent value for Ethereum, for example. This results in a so-called swap against Ethereum and the total equivalent value, which has risen to EUR 110 as a result of market movements, for example, is made available to the investor in the form of the selected asset for further use. The investor thus receives Ethereum worth the equivalent of EUR 110. These do not differ from other crypto assets on his Bitpanda wallet. Costs are incurred for the sell (see *"Chapter 3, 25. Presentation of the possibilities and costs of a subsequent disposal of the investment"* for details).
5. Alternative to step 4: The investor decides to terminate the Index product and withdraw the crypto assets (claim). The investor thus receives the corresponding crypto assets on his respective Bitpanda wallets. Any index-only coins are disposed in exchange for Fiat-Tokens and the investor receives the corresponding amount credited to his Bitpanda wallet. As the claim is free of charge, the usual costs are only incurred for the disposal of index-only coins (see *"Chapter 3, 25. Presentation of the possibilities and costs of a subsequent disposal of the investment"* for details).

2. Paying, submission and depository offices

2.1. Submission office

The conclusion of the contract and the acquisition of crypto-assets included in the Index product are carried out exclusively online via the Bitpanda platform. The Bitpanda platform invites investors to submit an offer and reserves the right to accept or reject it, for example due to its own risk assessment, legal requirements or other reasons. The "subscription" or submission of the offer is thus made directly to the issuer by way of online business.

2.2. Paying office

The acquisition of assets requires an existing credit balance on the Bitpanda platform. This can be in the form of crypto assets or Fiat-Tokens. The settlement and therefore the paying office (in a broad sense) is therefore the Bitpanda platform. As usual, investors can acquire Fiat-Tokens, for example via bank transfers, credit cards, etc., or deposit crypto assets (on-chain transfer to the specified wallet address).

2.3. Depository office

As the Index product is not securities and is not certification, there is no depository office. The crypto assets acquired with the Index product are held in custody by Bitpanda. However, this is not a depository or custodian bank in the legal or other sense.

3. Overview of property rights issued to date

3.1. Overview of issued investments and securities

No securities have been issued by the issuer to date. The offering of the Index products by Bitpanda under the prospectus dated 05/10/2020 and the respective supplements thereto, under which investments totalling approximately EUR 20.8 million have been issued to date, will be terminated by the offer of the Index product under this prospectus. In addition to the offer under this prospectus, Bitpanda is offering a product A-Token with the start of the subscription period on 26 April 2024. The product is a derivative contract between the investor and Bitpanda that tracks the value of a specific underlying asset (e.g. share or ETF) 1:1. This issue has not yet been finalised at the time of preparing the prospectus, but can also be acquired in the future ("tap issue"). A final overview of the investments issued and the issue volume is therefore currently not possible. The prospectus for the Bitpanda Index from 25.04.2024 can be viewed on the Bitpanda platform at www.bitpanda.com. The offering of the A-Token products by Bitpanda under the prospectus dated 20 April 2021 and the respective supplements thereto, under which investments totalling approximately EUR 97 million have been issued, was terminated by the offer of the A-Token product under the prospectus for the Bitpanda A-Token dated 25 April 2024.

An ETN product was issued by Bitpanda Issuance GmbH, which was also admitted to trading on the Frankfurt Stock Exchange, among others. The issue of the ETNs was completed on 14 February 2023 with a total issue volume of EUR 1,428,602.22.

3.2. Overview of other property rights

The Bitpanda Group has issued two Initial Coin Offerings (ICOs) to date, whereby a separate token was issued for a fee using blockchain technology. Various rights are associated with the tokens issued in this way, but there is no direct entitlement to repayment.

3.2.1. Pantos Token

The Pantos Token was issued in 2018 by Pantos GmbH (a wholly owned Bitpanda subsidiary) and is non-refundable or does not entitle to redemption on the Bitpanda platform. Pantos Tokens (PAN) with a total value of around EUR 4 million were issued in the course of the ICO.

3.2.2. Bitpanda Ecosystem Token (BEST)

The Bitpanda Ecosystem Token (BEST) was issued by Bitpanda in 2019 and is non-refundable. The token can be used to redeem or pay the price mark-ups on the Bitpanda platform. In total, assets worth around EUR 41.3 million were issued in the course of the BEST ICO.

3.2.3. Bitpanda Leverage

Bitpanda Leverage, a new financial product launched by Bitpanda in 2023, allows investors to bet – sometimes with leverage – on rising or falling market prices of certain crypto-assets. In [May] 2024, the issue volume of Leveraged Tokens totalled around EUR 5 million.

3.2.4. Further products

In addition, there is currently an ongoing public offer in connection with the A-Token product described above. For details, see *“Chapter 3, 3.1. Overview of issued investments and securities”*.

4. Legal form of the investment, total amount, denomination and purpose of the offer

4.1. Legal form of the investment

The investment is a contractual obligation that is established between the issuer and the respective investor. All investment conditions can be found in the Bitpanda GTC (in particular point 8 Bitpanda Index) (see appendix II). Further information on the legal position of the investor can also be found in *“Chapter 3, 1.1. Overview of investment conditions”*. For the legal position of the investor in the event of the issuer’s insolvency, see *“Chapter 3, 28. Provisions on settlement and the position of investors in the event of insolvency”*.

4.2. Total amount

The total amount of the issue is capped at EUR 10 million. The total amount can be increased at any time. An increase option to EUR 30 million (upper limit) is expressly provided for. A further increase can only be made by means of a supplement pursuant to Sec. 6 KMG 2019. The public offer will be terminated or suspended when the upper limit is reached as long as no further increase in the total amount is made by means of a supplement pursuant to Sec. 6 KMG 2019.

The total amount of the issue is calculated as follows: The issue volume of all eight Indexes offered in Austria is added together to give the total issue volume. If investors subsequently sell back/cancel their Bitpanda Crypto Index product, this volume will be deducted from the issue volume. The total issue volume therefore corresponds to the sum of the acquisition prices of the Index products acquired by Bitpanda investors minus the Index products terminated/withdrawn by investors.

The total issue volume is calculated on an ongoing basis and will not exceed the upper limit of the issue at any time. The calculation is performed at least on a daily basis.

4.3. Denomination and minimum/maximum amount

A minimum investment of EUR 10 is required. This means that investors cannot acquire or dispose an Index product with a lower amount. Investors can acquire or sell the product from this amount in any available denomination. The denomination is therefore 1 euro cent, as no amounts below one cent can be deducted for billing reasons. There is no maximum amount, but Bitpanda is free not to accept offers above certain amounts or to apply its own maximum amounts for special forms of acquisition (e.g. via Bitpanda Savings).

4.4. Purpose of the offering

The Index product has the following purposes and additional benefits from an investor's perspective:

- Simplified acquisition options for a large number of crypto assets
- Extended options for risk diversification through broad Indexes
- Automated rebalancing, i.e. adjustment of the weighting of crypto assets based on the index methodology

- Combination with “savings plans” (Bitpanda Savings) and simple acquisition option via the Bitpanda platform

The purpose of Bitpanda’s offer is to introduce a new product to the market of crypto-assets and thus to achieve the following objectives, which are mutually interrelated:

- Introduction of a attractive product and full integration into the Bitpanda platform
- Creation of an additional withdrawal feature and competitive advantage
- Generation of additional revenue and profit
- Additional acquisition of new customers and stronger customer loyalty among existing investors

As the funds raised are not freely available for economic use (see “*Chapter 3, 10. Information on the persons to whom the capital acquired from the issue flows for economic disposal, unless these persons are identical to the issuer*” for more details), the purpose of the offer is also the acquisition of the crypto assets, as there is in any case full coverage of the crypto assets held in the respective Index product.

5. Type of investment (open or closed form)

There is neither a maximum nor a minimum number of investors. Each investor acquires the crypto assets calculated according to the respective index weighting separately, as described in detail in “*Chapter 3, 1. Investment terms and conditions and structure of the investment*”. In principle, there is neither a maximum investment amount nor a relevant denomination (see “*Chapter 3, 4. Legal form of the investment, total amount, denomination and purpose of the offer*” for more details).

The offer period is not limited (“tap issue”) (see also “*Chapter 3, 12. Term for the subscription*”). The issue is limited to the total amount of the issue (EUR 10 million). An increase option to EUR 30 million as well as a further increase of the total amount by means of a supplement pursuant to Sec. 6 KMG 2019 is possible at any time (see “*Chapter 3, 4.2. Total amount*” for more details).

In addition, the crypto assets can generally be disposed back to the company or withdrawn accordingly (claim) at any time. There are no minimum holding periods, cancellation periods or similar. Only in exceptional cases may it not be possible to dispose the crypto assets in the meantime. See the following points for more details: “*Chapter 3, 1. Investment terms and conditions and structure of the investment*”; “*Chapter 3, 13. Any restrictions on the tradability of the investment and the market on which it can be traded*”; “*Chapter 3, 25. Presentation of the possibilities and costs of a subsequent disposal of the investment*”; and “*Chapter 3, 27. Cancellation periods on the part of the management companies*”.

The categorisation into an open or closed form is difficult due to the special design of the product. The above circumstances tend to favour an open form.

6. Investment communities that may have an influence on the investment

At the time of the preparation of the prospectus, the issuer has not established any other investment communities that have a direct influence on this investment. However, as explained in “*Chapter 3, 3. Overview of property rights issued to date*”, Bitpanda is currently also offering the A-Token product.

However, the issuer holds crypto-assets for its investors at the time the prospectus was prepared and will most likely continue to do so in the future. This is done outside and independently of the Index product. Unauthorised access to the specially secured wallets of the issuer and/or successful cyber-attacks can lead to significant losses at Bitpanda and – depending on the extent – also jeopardise Bitpanda’s economic situation. In such a case, there is also a significant risk of total loss for acquirers of the Index product. This applies in particular if the crypto assets held to cover the Index product are (also) stolen. For more details see “*Chapter 1, 1.3.1. Unauthorised access to the specially secured*”.

Bitpanda wallets and/or successful cyber-attacks can lead to significant losses at Bitpanda and – depending on the extent – also jeopardise Bitpanda's economic solvency, which can lead to a total loss.“.

The same applies to the two Initial Coin Offerings and the crypto-assets collected through them. For more information on the Bitpanda Group's Initial Coin Offerings, see in particular *“Chapter 3, 3. Overview of property rights issued to date“*. In addition, reference is made to the current offering of the Index product, see *“Chapter 3, 3.1. Overview of issued investments and securities“*.

There are no other third-party investment communities that could have a direct influence on the investment. However, it should be noted that investment decisions by third parties can have a significant influence on price developments on the crypto market. Crypto assets are assets with highly volatile market prices. It can therefore not be ruled out that third-party investment communities will indirectly influence the market value of the Index product.

7. Indication of the stock exchanges on which the investment and other securities of the issuer are listed or traded

The Bitpanda Index product is not tradable on a stock exchange (see *“Chapter 3, 13. Any restrictions on the tradability of the investment and the market on which it can be traded“*).

The issuer has not issued any securities or other investments (except for the current offer of the Index product) within the meaning of the KMG 2019 (see also *“Chapter 3, 3. Overview of property rights issued to date“* for details). Neither the Index product nor A-Tokens are to be listed on an exchange or other trading centres. There are therefore no stock exchanges on which investments or other securities of the issuer are listed or traded.

8. Any third-party declarations of liability for the investment

There are no third-party declarations of liability for this investment, nor are any such declarations planned.

9. Persons who have firmly accepted the offer or guarantee it

There are no persons who have firmly accepted the offer or guarantee it. Bitpanda does not generally commission third parties to distribute the Index product. The product is currently offered exclusively via the Bitpanda platform. However, Bitpanda reserves the right to offer the Index product via other distribution channels in the future. However, a firm takeover or guarantee is not planned.

10. Information on the persons to whom the capital acquired from the issue flows for economic disposal, unless these persons are identical to the issuer

The capital acquired from the issue flows exclusively to the issuer. However, the issuer cannot freely dispose of the acquired capital and it is therefore not at its free economic disposal. Instead, the issuer undertakes to use the acquired capital to acquire the crypto assets. The Bitpanda Index product is therefore fully backed by crypto assets at all times.

The price mark-ups collected must be distinguished from this capital. These are at the full economic disposal of the company and flow into the general revenue of the platform.

11. The taxes levied on the investment

11.1. General information

This section contains a brief summary with regard to the acquisition, holding or disposal of the Index product, which corresponds to the tax law situation applicable at the time of this prospectus, the supreme court jurisprudence issued to date and the guidelines of the tax authorities and their respective interpretation in Austria (together the “**Austrian Tax Law Situation**”). The following comments are of a general nature and do not purport to fully reflect all tax law considerations, nor do they address specific individual issues that may be relevant to individual potential investors. The Austrian tax law situation is also subject to ongoing changes, which may also be introduced retroactively and adversely affect the tax consequences described below.

Potential investors are therefore advised to consult a legal and tax advisor in connection with the acquisition, holding and disposal of the shares. The information on the Austrian tax law situation presented in this prospectus is only intended to provide potential investors with an overview and cannot replace consultation with a legal and tax advisor. The tax risk arising from the Index products is borne by the investor.

An offer of the Index product is also being considered in other countries. However, any such offers will not be made under this prospectus, but within the framework of the applicable national regulations. In particular, any foreign investors cannot therefore rely on the description of the tax situation in this prospectus.

11.2. Income tax aspects in Austria

Within the framework of the Index product, the individual Index products are allocated directly to the respective investor. Consequently, changes in the Index product must also be analysed directly at the level of the investor for tax purposes. Such changes may occur after the acquisition of an Index product for the following reasons:

- With an Index product, automatic rebalancing occurs regularly during the year. The individual positions held in the Index product are adjusted to the allocation key in accordance with the index methodology on a contractually agreed key date. These changes in the Index result in corresponding acquisition/disposal orders on behalf of the investor.
- The investor disposes the Index product in full or in part (in this case, all assets contained in the Index product are disposed on a pro rata basis).
- When liquidating (= disposing) the Index product, the investor can also exchange the entire equivalent value for a specific crypto-asset.

11.2.1. Natural persons (private sector)

11.2.1.1. Residence Austria

(a) New stock

The Eco-Social Tax Reform Act 2022 Part I was published on 14 February 2022 (Federal Law Gazette I No. 10/2022). This created explicit regulations on the taxation of cryptocurrencies for the first time, which came into force on 1 March 2022 and are applicable to cryptocurrencies acquired after 28 February 2021 (new stock).

Section 27b para. 4 EStG [Income tax act] defines cryptocurrency as follows: “A cryptocurrency is a digital representation of value that has not been issued or guaranteed by any central bank or public authority and is not necessarily linked to a legally established currency and does not have the legal status of currency or money, but is accepted by natural or legal persons as a medium of exchange and can be transferred, stored and traded electronically.”

Income from capital assets was expanded in Section 27 para. 4a EStG to include income from cryptocurrencies. To this end, a separate provision was created in Section 27b EStG, which includes both current income from cryptocurrencies and income from realised increases in the value of cryptocurrencies, which are now subject to the special tax rate of 27.5% (Section 27a EStG).

Income from realised increases in the value of cryptocurrencies (Section 27b para. 3 EStG) includes

- Income from the disposal of cryptocurrencies against euros,
- Income from the exchange of cryptocurrencies for legally recognised foreign currencies and
- Income from the exchange of cryptocurrencies for other assets and services (e.g. acquisition of an asset or service and payment in cryptocurrencies).

However, income from realised capital gains does not include the exchange of a cryptocurrency for another cryptocurrency (Section 27b para. 3 no. 2 2nd sentence EStG).

Losses can be offset against other income from capital assets in accordance with the provisions of Section 27 para. 8 EStG (in particular, no compensation against bank interest and contributions from private foundations).

The transitional provisions also include an option for taxpayers to apply the new provisions of Section 27b EStG retroactively from 1st of January 2022 already. The advantageousness of this option will have to be assessed on a case-by-case basis by the investor after prior consultation with a legal and tax advisor.

For income received after 31 December 2023, the obligation to deduct capital revenue tax has been implemented for certain domestic service providers. Bitpanda is a domestic service provider within the meaning of the Section 95 para. 2 no. 3 subpara. b EStG.

(b) Old stock

Realised increases in value from cryptocurrencies acquired before 28 February 2021 (old stock) are subject to the previous regulations for income from speculative transactions pursuant to Section 31 EStG at the progressive income tax rate of up to 55% (Section 33 EStG), provided that the period between acquisition and disposal does not exceed one year (speculation period).

In the case of old assets, not only the disposal of cryptocurrencies for euros or the exchange for legally recognised foreign currencies and the exchange for other assets and services, but also the exchange of a cryptocurrency for another cryptocurrency is subject to general exchange taxation pursuant to Section 6 no. 14 EStG and thus, depending on the holding period, may be subject to income from speculative transactions pursuant to Section 31 EStG.

However, income from speculative transactions remains tax-free if it does not exceed EUR 440 in a calendar year.

Losses from speculative transactions can only be compensated against income from speculative transactions in the same calendar year.

11.2.1.2. Residence outside the EU/third country

There is no limited tax liability for speculative income for persons who are neither resident nor ordinarily resident in Austria. Apart from this, disposal transactions in connection with the index wallet are not subject to capital revenue tax (KESt) due to the lack of qualification as income from capital assets.

From a treaty law perspective, the investor's country of residence is generally entitled to tax any income from crypto-assets. The extent to which income from the Index product is taxable in the investor's country of residence must be assessed in accordance with the tax regulations of the respective foreign country.

11.2.2. Corporations

11.2.2.1. Residence Austria

Realised increases in value and losses from the disposal of cryptocurrencies are generally subject to corporation tax of currently 23% (2023: 24%). No distinction is made between new and old stocks. The holding period is also irrelevant.

11.2.2.2. Residence outside the EU/third country

Gains/losses from the disposal or exchange of crypto assets cannot be taxed in Austria due to the lack of a permanent establishment as part of the limited tax liability of a foreign corporation that has neither a registered office nor a place of management in Austria. Apart from this, disposal transactions in connection with the index wallet are not subject to capital revenue tax (KESt) due to the lack of qualification as income from capital assets.

From a treaty law perspective, the investor's country of residence is generally entitled to tax any income from crypto-assets. The extent to which income from the Index product is taxable in the investor's country of residence must be analysed in accordance with the tax regulations of the respective foreign country. In this context, consultation with a local advisor in the investor's country of residence is necessary.

An offer of the Index product is also planned or already taking place in other countries. However, any such offers will not be made under this prospectus, but within the framework of the applicable national regulations. In particular, any foreign investors cannot therefore rely on the description of the tax situation.

11.3. Value added tax aspects

If legal means of payment (e.g. euros) is exchanged for a crypto asset and vice versa, this is a VAT-exempt activity. The same applies to the exchange of crypto assets. As the disposal of crypto-assets is (non-genuine) tax-exempt, business customers are not entitled to deduct input tax for any input services.

If transactions are carried out by a person/corporation domiciled abroad, coordination with a local tax advisor in the investor's country of residence is required with regard to the associated VAT consequences.

12. Term for the subscription

The subscription period for the Index product begins on 10 May 2024. The prospectus will be published on the Issuer's website no later than one banking day prior to the commencement of the public offer.

Subscription is not subject to any time restrictions; the Index will be issued as a tap issue. The subscription period is therefore possible for an unlimited period of time. However, the Issuer reserves the right to terminate the issuance at any time and not to accept any further subscription offers and/or to terminate the management of the Index product. Whether the crypto assets will continue to be managed in line with the Index product is independent of the closure of the offer.

The issue volume of the investment covered by the prospectus is currently limited to EUR 10 million. There is an option to increase this to EUR 30 million (upper limit). The subscription period ends at the latest when this upper limit is reached, unless the issue volume is further increased by means of a supplement in accordance with Section 6 KMG 2019 (see "Chapter 3. 4.2. Total amount" for more details).

13. Any restrictions on the tradability of the investment and the market on which it can be traded

13.1. No tradability via regulated markets or stock exchanges

The Bitpanda Index product cannot be traded on a stock exchange (see “*Chapter 3, 7. Indication of the stock exchanges on which the investment and other securities of the issuer are listed or traded*” for more details). The acquisition and termination of the Index product is therefore only possible via the Bitpanda platform (see also the risk factor “*Chapter 1, 2.2. Risks associated with restrictions on tradability and availability*”). In addition, the acquisition and disposal or transfer of the Index product between investors is technically and legally impossible.

13.2. Tradability via the Bitpanda platform and restrictions

Acquiring and selling the Index product is therefore only possible via the Bitpanda platform. This applies to both the acquisition and disposal of the Index product. The Index product can only be disposed back to Bitpanda. A disposal or transfer to third parties is technically and legally impossible. As it is possible that the acquisition and disposal on the Bitpanda platform may be interrupted, for example due to a lack of prices and/or technical difficulties, internal risk reasons or generally outside trading hours, investors may not be able to sell their Index products. In this case, the capital is still tied up and investors also bear the risk of falling prices for their crypto assets contained in the Index product (see *A failure of the IT systems in “Chapter 1, 1.3.2. A failure of the IT systems can lead to a significant impairment of Bitpanda’s business operations.”* and “*Chapter 1, 2.2. Risks associated with restrictions on tradability and availability*”). In addition, it should generally be noted that the design of the Index product also results in certain restrictions on tradability. For example, certain minimum amounts are stipulated for acquisitions/disposals and no individual crypto assets can be withdrawn or disposed, but only within the scope of the weighting. Furthermore, trading or transfer of the Index product between investors is technically and legally excluded, which further restricts tradability.

13.3. Withdrawal of crypto assets and special cases

Investors also have the option of withdrawing (claim) the crypto-assets acquired as part of the Index product from the Index product. In this case, the crypto assets acquired will be added to the investor's respective Bitpanda wallets. From this point onwards, these crypto assets will be treated as normal crypto assets on the Bitpanda platform and can be disposed individually, held or withdrawn to a separate wallet (on-chain) (for more details on the process, see “*Chapter 3, 1.5. Holding the Index and rebalancing in detail*”). Such withdrawn crypto assets can subsequently also be disposed on other trading venues at the conditions and prices prevailing there. The direct disposal of individual assets from the Index product is excluded.

However, none of this applies to index-only or trade-only coins (see also “*Chapter 3, 1.5. Holding the Index and rebalancing in detail*”). Index-only coins cannot be withdrawn from the Index product, but are only disposed in exchange for Fiat-Tokens. The amount is credited to the investor's F-Token wallet on the Bitpanda platform for further use. Although trade-only coins can be withdrawn from the Index product, i.e. credited to the investor's Bitpanda wallet, they cannot subsequently be withdrawn on-chain from an external blockchain wallet, but can only be acquired and disposed individually via the Bitpanda platform.

The Issuer applies its general soft fork and hard fork policy as described in Appendix II of the Bitpanda Group's General Terms and Conditions, with the necessary adjustments due to the specific index methodology. As a result, in the event of a fork of certain crypto-assets contained in the respective Index product, the issuer may not support the corresponding fork and may not pass on any tokens created by the fork to the investor

14. Distribution and administration costs, management costs, in each case by amount and form of clearing

14.1. Distribution and management costs

No management, distribution or administrative costs are charged.

Distribution is carried out exclusively by Bitpanda and via the Bitpanda platform. This means that only the acquisition costs shown under “*Chapter 3, 20. Presentation of the acquisition price of the investment including all incidental acquisition costs*”, are incurred, but no distribution costs.

There is no active management of the investment. Only crypto-assets are acquired in proportion to the index methodology provided by the index provider at the start of the investment. In addition, a monthly adjustment of the weighting (rebalancing) is standardised for all customers on the second working day of a month at the latest. See also “*Chapter 3, 1. Investment terms and conditions and structure of the investment*” for more details. This means that there are no management costs for investors. The costs for the index provider are borne exclusively by Bitpanda.

Further costs may be incurred for the use of the platform. In this regard, reference is made to “*Chapter 3, 20. Presentation of the acquisition price of the investment including all incidental acquisition costs*”, last paragraph.

14.2. Administration costs and rebalancing costs

There are also no administration costs in the narrower sense. Investors only incur costs in the event of an acquisition/disposal as part of the monthly rebalancing process. The underlying crypto assets are always specifically disposed or acquired and a large number of acquisition/disposal transactions are therefore usually carried out for each rebalancing.

The costs for the investor are calculated as follows:

1. The crypto assets that are surplus after the new weighting are disposed.
2. A price premium of 1.99% is charged for the disposal in the course of rebalancing.
3. The crypto assets that are missing after the new weighting are acquired.
4. A price premium of 1.99% is charged for acquisitions in the course of rebalancing.

The individual disposals and acquisitions are shown on the Bitpanda platform. The absolute amount of the price mark-up therefore depends on market movements. Costs are incurred by the investor when crypto assets are disposed/reacquired. The amount of these costs can therefore not be determined in advance. In addition, for each acquisition/disposal (but not claim see “*Chapter 3, 25.2.*”) of the Index product is subject to a price mark-up of 1.99%. The price mark-ups stated here are to be understood as maximum price mark-ups.

14.3. Explanatory examples of rebalancing costs

Example 1:

Before the rebalancing event, the investor holds the BCI5 with a total value of EUR 1,000 and with the following weightings: Bitcoin 50% (EUR 500), Ethereum 25% (EUR 250), Ripple 15% (EUR 150), Bitcoin Cash 5% (EUR 50), Litecoin 5% (EUR 50). In the course of rebalancing, the weightings change as follows: Bitcoin 40% (EUR 400), Ethereum 30% (EUR 300), Ripple 20% (EUR 200), Bitcoin Cash 5% (EUR 50), Litecoin 5% (EUR 50). Bitcoin worth EUR 100 must therefore be disposed and Ethereum or Ripple worth EUR 50 must be acquired. In total, this results in acquisition and disposal activities worth EUR 200, on which a rebalancing price mark-up of 1.99% is applied.

Example 2 (continued):

Next month, Ripple is dropped from the BCI5 due to falling market capitalisation and IOTA is included. The other weightings and the total value of the Index product remain identical (simplified example). This means that Ripple is disposed for the equivalent of EUR 200 and IOTA is acquired for the equivalent of EUR 200. In total, this results in acquisition and disposal activities worth EUR 400, on which a rebalancing price mark-up of 1.99% is applied.

14.4. Other costs

There are no other costs, only the costs for rebalancing described above, costs for the acquisition of the product (see “Chapter 3, 20. Presentation of the acquisition price of the investment including all incidental acquisition costs”) and costs for the disposal/liquidation of the product (see “Chapter 3, 25. Presentation of the possibilities and costs of a subsequent disposal of the investment”).

15. Statement of the principles of valuation

The valuation of the crypto assets is based on the prices integrated on the Bitpanda platform. These prices are retrieved from international stock exchanges, on the basis of which Bitpanda submits a non-binding offer to investors (including the price mark-up shown above). The Bitpanda prices therefore correspond to the prices traded on the global market for the various crypto assets. Due to the ongoing trading (24/7, 7 days a week), prices and valuations are available at all times.

Every acquisition/disposal only takes place at these prices. See also the risk factor “Chapter 1, 2.6. Tracking-Error”

The total value of the Index product is calculated as follows: The number of crypto assets held is multiplied by the applicable price. The number of crypto assets held only changes in the event of acquisitions, disposals or rebalancing, otherwise the number remains constant. This result per crypto-asset (equivalent value in euros) is added together to give the total value of the Index product. Due to the aforementioned price premiums, the total value deviates from the actual disposing price.

The weighting of the crypto assets in the respective Bitpanda Crypto Index is adjusted on a monthly basis. The index provider calculates the new weighting according to the index methodology. Depending on the result of the calculation, crypto-assets can be replaced by other crypto-assets, for example if the market capitalisation of a crypto-asset falls out of the Bitpanda Crypto Indexes or the weightings are adjusted. This process is referred to below as “rebalancing”. Bitpanda adjusts the weightings on the respective rebalancing day. To do this, the new weighting according to the index provider is compared with the current weighting in the Index product. Excess crypto-assets, i.e. those crypto-assets for which the previous weighting is higher than the newly calculated weighting, are disposed and thus reduced to the new weighting. Underrepresented crypto assets, i.e. those crypto assets for which the weighting is below the newly calculated weighting, are acquired accordingly and thus increased to the new weighting. This process ensures that the investor always holds the current Bitpanda Crypto Indexes crypto assets in his Index product in accordance with the index methodology.

The following example illustrates both:

Investor A acquires the fictitious BCI2 for EUR 1,000 with a weighting of 60% Bitcoin and 40% Ethereum. The price of Bitcoin is EUR 10,000 and that of Ethereum EUR 200. Investor A therefore acquires 0.06 Bitcoin (EUR 600) and 2 Ethereum (EUR 400). One day later, the price of Bitcoin rises to EUR 11,000, while that of Ethereum falls to EUR 190. The investor’s 0.06 Bitcoin is therefore worth EUR 660 and the 2 Ethereum EUR 380. The total value of the Index product is therefore EUR 1,040. The current weighting is 63.5% (660 EUR/1,040 EUR) for Bitcoin and 36.5% (380 EUR/1,040 EUR) for Ethereum.

16. Disclosure of any encumbrances

At the time of the preparation of the prospectus, there are no encumbrances in rem or other encumbrances. There are only customary liabilities from general business activities (see the annual financial statements in Appendix I for more details).

17. More detailed provisions on the preparation of balance sheets and any statement of accounts

17.1. Preparation of the annual financial statement

The Issuer's financial year corresponds to the calendar year. The financial year begins on 1st of January and ends on 31 December.

The managing directors must prepare the annual financial statements and, if required by law, the management report of the company within five months of the end of the financial year, have them audited if there is a legal obligation to have them audited, and send them to the shareholders without delay. The Annual General Meeting must pass a resolution on the annual financial statement, the appropriation of net profit and the discharge of the management within five months of the end of the financial year. The preparation of the annual financial statement and the management report shall be governed by the relevant statutory provisions and otherwise by generally accepted accounting principles.

Reporting in the sense of the annual financial statement extended to include the management report:

- A balance sheet as a statement of assets and liabilities;
- a profit and loss statement
- the appendix; and
- the management report.

17.2. Audit of the annual financial statement

The auditor of the 2022 annual financial statement is KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft.

The 2022 annual financial statement (annexure I) was audited by KPMG and issued with an unqualified audit opinion. The last financial year of the issuer ended on 31 December 2023, but the annual financial statement has not yet been completed and audited. The last available annual financial statement therefore refer to 31 December 2022.

Pursuant to Sec. 22 Par. 1 no. 5 KMG 2019, the auditor is liable if he has issued an audit opinion on the annual financial statement in the knowledge that this information is incorrect or incomplete pursuant to Sec. 22 Par. 1 no. 1 KMG 2019 and in the knowledge that the annual financial statement certified by it constitute a document for the prospectus audit.

17.3. Information on any statements of accounts

There is no legal obligation to prepare a statement of accounts. The investment covered by the prospectus is not a direct or indirect investment in real estate, and neither this investment nor Bitpanda itself generates revenues from real estate as of the date of the prospectus. Rather, the funds raised are used to acquire crypto assets.

There is therefore no obligation to prepare an statement of accounts pursuant to Sec. 9 no. 4 KMG 2019. The Issuer has therefore neither prepared statement of accounts in the past nor does it plan to do so in the future.

18. Regulations on the distribution and appropriation of the annual net profit/annual profit

In accordance with the Issuer's articles of association, unless the Issuer's general meeting decides otherwise (e.g. to distribute profits), the entire net profit is to be retained. Bitpanda expressly reserves the right to distribute the profit in full or in part or to retain it in full or in part in the company.

19. Last statement of accounts including audit opinion

The Issuer has neither prepared statement of accounts in the past nor does it plan to do so in the future. There is also no legal obligation to prepare statements of accounts (see "*Chapter 3, 17.3. Information on any statements of accounts*").

20. Presentation of the acquisition price of the investment including all incidental acquisition costs

The acquisition price of the investment covered by the prospectus is made up of the weighting of the crypto assets at the time of acquisition and the current market prices of the respective crypto assets, including price mark-ups. For details on the acquisition process, including an example, see "*Chapter 3, 1.4. Acquisition and payment options in detail and the acquisition process*".

The total acquisition price of the investment therefore always corresponds to the investor's planned investment. With the exception of a minimum amount of EUR 10, this can be freely selected and denominated (in cent denominations). See also "*Chapter 3, 4.3. Denomination and minimum/maximum amount*".

Price mark-ups of 1.99% are charged on this amount. No fixed or minimum costs are charged. There is also no maximum amount of the total price mark-ups charged. The price mark-ups are therefore solely dependent on the amount of the investment. The price mark-ups therefore always correspond to the planned investment amount multiplied by 1.99%.

If the price mark-ups are paid with BEST, a crypto-asset issued by Bitpanda as part of an Initial Coin Offering, investor discounts apply. These depend on the time of acquisition of the Index product and the price of BEST (Bitpanda Ecosystem Token). For more details, see the descriptions of BEST tokens, such as the whitepaper, which is available on the Bitpanda homepage (www.bitpanda.com or <https://www.bitpanda.com/de/bitpanda-ecosystem-token>).

These price mark-ups represent all ancillary costs incurred in connection with the acquisition of the investment. For price mark-ups in connection with the holding/rebalancing of the Index product, see "*Chapter 3, 14. Distribution and administration costs, management costs, in each case by amount and form of clearing*" and for price mark-ups in connection with the termination/disposal of the Index product see "*Chapter 3, 25. Presentation of the possibilities and costs of a subsequent disposal of the investment*".

The price mark-ups stated are to be understood as maximum price mark-ups. This means that the issuer may reduce the price mark-ups at any time at its own discretion (without preparing a supplement to this Prospectus pursuant to Section 6 KMG 2019), but may not increase them above the stated maximum price mark-up.

In general, it should be noted that further costs may be incurred for the use of the platform. However, these are not directly related to the Index product, but are to a certain extent upstream and downstream of this product. Furthermore, these costs also depend primarily on the behaviour of the investor. For example, deposits that are credited immediately (instant payments) incur corresponding costs, while a normal transfer is free of charge. For this reason, general reference is made to these costs, as a description of all possible combinations would go beyond the scope of the prospectus. In addition, Bitpanda uses the services of third parties for some of these services, which is why the costs

may change accordingly. Costs may therefore be incurred for: Deposits and withdrawals (depending on the payment service provider), transaction costs for the “deposit and withdrawal” of crypto-assets and other costs (such as reminder fees or costs for the non-use of F-Tokens, see 19.2, 14.4.5. as well as 6.1. of the Bitpanda Group GTC). The costs are always shown on the Bitpanda homepage or Internet platform.

21. Type and scope of investment hedging through registration in public registers

The investment is not hedged by entry in public registers or any other type of land register collateralisation. There is therefore no hedging through entry in public registers.

22. Information on future performance of the investment

Crypto assets are assets with highly volatile market prices. It is not possible to predict the future performance of the investment, nor does Bitpanda make any such prediction.

The performance of the Index product depends on the market prices of the crypto assets contained in the Index. The performance of crypto-assets - which is basically the result of supply and demand - is currently by no means predictable or forecastable. In general, this risk exists when investing in crypto-assets, although this risk could be reduced by spreading the investment across several crypto-assets. However, the investor may then be more exposed to the general market and price risks of the crypto sector as a whole than when acquiring individual crypto assets. Put simply, the value of the Index product is therefore dependent on the general market performance of the crypto assets.

Both the individual crypto-assets and the entire crypto-asset sector can fall sharply in value and the value can also fall to or close to zero. In such a case, a total loss of the capital invested can be assumed. See the risk factor “*Chapter 1, 2.5. Market value risk and interest change risk*” for more details.

23. Conditions and calculation of the issue price for investments issued after the end of the initial issue

A resale of reacquired Index products is not planned. Rather, the Index products will only be issued as part of the tap issue. Each investor therefore always acquires new Index products, which are calculated specifically from their investment and by no means the existing product of a previous investor. Trading or transfer of the Index product between investors is technically and legally impossible. No investment will therefore be issued after the end of the initial issue. The issue price is always calculated on the basis of the market prices at the time of acquisition. For details, please refer to “*Chapter 3, 20. Presentation of the acquisition price of the investment including all incidental acquisition costs*” (Details on the acquisition price).

24. Information on any subscription rights

There are no subscription rights, neither for acquirer of the Index product nor for third parties.

25. Presentation of the possibilities and costs of a subsequent disposal of the investment

25.1. Sale via the Bitpanda platform and associated costs

Investors can dispose or terminate their Index product at any time. The disposal can be made against all possible assets of the Bitpanda platform (Fiat-Tokens, crypto assets, precious metals). When disposing against crypto assets or precious metals, the Index product is sold and the respective asset

is purchased, whereby the acquisition is no longer part of the Index product. It is possible that such a swap will only be possible in the medium term. In principle, the disposal is possible at any time, but certain circumstances may result in the suspension of this redemption, such as technical disruptions, lack of market prices and similar. In such a case, the investor is still exposed to the risk of falling prices for crypto assets and his capital remains tied up in the Index product. For more details, see the risk factors in *“Chapter 1, 1.3.2. A failure of the IT systems can lead to a significant impairment of Bitpanda's business operations.”* and *“Chapter 1, 2.2. Risks associated with restrictions on tradability and availability”*. For more details on the disposal process, see *“Chapter 3, 1.6. Disposal and liquidation options in detail and the acquisition process”*.

A maximum price mark-up of 1.99% will be charged for the sale of the product.

Further costs may be incurred for the use of the platform. In this regard, reference is made to *“Chapter 3, 20. Presentation of the acquisition price of the investment including all incidental acquisition costs”*, last paragraph.

25.2. Termination of the Index product and claim

In addition, the Index product can be terminated at any time and the crypto assets can be transferred to the usual Bitpanda wallets. This process is referred to below as a “claim”. The crypto assets withdrawn then correspond to the crypto assets otherwise acquired via the Bitpanda platform and are no different from them. The investor can then dispose them individually via the Bitpanda platform and/or transfer them to his own wallets, dispose them on other marketplaces or otherwise use them in any other way they wish. However, this does not apply to certain coins, as these are not offered on the Bitpanda platform (“Index-Only-Coins”) or cannot be withdrawn from the Bitpanda platform, but can only be acquired and disposed via the Bitpanda platform (“Trade-Only-Coins”). In the case of the claim, the investor thus receives all crypto assets except the index-only coins, which are disposed in exchange for Fiat-Tokens. Whether it is an index or trade-only coin can be seen on the Bitpanda platform. For risks in connection with index-only/trade-only coins, see also the risk factor *“Chapter 1, 2.12. Risk associated with index-only coins”*. For more details on the claim process, see also *“Chapter 3, 1.6.3. Termination of the Index and withdrawal of crypto assets (claim)”*.

In the case of a claim, only the sale of the index-only coins leads to the settlement of price mark-ups. The level of the price mark-ups corresponds to that for disposals after *“Chapter 3, 25.1. Sale via the Bitpanda platform and associated costs”*.

25.3. Other options for disposal

The disposal is only possible within the Bitpanda platform and to Bitpanda. A transfer or disposal to others is technically and legally impossible. See *“Chapter 3, 25.2. Termination of the Index product and claim”* and *“Chapter 3, 1.6.3. Termination of the Index and withdrawal of crypto assets (claim)”* for the possibility of claiming crypto assets and the associated possibility of withdrawing them from private wallets and thus also being able to sell them on other trading platforms. The above costs plus the corresponding costs of the other trading centres apply. As the Index product is terminated at the time of claiming, these costs are not included in the prospectus. In addition, the costs of other trading venues are not in the hands of Bitpanda; the investor is much more responsible for the safekeeping of his withdrawn crypto assets and the disposal transactions. Bitpanda assumes no responsibility whatsoever in this regard.

26. Services of the management company and the costs charged for them

There is no management company. Therefore, no costs are incurred in this regard.

The crypto assets acquired with the Index product are held in custody by Bitpanda. No costs are charged for the safekeeping of crypto assets and this is not planned for the future. However, costs are charged for the acquisition, rebalancing and disposal of the Index product, as shown under *“Chapter*

3, 14. *Distribution and administration costs, management costs, in each case by amount and form of clearing*“, “20. *Presentation of the acquisition price of the investment including all incidental acquisition costs*“ and “25. *Presentation of the possibilities and costs of a subsequent disposal of the investment*“.

Further costs may be incurred for the use of the platform. In this regard, reference is made to “*Chapter 3, 20. Presentation of the acquisition price of the investment including all incidental acquisition costs*“, last paragraph.

27. Cancellation periods on the part of the management companies

There is no management company. Bitpanda may discontinue or terminate the offer of the Index product at any time. In this case, no new acquisitions of the Index product will be possible. The continuation of the Index product in terms of rebalancing etc. is independent of the termination of the offer.

Bitpanda also has the right to terminate the continuation of the Index product as a whole. This decision can be limited to an individual acquirer, for example due to the termination of the business relationship, legal concerns, possible fraud risks on the part of the investor or for other reasons, or it can be general, i.e. for all investors who hold Index products. Investors will be notified of any general discontinuation of the Index product via email and the Bitpanda platform and given a reasonable period of time to terminate the contract themselves. If no disposals are made regarding the Index product during this period, Bitpanda is authorised, at its own discretion, to carry out a disposal against Fiat-Tokens or to carry out a claim. This procedure also applies in principle to the individual termination of the Index product. However, the respective circumstances must be taken into account and Bitpanda expressly reserves the right to immediately close and/or “freeze the funds”, for example in the event of suspected money laundering or other necessary steps. The steps to be taken depend on the individual case. Bitpanda will only take such immediate measures for important reasons. In all other cases, the above procedure applies, including advance information within a reasonable lead time. There is no cancellation period – the cancellation takes effect immediately.

In addition, Bitpanda expressly reserves the right to decide which crypto assets are included in the platform or removed from it again, or to what extent integration takes place, for example only as a trade/index-only coin. No assurance is given that the crypto assets contained in the Index will be included in the platform at any time or can be removed “on-chain”. The decision as to whether, which and in what form crypto assets are added to or removed from the Bitpanda platform is made solely by Bitpanda (see also the risk factor “*Chapter 1, 2.12. Risk associated with index-only coins*“).

Furthermore, there are reciprocal cancellation options on the part of the index provider and Bitpanda. The continuation of the cooperation can therefore not be considered certain. In addition, the index provider may decide to discontinue certain indexes. In other words, it may become necessary to replace the index or the index provider for various reasons. See also the risk factor “*Chapter 1, 2.8. Risk of termination of the cooperation with the index provider or failure of the index calculation*“. In such a case, Bitpanda will use its best endeavours to switch to an economically comparable Index as soon as possible (the “replacement index”) or to close the Index product. No rebalancing will take place between the end of the index calculation and the reintegration of the replacement index.

28. Provisions on settlement and the position of investors in the event of insolvency

In the event of the Company’s insolvency, the investor is exposed to considerable risks and there is a risk of total loss.

In general, the acquisition process within the framework of the Index product is aimed at acquiring ownership of the respective underlying asset. It can therefore generally be assumed that the investor

acquires ownership of the underlying crypto-assets. The Index acquisition is therefore to be regarded as a acquisition agreement with ancillary rights, such as custody or rebalancing. As is customary with Bitpanda, the investor thus basically acquires ownership of the crypto assets.

However, the acquisition of ownership of crypto-assets is currently controversial in legal literature, as they are incorporeal objects to which, according to the prevailing opinion, no ownership can be acquired. At the time this prospectus was prepared, the general opinion in the literature was that it is generally possible to acquire ownership of crypto assets. However, the mode, i.e. the transaction of disposal, i.e. the acquisition process, for this acquisition is not yet considered to have been conclusively clarified. Some argue that the acquisition of ownership only occurs with actual power of disposal, which would only be the case when the crypto assets are withdrawn from a managed wallet. The direct withdrawal of the Index product is excluded - it is only possible to claim the crypto assets and then withdraw them, provided they are not trade or index-only coins. There is also a lack of supreme court jurisprudence on the acquisition of ownership of crypto assets. Overall, it must therefore be considered unclear whether ownership of the crypto assets in the Index product is actually acquired. See the risk factor "*Chapter 1, 2.1. Risk that the acquisition of ownership cannot be guaranteed*" for more details.

Realisation in the event of insolvency is carried out in accordance with the relevant statutory provisions. It is unclear what steps an insolvency administrator appointed in the event of insolvency would take. It is therefore not possible to conclusively clarify whether he would contest certain transactions and/or which special rights under insolvency law would be accepted. This must be seen in particular against the background of the possibly unclear ownership position of the index investor (see above). There is therefore a risk that Index investors will not receive preferential treatment and that claims will have to be asserted against the general insolvency estate. In this case, a high loss, up to total loss, may occur. As long as Bitpanda manages the crypto assets, the investor bears the risk of loss of the crypto assets, for example in the event of theft (e.g. a successful cyber attack) of these crypto assets. A theft of crypto assets on a large scale can lead to the insolvency of Bitpanda. In such a case, it can also be assumed that the investor cannot assert any special rights in the event of insolvency because the assets are no longer under the control of the company. In such a scenario, the investor would have no protection whatsoever in the event of insolvency. There is therefore a total default risk (see the risk factor "*Chapter 1, 1.3.1. Unauthorised access to the specially secured Bitpanda wallets and/or successful cyber-attacks can lead to significant losses at Bitpanda and – depending on the extent – also jeopardise Bitpanda's economic solvency, which can lead to a total loss.*" for more details).

29. Security identification number (if available)

The investments covered by the prospectus are not securities. There is therefore no securities identification number.

Chapter 4– Information on the issuer

1. **Company name and registered office of the issuer, object of the company**

1.1. **Company name and registered office**

The Issuer operates under the name Bitpanda GmbH and acts under the commercial name Bitpanda. The registered office of the Issuer is in Vienna at the business address Stella-Klein-Löw Weg 17, A-1020 Vienna, Austria. The Issuer is registered in the commercial register of the Commercial Court of Vienna under FN 569240 v.

1.2. **Object of the company**

1.2.1. *Overview*

The Issuer's object of the company includes trading and exchanging digital assets of all kinds for fiat money and vice versa; services for securing private cryptographic keys to hold, store and transfer digital assets on behalf of a customer (electronic wallet providers); services for transferring digital assets of all kinds; the provision of financial services for the issue and sale of digital assets; trading in goods that are useful or necessary for the business purpose; IT services and services of all kinds with regard to digital currencies; and the acquisition, management and sale of shareholdings in domestic and foreign companies and enterprises, as well as the assumption of management and other service tasks in connection with the management of company shares and shareholdings. Activities in connection with cryptocurrencies fall within the scope of AML5. Therefore, the Issuer is registered as a service provider in relation to virtual currencies in Austria pursuant to the national implementation of these provisions in Sec. 2 no. 21 and 22 in conjunction with Sec. 32a FM-GwG and is subject to supervision by the FMA.

Bitpanda's core services include the custody of crypto-assets and the operation of trading venues for crypto-assets. With the issuance of the A-Token product, Bitpanda has expanded its service portfolio to include traditional financial instruments.

1.2.2. *Business history and business development*

The legal predecessor of Bitpanda GmbH was founded in 2014 under the same name and merged with the Issuer in 2022 as part of a restructuring to optimise corporate law. As a result, the legal predecessor transferred all assets and legal relationships as the transferring company to the issuer as the acquiring company.

The Issuer has developed into an operator of the leading trading platforms in the European market. In the course of its business development, Bitpanda has steadily expanded its business areas and more recently also included traditional forms of investment such as shares, indices and commodities in its portfolio. With offices in several European markets, the Bitpanda Group achieved a global trading volume of almost EUR 4 billion in 2023.

1.2.3. *Selected services*

1.2.3.1. *Bitpanda Broker Services*

Bitpanda Broker Services provide access to the trading platform on the Bitpanda systems ("**Bitpanda Platform**") after a successful customer verification process. Selected crypto-assets can be traded on the Bitpanda Platform, including Bitcoin, Dash, Ripple, Bitcoin Cash, Ether and Litecoin. Settlement takes place in F-Tokens, which can be acquired from Bitpanda ("**F-Tokens**"). These represent the equivalent value of the legal currency deposited and credited by the customer. F-Tokens are offered exclusively by Bitpanda and serve exclusively on the Bitpanda platform as a means of exchange for

other assets offered by Bitpanda, including crypto-assets, precious metals, indices, derivatives and other financial products. It is not possible to transfer F-Tokens to another Bitpanda customer.

1.2.3.2. *Bitpanda Savings*

Bitpanda Savings enables Bitpanda customers to regularly and recurrently acquire portions of crypto-assets or A-Tokens via the Bitpanda systems. This is done by submitting a binding offer where the customer specifies the amount they wish to pay in a legal currency on a regular basis to acquire a certain amount of tokens and a declaration of acceptance from Bitpanda in relation to each such offer. The frequency of these payments can be daily, weekly, fortnightly or monthly. The customer can have multiple Bitpanda saving plans, but each plan can only cover one type of token.

1.2.3.3. *Bitpanda Card Services*

The Bitpanda Card is a debit card backed by digital assets.

1.2.3.4. *Bitpanda Index Services*

Bitpanda Index enables Bitpanda customers to buy, sell or swap a predefined weighting of crypto-assets in an index. The Bitpanda systems offer different allocations of funds for different financial capitals, reflecting the performance of the respective allocated assets that customers can choose between.

1.2.3.5. *Bitpanda Wallet and escrow services*

The Bitpanda Wallet (“**Bitpanda Wallet**” or “**Wallet**”) allows customers to swap, sell and buy tokens without having to set up separate wallets on different blockchains. This is made possible for selected crypto-assets such as Bitcoin, Dash, Ripple, Bitcoin Cash, Ether or Litecoin through the provision of escrow services. In this context, Bitpanda holds these crypto-assets as a trustee on behalf of its customers on a escrow basis. Other tokens, such as A-Tokens, are not held in the escrow service. For reasons of clarity, all assets in the wallet (also in aggregated form) are displayed in a standardised and similar manner on the Bitpanda systems. These forms of presentation are for information purposes only.

1.2.3.6. *Bitpanda Staking*

Bitpanda Staking allows Bitpanda customers to stake their crypto-assets for transaction verification purposes and receive rewards for doing so.

1.2.4. *Core markets*

Bitpanda's core markets are in Germany, Austria and Switzerland (DACH region), France and the rest of the European Union.

1.2.5. *Competitive position*

According to its own assessment, the issuer is the market leader in its product offerings in Austria. In other European markets, it has a smaller market share in its product offerings, which varies depending on the market. The issuer competes extensively with providers of similar products and services. The Issuer does not provide any further information on its competitive position.

2. **Presentation of the legal and economic circumstances, in particular information on the share capital or other corporate capital**

corresponding to the share capital, its denomination including the designation of any different classes of share rights

2.1. Legal circumstances

2.1.1. Legal form of the issuer

The Issuer is a limited liability company under Austrian law and is subject to Austrian law.

2.1.2. Paid-in capital

The Issuer's paid-in capital amounts to EUR 48,093 and is fully paid in. All company shares are associated with the same rights and obligations. There are no different classes of share rights of the issuer.

2.1.3. Financial year

The Issuer's financial year corresponds to the calendar year.

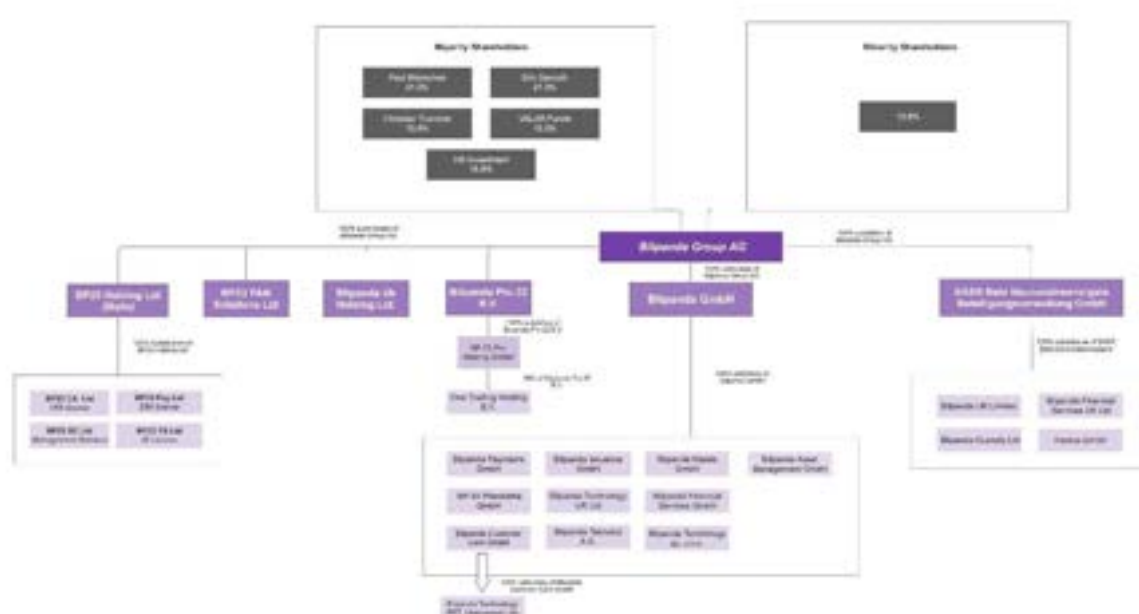
2.1.4. Shareholder

The sole shareholder of the issuer is Bitpanda Group AG, a public limited company established under Swiss law, with its business address at Hardstrasse 201, CHE-8005 Zurich, and registered in the commercial register of the Canton of Zurich under commercial register number CHE-267.250.666.

2.1.5. Description of the Bitpanda Group companies

2.1.5.1. Overview

The following description of the Issuer's corporate structure as of the date of this prospectus (the "**Bitpanda Group**") is intended to provide an understanding of the business activities of the Bitpanda Group and includes the relevant subsidiaries and affiliates of the Issuer. The Bitpanda Group does not constitute a group in the regulatory or accounting sense.



2.1.5.2. The group companies

As of the date of this prospectus, the following companies are part of the Bitpanda Group within the meaning of this prospectus:

Bitpanda Metals GmbH

Bitpanda Metals GmbH offers the opportunity to invest in physically deposited and insured precious metals. The current product range includes gold, silver, platinum and palladium.

Bitpanda Payments GmbH

Bitpanda Payments GmbH is a payment service provider in accordance with the Austrian Payment Services Act 2018 (“**ZaDiG**”) and is authorised to execute payment transactions (Sec. 1 Par. 2 No. 3 ZaDiG), financial transfer transactions (Sec. 1 Par. 2 No. 6 ZaDiG) and payment initiation services (Sec. 1 Par. 2 No.7 ZaDiG). As at the date of this prospectus, only the payment transaction business is carried out.

Bitpanda Financial Services GmbH

Bitpanda Financial Services GmbH provides investment services, including the acceptance of securities orders for the acquisition of financial instruments. The provision of securities services is part of the Bitpanda Group's realigned corporate strategy, according to which the acquisition and sale of conventional financial instruments should also be possible via the Bitpanda platform. Accordingly, Bitpanda Financial Services GmbH is a licensed securities services company pursuant to Sec. 3 WAG 2018 and as such is subject to securities supervision by the FMA. Bitpanda Financial Services GmbH is authorised to accept and transmit orders within the meaning of Sec. 3 Par. 2 no. 3 WAG 2018, to trade for its own account within the meaning of Sec. 3 Par. 2 no. 7 WAG 2018 and to hold and manage financial instruments within the meaning of Sec. 3 Par. 2 no. 10 WAG 2018, provided that these activities relate to one or more financial instruments with express authorisation to hold client funds and financial instruments.

Bitpanda Asset Management GmbH

Bitpanda Asset Management GmbH provides services in connection with crypto-assets in Germany on the basis of a licence granted by the German Federal Financial Supervisory Agency (“**BaFin**”) pursuant to Sec. 32 Par. 1 of the German Banking Act (“**dKWG**”) for proprietary trading within the meaning of Sec. 1 Par. 1a No. 4 L. c dKWG and crypto custody business within the meaning of Sec. 1 Par. 1a No. 6 dKWG.

Bitpanda Group AG

Bitpanda Group AG is the direct sole shareholder of the Issuer. The shares in Bitpanda Group AG are held by a large number of shareholders, of which, based on the information provided by the management of Bitpanda Group AG, no shareholder exercises significant control over the management of Bitpanda Group AG, either alone or together with other shareholders.

2.1.6. Relationship of the issuer to the group companies and dependencies

There is a Service Level Agreement between the Issuer and Bitpanda Financial Services GmbH. The issuer is dependent on individual group companies and the services they provide.

2.1.7. Significant contracts

The Issuer has concluded standard market contracts with custody providers with standard contractual content. These are material contracts of the Issuer, as the Issuer is dependent on the services provided by the custody providers. The contracts contain customary cancellation clauses as well as warranty and liability provisions.

The issuer holds standard market contracts with cloud infrastructure providers. These represent material contracts of the Issuer, as the Issuer is heavily dependent on cloud infrastructure providers

for the provision of its services. The contracts contain customary cancellation clauses as well as warranty and liability provisions.

For the contractual relationship between the Issuer and Bitpanda Financial Services, see above.

2.1.8. *Court and arbitration proceedings*

In the ordinary course of business activity, the Issuer and its affiliates are involved in certain legal and administrative proceedings before various courts and authorities concerning various contractual, labour and other matters. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had in the recent past, a material effect on the Issuer's or the Bitpanda Group's financial condition or profitability.

2.2. **Economic circumstances**

2.2.1. *Market situation*

Recovery after a turbulent 2022

After the extremely turbulent year 2022, in which key industry players, for example, disappeared or collapsed, there has been a redemption of interest in risk assets such as shares and crypto-assets since the first quarter of 2023, especially in the fourth quarter of 2023. Global crypto spot trading volumes in 2023 are still relatively low on a monthly average, at around -40% compared to 2022, but the total crypto market capitalisation has increased from USD 832 billion to USD 1,725 billion (end of December 2023) since the beginning of the year, mainly driven by the largest assets such as Bitcoin and Ethereum

In addition, it should be noted that the SEC approved eleven US Bitcoin spot ETFs in early January 2024, which started trading the very next day. This approval can be seen as a milestone for the entire industry, especially given the SEC's overall critical stance towards cryptocurrencies.

Restructuring and measures to counter the downward trend

In June 2022, the Issuer's management decided to restructure as a measure against the general downward trend in the cryptocurrency industry, including a significant reduction in headcount, following an increase in staff in the first half of 2022. In addition, Bitpanda has implemented a company-wide cost control programme to optimise expenses and ensure the long-term existence of the company. The main purpose of this programme was to ensure transparency across the entire cost base and identify areas where expenses can be reduced without compromising the quality of the products and services offered. Using a data-driven approach, expenditure was analysed and cost items scrutinised to reveal inefficiencies or redundancies. The issuer continues to maintain this cost awareness.

Product development in 2023

In the challenging market environment of the 2023 financial year, Bitpanda increased its focus on the development of high-quality and attractive products.

In April 2023, the issuer launched Bitpanda Leverage to enable its customers to trade with leverage on both rising and falling prices of crypto-assets.

With the developed product "Staking", Bitpanda offers its customers the opportunity to earn weekly rewards by staking assets. Staking is a process where customers hold their crypto-assets in a wallet to support transactions and the security of a blockchain network. Customers use their crypto-assets as so-called "stakes" or staking funds. This process is particularly widespread in blockchains based on the proof-of-stake mechanism. Since 2022, customers have been able to trade crypto-assets with leverage. Bitpanda also introduced Bitpanda Commodities in 2022, which allows customers to invest in the price

movements of commodities. Within the existing asset classes of the Bitpanda platform, including crypto-assets, shares and ETFs, Bitpanda has also significantly expanded the number of offerings listed on its platform. At the end of 2022, Bitpanda customers had 206 different cryptocurrencies, 2,468 shares and ETFs and four different precious metals available for trading. With the launch of Bitpanda Technology Solutions, Bitpanda also added software solutions for business customers, in particular banks and fintechs, to its product range (see “Chapter 4, 2.2.3 Trend information and recent events” in the “Launch of Bitpanda Technology Solutions” section below for details). Furthermore, Cash Plus was launched in 2023, a product feature that allows customers to make automated and recurring investments in money market funds using A-Tokens. Cash Plus is also included in this prospectus as a feature of the A-Token.

Focus on security

Bitpanda sees security as the centrepiece of its corporate strategy and intends to continue and expand this strategic focus even in the current challenging market environment. The collapses of well-known cryptocurrency companies, systems and blockchain protocols, such as the virtual currency Terra (Luna), the Singapore-based Hedge Fund Three Arrows Capital, and the US crypto trading platforms FTX, Voyager and Genesis, underline the high relevance of security and integrity as key guidelines for service providers in relation to virtual currencies and crypto-assets. Bitpanda has had the cryptocurrency stock, which are stored on servers not connected to the Internet (*Bitpanda-Cold-Storage*), audited by an external auditor in relation to the cumulative customer stocks. The results of this audit showed that the cryptocurrency stocks of the virtual currencies Bitcoin (BTC), Ethereum (ETH), Cardano (ADA), Ripple (XRP) and DOGE (Dogecoin) exceed the total customer stocks. In addition, Bitpanda received ISO 27001 certification, an internationally recognised standard for information security, in December 2022. Furthermore, the company continues to strive to ensure full compliance with international security standards.

2.2.2. Key business and financial figures 2022 and 2021

Amounts in kEUR	Financial year 2022	Financial year 2021
Equity	162.134	278.141
Equity ratio	35.4%	42%
Balance sheet total	457.980	663.697
Net sales	82.104	477.917
EBITDA	-84.542	89.205
EBITDA margin	N/A	19%
Employees	592	389

Source: audited annual financial statement of the Issuer for the financial year 2022 (see Appendix I).

2.2.3. Trend information and recent events

Acquisition of Trustology

In February 2022, Bitpanda acquired Trustology, a UK company that provides custody services for wallets, and renamed it Bitpanda Custody. The acquisition enabled Bitpanda to expand its service offering and become a custodian of cryptocurrencies for institutional clients. The integration of Trustology's technology into the Bitpanda platform and the expansion of custody services in the UK and EU aim to enhance Bitpanda's offering in these markets and make the platform more attractive to institutional and individual investors.

Bitpanda Pro Carve Out

In 2022, Bitpanda Pro's Series A round of financing was completed. The legal separation of Bitpanda Pro and Bitpanda, including all necessary regulatory approvals, was finalised in April 2023. The technical separation of the services offered by Bitpanda Pro and Bitpanda was finalised in the course of 2023

Launch of Bitpanda Technology Solutions

On 26 January 2023, Bitpanda launched the Bitpanda Technology Solutions project, formerly known as Whitelabel. This is a technical infrastructure designed to enable banks, fintechs, brokers and online platforms to offer their customers trading and investment services. The infrastructure is structured as a modular system, allowing Bitpanda's business partners to access Bitpanda's extensive product range. In the past, Bitpanda Technology Solutions has already partnered with several large fintech companies and online platforms (e.g. N26, HYPE, Lydia, Fabric or Plum) and provided its software solutions to more than 20 million customers in over 25 countries.

Armed conflicts in Ukraine

The ongoing armed conflicts in Ukraine since the start of the war by Russia in February 2022 and the associated sanctions against Russia and Belarus may have an impact on European economies and the global economy. The Issuer is not directly active to any significant extent in Ukraine, Russia or Belarus. Nevertheless, this geopolitical conflict may have a long-term impact on the Issuer's trading volume, cash flow and profitability.

MiCA Regulation

The MiCA Regulation (EU) 2023/1114 represents the harmonised legal framework at European level for crypto-assets. It aims to increase the protection of investors and contribute to the functioning of the markets by providing legal certainty for innovations in the field of distributed ledger technology. The MiCA Regulation entered into force in June 2023 and the majority of the Regulation will apply from 1 December 2024. Due to the additional regulatory burden this entails, the issuer does not expect any competitive disadvantage, but rather a market adjustment and a level playing field on the European market.

2.2.4. Significant changes

There have been no material changes to the Issuer's financial and profit situation or other economic prospects since the date of the last audited annual financial statement, i.e. since 31 December 2022.

2.2.5. Financing of the issuer

The issuer last carried out a round of financing in September 2021 and has sufficient financial reserves based on the last audited annual financial statement as at 31 December 2022.

2.2.6. Rating

There is no rating for the issuer.

3. Members of the management board, administration and supervision

3.1. Management Board

The managing directors of the Issuer are:

Name	Position	Represents since	Other functions in addition to their activities at the Issuer
Lukas Enzersdorfer-Konrad	Managing Director	31.08.2023 (self-employed)	Member of the Management Board of Bitpanda Group AG
Jonas Larsen	Managing Director	31.08.2023 (self-employed)	Not applicable
Philipp Heinrich Bohrn	Managing Director	01.02.2024 (self-employed)	Not applicable

3.2. Procuration

The following persons are authorised signatories of the issuer:

Name	Position / area of responsibility	Represents since	Other functions in addition to their activities at the Issuer
Eric Demuth	Chief clerk	31.08.2023 (self-employed)	Not applicable
Paul Klanschek	Chief clerk	31.08.2023 (self-employed)	Not applicable
Fabian Reinisch	Chief clerk	31.08.2023 (self-employed)	Not applicable

The authorised signatories may represent the issuer independently within the scope of the power of representation granted. The involvement of the managing directors is not necessary within the scope of the power of representation granted.

3.3. General Meeting

The general meeting of the issuer takes place at least once a year as an ordinary general meeting, decides on the matters specified by law and in the articles of association of the issuer and is generally convened by the management.

3.4. Supervisory Board

The Issuer is not subject to the obligation to establish a Supervisory Board, nor has an optional Supervisory Board been established for the Issuer.

3.5. Other corporate bodies

The Issuer has not established any other corporate bodies.

3.6. Conflicts of interest of members of the management board, administration and supervision

In order to regulate the handling of conflicts of interest and in particular their avoidance, the Issuer has adopted a Conflict of Interest Policy and a Code of Conduct, which are applicable to all employees and also to members of the management. Both documents are reviewed at least once a year and

updated if necessary. The Conflict of Interest Policy contains detailed rules for reporting potential conflicts of interest and for the various monitoring and remedial measures.

4. **Disclosure of shareholders who directly or indirectly exercise or may exercise a controlling role in the management of the issuer**

The sole shareholder of the issuer is Bitpanda Group AG ("**Bitpanda Group**"), a public limited company established under Swiss law, with its business address at Hardstrasse 201, CHE-8005 Zurich, and registered in the commercial register of the Canton of Zurich under commercial register number CHE-267.250.666. As the sole shareholder of the Issuer, Bitpanda Group therefore exercises a directly controlling role in the management of the Issuer.

Annex I - Financial statements for Bitpanda GmbH (2022)

Translation

**Financial Statements
as at 31 December 2022**

Translation

Balance sheet as of 31 December 2022		Appendix I/1	
		Bitpanda GmbH	
ASSETS		Current Year	Prior Year *)
in EUR		31 December 2022	31 December 2021
A. Fixed Assets		54,924,566.24	50,381,447.22
I. Intangible assets		7,992,987.17	34,874,392.40
1. Concessions, industrial property rights and similar rights as well as licences derived therefrom		161,479.48	213,185.78
2. Crypto currencies		7,831,507.69	34,661,206.62
II. Tangible assets		12,784,901.54	13,178,719.54
1. Land, similar rights and buildings, including buildings on thirdparty land		9,192,526.47	9,853,240.10
2. Other plants, furniture and fixtures		3,592,375.07	3,107,716.06
3. Prepayments and assets under construction		0,00	217,763.38
III. Financial assets		34,146,677.53	2,328,335.28
1. Investments in affiliated companies		33,996,677.53	2,178,335.28
2. Investments in associated companies		150,000.00	150,000.00
B. Current assets		368,366,485.69	607,773,814.55
I. Inventories		25,614,912.06	51,902,400.15
1. Crypto currencies		25,614,912.06	51,902,400.15
II. Receivables and other assets		61,265,260.39	85,661,125.52
1. Trade receivables		51,387.61	85,961.20
thereof with a maturity of more than one year		0,00	0,00
2. Accounts receivable from shareholders		41,573,735.69	11,380,026.57
thereof with a maturity of more than one year		0,00	0,00
3. Accounts receivable from associated companies		0,00	5,034.62
thereof with a maturity of more than one year		0,00	0,00
4. Other receivables and assets		19,640,137.09	74,190,103.13
thereof with a maturity of more than one year		424,017.90	423,235.73
III. Securities and investments		178,557,837.80	50,365,837.47
1. Other securities and investments		178,557,837.80	50,365,837.47
IV. Cash and cash equivalents		102,928,475.44	419,844,451.41
C. Prepaid expenses		3,237,109.11	2,559,430.33
D. Deferred tax assets		31,451,903.05	2,982,205.94
	TOTAL ASSETS	457,980,064.09	663,696,898.04

Translation

Balance sheet as of 31 December 2022	Appendix I/2 Bitpanda GmbH	
<i>Liabilities and shareholders' equity</i>	<i>Current Year</i>	<i>Prior Year *)</i>
in EUR	31 December 2022	31 December 2021
A. Shareholders' equity	-162,134,402.67	-278,141,266.63
Share capital called-up and paid-in	-48,093.40	-48,093.40
Subscribed Share Capital	-48,093.40	-48,093.40
II. Capital reserves	-162,086,309.27	-227,536,203.75
1. Restricted	-162,086,309.27	-142,648,509.29
2. Non restricted	0.00	-84,887,694.46
III. Revenue reserves	0.00	-4,809.34
1. Statutory reserves	0.00	-4,809.34
IV. Net profit	0.00	-50,552,160.14
B. Governant grants for fixed assets	-1,205,667.50	-1,513,497.50
C. Provisions	-38,681,929.25	-59,801,484.42
1. Provisions for taxes	-358,354.69	-14,264,793.94
2. Other provisions	-38,323,574.56	-45,536,690.48
D. Liabilities	-255,958,064.67	-324,240,649.49
1. FIAT-Wallets liabilities	-225,601,876.53	-281,354,371.35
thereof with a maturity of up to one year	-225,601,876.53	-281,354,371.35
thereof with a maturity of more than one year	0.00	0.00
2. BEST liabilities	-14,130,704.43	-34,782,198.95
thereof with a maturity of up to one year	-14,130,704.43	-34,782,198.95
thereof with a maturity of more than one year	0.00	0.00
3. Trade payables	-2,027,312.91	-3,270,395.14
thereof with a maturity of up to one year	-2,027,312.91	-3,270,395.14
thereof with a maturity of more than one year	0.00	0.00
4. Accounts payable to shareholders	0.00	-1,331.46
thereof with a maturity of up to one year	0.00	-1,331.46
thereof with a maturity of more than one year	0.00	0.00
5. Accounts payable to associated companies	-6,464,754.77	-838,189.54
thereof with a maturity of up to one year	-6,464,754.77	-838,189.54
thereof with a maturity of more than one year	0.00	0.00
6. Other Liabilities	-7,733,416.03	-3,994,163.05
thereof with a maturity of up to one year	-7,717,754.83	-3,974,516.96
thereof with a maturity of more than one year	-15,661.20	-19,646.09
thereof due to taxes	-2,114,997.65	-2,607,046.49
thereof with a maturity of up to one year	-2,114,997.65	-2,607,046.49
thereof with a maturity of more than one year	0.00	0.00
thereof due to social security	-297,326.59	-944,885.33
thereof with a maturity of up to one year	-297,326.59	-944,885.33
thereof with a maturity of more than one year	0.00	0.00
TOTAL LIABILITIES AND EQUITY	-457,980,064.09	-663,696,898.04

Translation

Income Statement for the year ended 31 December 2022		Appendix I/3	
		Bitpanda GmbH	
	Current Year	Prior Year *)	
in EUR	from 1 January 2022 to 31 December 2022	from 1 January 2022 to 31 December 2022	
1. Sales	2,315,832,486.06	7,880,603,286.81	
2. Other operating income	50,124,409.62	170,741,497.95	
a. Income from disposal and revaluation of fixed assets excluding financial assets	11,340,520.02	167,927.94	
b. Income from reversal of provisions	8,957.00	8,710.00	
c. Sundry	38,774,932.60	170,564,860.01	
3. Costs of material and other purchased production services	-2,272,503,240.35	-7,573,427,807.53	
a. Cost of materials	-2,266,163,029.97	-7,560,574,257.16	
b. Cost of purchased services	-6,340,210.38	-12,853,550.37	
4. Personnel expenses	-37,385,608.45	-71,709,651.48	
a. Salaries	-27,221,305.95	-56,743,394.86	
b. Social expenses for statutory social security and payroll related taxes and contributions	-8,580,695.09	-14,646,098.27	
c. Sundry personnel expenses	-1,583,607.41	-320,158.35	
5. Amortisation and Depreciation	-17,882,769.65	-4,545,019.02	
a. Intangible and tangible assets	-17,882,769.65	-4,545,019.02	
6. Other operating expenses	-155,942,319.45	-349,956,948.70	
a. Taxes, insofar they are not taxes on income	-2,023,925.03	0.00	
b. Sundry	-153,918,394.42	-349,956,948.70	
7. Subtotal from line 1 to 6 (EBIT)	-117,757,042.22	51,705,358.03	
8. Other interest and similar income	412,053.07	0.00	
9. Expenses for financial assets and short-term securities	-22,761,566.43	0.00	
10. Interest and similar expenses	-1,692,976.95	-2,863,030.22	
11. Subtotal from line 8 to 10 (Financial result)	-24,042,490.31	-2,863,030.22	
12. Earnings before taxes	-141,799,532.53	48,842,327.81	
13. Income taxes	25,758,291.39	-11,388,381.20	
thereof tax allocation arising from the prior year	83,589.03	306,866.14	
14. Profit / loss for the year	-116,041,241.14	37,453,946.61	
15. Release of capital reserves	116,042,829.46	0.00	
16. Allocation to revenue reserves	0.00	-148.65	
17. Profit / loss carried forward	-1,588.32	13,098,362.18	
18. Net profit	0.00	50,552,160.14	

*) In order to establish comparability with the previous year's figures, the figures for "Bitpanda old" are presented in 2021.

Translation

NOTES

In accordance with section 236 UGB (Austrian Commercial Code)

(amounts in EUR)

A. GENERAL INFORMATION

B. GENERAL INFORMATION ON ACCOUNTING AND VALUATION METHODS, AND ESTIMATION UNCERTAINTIES

C. NOTES TO THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

D. OTHER INFORMATION

A. GENERAL INFORMATION

Bitpanda GmbH (formerly SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH) has its registered office in Vienna, Stella-Klein-Löw-Weg 17, 1020 Vienna. It is registered under the company register number FN 569240 v at the Vienna Commercial Court. The company is included in the consolidated financial statements of Bitpanda Group AG, Fraumünsterstrasse 16, 98001, Zurich, Switzerland.

Based on the merger agreement of 26 September 2022, the former Bitpanda GmbH (FN 423018 k; "Bitpanda old") was merged retrospectively as of 1 January 2022, transferring the business with SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH (FN 569240 v, tax number 09 389/2404) the acquiring company, pursuant to § 96 ff GmbH in conjunction with § 220 ff AktG by way of universal succession.

The acquiring company, SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH, was founded as a shell company with a total share capital of EUR 35 thousand under the articles of association dated 12 November 2021 and transferred to BP22 AG, Switzerland, per the transfer agreement dated 28 July 2022. The merger took place with the continuation of the company's book value. Following the merger, "Bitpanda old" ceased to exist and the business continued to operate now under SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH. After the completion of the reorganization SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH was renamed Bitpanda GmbH.

In order to ensure comparability of the previous year's figures, the figures of "Bitpanda old" are presented in the balance sheet, the income statement, the notes and the management report. This is possible due to the immateriality of the previous year's figures (balance sheet total: EUR 35 thousand, annual result: EUR 2 thousand) of SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH. The reconciliation of the equity of the company from 31.12.2021 to 01.01.2022 is shown in Appendix II.

Translation

B. NOTES ON THE STATEMENT OF FINANCIAL POSITION AND INCOME STATEMENT

1. These financial statements have been compiled in accordance with the principles of the Austrian Commercial Code ("UGB") as amended.
2. The financial statements have been prepared in accordance with generally accepted accounting principles and the general objective of providing a true and fair view of the Company's assets and liabilities, financial position and earnings position.
3. The accounting, valuation and disclosure of the individual items in the annual financial statements were carried out in accordance with the general provisions of §§ 189 ff UGB and taking into account the supplementary provisions for corporations (§§ 221 ff UGB). In particular, the principles of consistency of valuation and presentation, individual assessment, prudence and imparity were taken into account (§ 201 UGB).
4. The financial statements have been prepared on a going concern basis. Bitpanda has posted a net loss of EUR 116,041 thousand for the current financial year, which was significantly influenced by the "crypto winter" and the associated reduction in revenue. The company's management has assumed in their planning calculation that these lower revenues will remain without any improvement for the next 2 years in any case, even under these assumptions, it appears that the company will remain solvent for the next twelve months. It should be noted that management has taken several steps to mitigate the impact of the crypto winter, including deferring or cancelling non-essential expenses, hiring freezes on staff and reducing marketing expenses. Based on the above analysis, the going concern assumption is appropriate for Bitpanda and therefore the financial statements have therefore been prepared on a going concern basis. The most recent results to the end of April 2023, are higher than planned and further confirm the approach applied here.
5. The principle of prudence was taken into account by only reporting profits released on the balance sheet date. All recognisable risks and impending losses were considered.
6. The assets held in trust for Bitpanda GmbH customers (cryptocurrency holdings) are not shown in the balance sheet, as Bitpanda GmbH is not the economic owner and accordingly does not bear the significant opportunities and risks of these assets.

Acquired intangible assets and property, plant and equipment were recognised at acquisition cost and, if subject to wear and tear, reduced by scheduled depreciation in accordance with section 204 (1) UGB.

The crypto asset holdings in the intangible assets are non-depreciable assets with a long-term retention period, which were written down to the lower value applicable on the balance sheet date in accordance with § 204 para. 2 of the Austrian Commercial Code (UGB) in the event of a probable permanent reduction in value (see point 1.6). If the reasons for the unscheduled depreciation cease to apply, the value is written up to a maximum of the original acquisition costs in accordance with § 208 para. 1 UGB.

Translation

Scheduled depreciation was carried out on a straight-line basis. The useful life for the individual asset groups was:

Investment group	Years
Licences	3 - 5
Structural investments in third-party operating and office equipment	5 - 10
Operating and business equipment	3 - 7
Other plants	5 - 7
Office machines and IT equipment	3

Low-value assets with an individual acquisition value of up to EUR 800.00 were fully depreciated in the year of acquisition in accordance with § 204 para. 1 UGB in conjunction with § 13 EStG.

Unscheduled depreciation was carried out on fixed assets if the fair value on the balance sheet date was lower than the book value.

The financial assets were recognised at acquisition cost or at the lower fair value in accordance with the mitigated lower of cost or market principle, see point 1.6.

A DCF model was used for the valuation of the shares in affiliated companies in Trustology (now Bitpanda Custody, see point C 1.4.). The planning horizon ranged from 2023-2030, divided into a "Detailed Planning Phase" from 2023-2027 and a "Simplified Planning Phase" from 2028-2030. The model is based on the Custody as a Service (CaaS) revenue streams and synergies with Bitpanda GmbH. CaaS generates revenue from SME and enterprise customers based on the acquisition capacity of Bitpanda Custody's sales force. Synergies with Bitpanda GmbH result from a monthly flat fee for asset custody and revenue from potential white label partners. On the cost side, COGS & infrastructure (external provider Chainalysis, network costs, payment processing costs and cyber insurance) are the biggest drivers. Ongoing operating expenses include labour costs, marketing and development expenses, consulting and service costs, rent, management insurance, technical support, service costs and other costs. Capital expenditure includes IT equipment, HSM hardware and R&D expenses. The WACC was calculated at 17.5%.

Current assets were valued at acquisition cost (§ 206 para. 1 UGB) and reduced by depreciation in accordance with § 207 UGB.

Inventories were recognised at acquisition cost in accordance with the strict lower of cost or market value principle (section 206 (1) UGB in conjunction with section 207 UGB).

The valuation of the inventories on the reporting date was carried out by comparing the market value on the reporting date with the average acquisition costs of the most recently added stocks of the individual crypto assets in the inventory. For crypto assets that are not traded directly in euros, acquisition costs were calculated in a simplified manner by converting the crypto assets used at the daily rate on the reporting date - this also applies to crypto assets that are only quoted in other crypto assets (cross rates). Bitpanda users can earn weekly rewards through the Staking assets product, which was newly introduced in the financial year. The expenses from staking rewards paid to customers are reported under the item cost of materials and the sales revenues result solely from the rewards earned by Bitpanda GmbH from external exchanges. Revenue is

Translation

based on the number of tokens received and their market value at that time. Bitpanda also recognises transaction revenue from e-tokens held in custody for customers, as Bitpanda acts as principal and not as agent. This results in gross recognition in the income statement.

Receivables and other assets were recognised at acquisition cost. In the valuation of receivables, recognisable and general risks were considered through individual devaluation (individual valuation). In 2022 as well as in 2021, there was no need to form a value adjustment for receivables in this context.

Other securities and shares include shares and ETFs ("exchange-traded funds") that are held in the company's own securities account and serve as collateral for the digital securities. Digital securities are tokens whose performance depends on underlying shares and ETFs and thus contain embedded derivatives. Digital securities are reported in the item liabilities from user wallets.

In accordance with section 206 of the Austrian Commercial Code (UGB), acquired shares and ETFs were recognised at cost (at the market price at the time of the transaction) after each transaction. At the balance sheet date, in accordance with the AFRAC 15 opinion, those shares and ETFs that form a valuation unit with the liabilities from digital securities were written down to the price of the average acquisition cost of the digital securities, as long as the market value was below this on the balance sheet date.

The shares and ETFs that did not form a valuation unit with the digital securities were valued at the market price as of 31 December 2022, taking into account the strict lower of cost or market principle (§ 206 para. 1 UGB in conjunction with § 207 UGB).

As the holding of shares and ETFs are linked to the digital securities, these were also reported as current in the same way as the liability.

According to AFRAC 15 Statement "Derivatives and Hedging Instruments (UGB)" TZ 28, the liabilities from digital securities (reported in the item liabilities from user wallets) form a valuation unit with the shares and ETFs and fulfil the criteria according to AFRAC 15 TZ 41 ("Critical Terms Match"). Due to this fact, a separate recognition and measurement of the embedded derivative according to AFRAC 15 TZ 71b was waived. In accordance with § 211 UGB, liabilities from digital securities were recognised at the settlement amount after each transaction. The settlement amount was derived from the market value of the underlying instrument (share or ETF).

As of the balance sheet date, in accordance with the AFRAC 15 opinion, the liabilities from digital securities, which form a valuation unit with the shares and ETFs, were revalued to the price of the acquisition cost of the shares, as long as the market value was above this on the balance sheet date.

For liabilities from digital securities that have been covered by shares and ETFs within the framework of a valuation unit, a revaluation to the higher fair value on the reporting date was omitted as long as the average acquisition costs of the shares and ETFs exceeded the book value of the digital securities due to the lower of cost or market principle.

Translation

The liabilities from digital securities, which do not form a valuation unit with the shares and ETFs, were valued at the higher market price as of 31 December 2022, taking into account the maximum value principle.

Digital securities contracts are reported as a current liability, as the A-Token has no time limit, no maturity and no expiry date. Accordingly, the valuation unit also exists without a specific term.

These are investment funds that invest mainly in short-term, highly liquid debt instruments. They are used to achieve a higher potential return than traditional money market investments.

Market maker funds were recognised at acquisition cost in accordance with the strict lower of cost or market value principle (§ 206 para. 1 UGB in conjunction with § 207 UGB).

Deferred tax assets were recognised in accordance with § 198 (9) and (10) of the Austrian Commercial Code (UGB) using the balance sheet-oriented concept based on the corporate tax rate of 24% in 2023 (expected reversal of the temporary difference in 2023) and 23% from 2024 (expected reversal of the temporary difference from 2024) (2021: 25%). The deferred taxes as of 31 December 2022 result from temporary differences between the tax and company-law valuations of provisions and from the tax loss carryforwards. On the basis of a tax planning calculation for the years 2023-2027 derived from the corporate planning, which was also used as the basis for the corporate valuation (see Chapter B, section "Other provisions"), there is sufficient taxable income in the future, after reversal of the temporary differences on the liabilities and assets side, against which the tax loss carryforwards can be offset as of 31 December 2022.

Other provisions were recognised in accordance with the principle of prudence for all risks identifiable on the balance sheet date and for liabilities of uncertain amount or reason, impending losses from pending transactions and for expenses that are necessary according to reasonable business judgement. They were recognised at the settlement amount.

A provision for the "phantom stock plans" (PSOP) was reported under other provisions.

Bitpanda introduced two phantom stock plans (PSOP I in 2017 and PSOP II in 2019). The schemes stipulate that eligible persons are entitled to receive a cash payment from Bitpanda GmbH under certain conditions.

A planning calculation of the income statement for the years 2023 to 2025 was used as the basis for the adjusted present value method used.

The planning assumptions were mainly influenced by the fact that the correlation between the Bitcoin price and the trading volume on Bitpanda affects the platform's revenues. Historical Bitcoin price data was used in the context of Bitpanda's KPIs to calculate correlations between volatility in the crypto market and the number of active users, as well as the amount traded per active user, to inform the planning.

A 3 phase model was used for the assessment:

- Detailed Planning accounts from 2023 to 2025
- Rough planning for the convergence phase 2026 to 2032
- Growth phase according to Gordon/Shapiro from 2033 perpetuity

Translation

The cost of equity of 16.77% was derived using a capital market-oriented model with the following parameters:

- Risk-free interest rate: 1.76% for the 30-year German government bond
- Beta factor: 2.23 based on a peer group with similar business activities
- Market risk premium: 6.74% which corresponds to a market return of 8.50%.

A value of EUR 1.3 billion was used for the calculation. In the previous year, the calculation was derived from the last Series C financing round in September 2021, which resulted in a company valuation of around EUR 3.3 billion.

There is a "vesting" period (36 months in PSOP I and 48 months in PSOP II) during which the eligible person must remain active for Bitpanda. For both programmes, a period of one year is defined as the "Cliff Period". The virtual unit rights therefore accrue to the beneficiary over a period of 36 months and 48 months respectively, with 33.33% (PSOP I) and 10% (PSOP II) of the respective virtual nominal amount accruing after 12 months from the respective cut-off date. The remaining 66.66% accrues for the PSOP I programme evenly on a monthly basis over a period of 24 months (PSOP I) after the expiry of the respective Cliff Period. The Panda Grant consists of a one-time grant (PSOP I) awarded to selected pandas to reward their continued influence and commitment to supporting Bitpanda in its future growth potential and taking on the exciting challenges ahead. For the PSOP II programme, a further 20% will accrue at the end of the second vesting year, as well as 30% at the end of the third vesting year, evenly spread over a 12-month period, and the remaining 40% evenly spread over a fourth vesting year.

The total volume of virtual share rights available for both programmes corresponds to a virtual nominal amount of EUR 1,985.12 (PSOP I: EUR 992.56; PSOP II: EUR 992.56). The share programmes end in each case by resolution of the management with the approval of the general meeting, in which case the virtual share rights already granted remain unaffected, or with the full payment of the volumes provided for in the programmes.

For PSOP I, an adjustment of the framework conditions was made in 2022, which came into force retrospectively as of 01.01.2021.

From the 01.01.2021, PSOP I contributions will only be granted once a year at the beginning of a month and will no longer be spread evenly over four quarters (employee's entry date if this falls on the 1st of a month or on the 1st of the following month).

The Cliff Period (1 year) and the vesting system (1/3 per year over a period of three years) remain unaffected by the amendment.

This adjustment resulted in a higher issuance of virtual share rights to employees, as a lower company valuation was still used for the calculation at the beginning of the 2021 business year. Employees received proportionately more PSOP shares for the same EUR equivalent.

Liabilities were determined at the settlement amount, taking into account the principle of prudence, and valued according to the highest value principle.

Translation

FIAT liabilities to users were reported under the item liabilities from user wallets. These relate to customer credit balances, so-called F-Tokens, which are linked to the currencies EUR, USD, GBP, CHF, PLN or TRY and were recorded in the respective underlying currency. These liabilities were reported as current, as they have an indefinite term.

Furthermore, liabilities from digital securities (see description under other securities and shares) were reported under this item.

Under BEST liabilities, performance obligations from the issuance of the BEST token 1.0 were reported as a separate item on the liabilities side. When the BEST token was redeemed or returned, the liability was reduced to the respective market value at the time of redemption or return. Furthermore, it was possible for the user to opt into the new BEST 2.0 system as a "trade token" starting on 16 December 2021. As of this date, BEST 2.0 tokens were classified and valued as other inventories (see chapter B on inventories). An approval of the new BEST 2.0 also led to a reduction of the performance liability from the BEST tokens in circulation. As of the reporting date, the liability was recognised at the average issue price for simplification purposes. The BEST tokens 1.0 were reported as a current liability, as they can be redeemed at any time.

Receivables in foreign currencies were valued at the ECB reference rate as of 31 December or at the lower acquisition rate.

Liabilities in foreign currencies were valued at the ECB reference rate as of 31 December or at the higher acquisition rate.

7. Critical accounting judgements and reasons for estimation uncertainties

In preparing the financial statements, judgements and estimates have been made that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Information about judgements made in the application of accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following sections:

- Impairment testing of shares in affiliated companies: key assumptions for determining fair value
- Phantom stock plans (PSOP): assessment of possible obligations (provision) and company valuation as basis for the amount of the obligation
- The valuation of deferred taxes: an inherent uncertainty due to estimates of future tax events and developments

The above valuations incorporate management assumptions on the development of the crypto market. If these assumptions do not materialise, write-ups or write-downs may be necessary in future financial statements.

Translation

C. NOTES TO THE BALANCE SHEET AND INCOME STATEMENT

1. Fixed assets

- 1.1. The development of fixed assets and the breakdown of annual depreciation and write-ups by individual items are shown in Appendix I to the Notes.
- 1.2. In the current year, there was an extraordinary depreciation of EUR 22,261,566.43 (2021: 0 thousand) for the shares in affiliated companies (Bitpanda Custody Ltd) and for non-depreciable crypto asset holdings of EUR 12,746,012.78 (2021: EUR 2,135 thousand), which were reported under the item intangible assets.
- 1.3. In 2022, there were no write-ups on financial assets (2021: EUR 166 thousand) or on non-depreciable crypto assets (2021: EUR 2 thousand).
- 1.4. The company held interests in the following companies as of the reporting date (§ 238 para. 1 no. 4 UGB):

Name and registered office of the company	Share %	Equity		Profit / loss for the year	
		current year 31.12.2022	prior year 31.12.2021	current year 1.1.2022-31.12.2022	prior year 1.1.2021- 31.12.2021
Pantos GmbH * Vienna	100	EUR 1,603,178.93	EUR 2,996 thousand	EUR -1,893,780.34 thousand	EUR 275 thousand
Bitpanda Payments GmbH* Vienna	100	EUR 1,151,875.37	EUR 1,043 thousand	EUR 108,837.15 thousand	EUR 474 thousand
Bitpanda Metals GmbH * Vienna	100	EUR 1,606,316.63	EUR 453 thousand	EUR 1,153,148.91 thousand	EUR 259 thousand
Bitpanda Customer Care GmbH * Vienna	100	EUR 529,797.12	EUR 206 thousand	EUR 305,073.42 thousand	EUR 131 thousand
Bitpanda Financial Services GmbH * Vienna	100	EUR 414,233.34	EUR 323 thousand	EUR 91,658.37 thousand	EUR 23 thousand
Bitpanda Asset Management GmbH * Berlin	100	EUR 1,165,736.61	EUR 21 thousand	EUR 30,729.88 thousand	EUR -1 thousand
Bitpanda Issuance GmbH Berlin	100	EUR 96,218.81	EUR 32 thousand	EUR 64,454.94 thousand	EUR 7 thousand

Translation

Bitpanda Pro Holding B.V.* Amsterdam	100	EUR 7,796,745.01	n/a	EUR -157,071.33	n/a
Bitpanda UK Ltd * London	100	GBP 82,218.37	TGBP 66	GBP 16,200.00	TGBP 16
Bitpanda Technology UK Ltd * London	100	GBP 422,081.29	n/a	GBP 481,193.15	n/a
Bitpanda Custody Ltd * London	100	GBP 1,191,698.81	n/a	GBP -924,845.25	n/a
Bitpanda Financial Services UK Ltd ** London	100	n/a	n/a	n/a	n/a
Bitpanda Technology sp. z.o.o. * Krakow	100	PLN 1,212,367.84	TPLN 433	PLN 779,522.77	TPLN 428
Bitpanda Teknoloji A.S. * Istanbul	100	TRY 11,658,133.80	TRY 2,514	TRY 9,151,956.76	TTRY -479

* No final annual financial statements are currently available for these companies.

** Bitpanda Financial Services UK Ltd, registered office London, share 100% is a "dormant" company (capable of doing business, no significant turnover), therefore the 2022 figures are not relevant.

Bitpanda Ireland DAC, registered in Dublin, was liquidated in the financial year.

Bitpanda acquired Trustology, a UK-based company that provides custody services for wallets, in February 2022. The company has been rebranded as Bitpanda Custody and has expanded Bitpanda's service offering to become one of the largest custodians of cryptocurrencies in the world.

Bitpanda introduced the "Bitpanda Pro" sub-operation into the Austrian branch of Bitpanda Pro Germany GmbH with retrospectively effect from 1 January 2022. As Bitpanda GmbH is the sole shareholder of Bitpanda Pro Germany GmbH, it was not granted any new shares. The "Bitpanda Pro" sub-operation continues to operate in the permanent establishment in Germany, and Austria's right of taxation remains unchanged. The merger was made at book values for tax purposes and was duly reported. Bitpanda Pro Germany GmbH has moved its registered office from Berlin to Amsterdam and renamed itself Bitpanda Pro Exchange B.V.. This company is a 100% subsidiary of Bitpanda Pro Holding B.V.

2. Current assets

- 2.1. Securities and investments reported amounted to EUR 178,557,837.80 (2021: EUR 50,361 thousand) as of the balance sheet date. This item includes the shares and ETFs (reported in the item Liabilities from user wallets) in the amount of EUR 109,514,127.92 (2021: EUR 50,366 thousand). The fair value (market value) of these shares and ETFs is EUR 87,977,089.47 (2021: EUR 53,102 thousand). For shares and ETFs that formed a valuation unit with the digital

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securities, there was a devaluation of EUR 1,431,532.27 (2021: EUR 188 thousand). The devaluation of shares and ETFs that did not form a valuation unit with the digital securities amounted to EUR 182,332.19 (2021: EUR 13 thousand).

Money market funds amounting to EUR 68,997,501.39 (2021: 0 thousand) and other securities amounting to EUR 46,208.49 (2021: 0 thousand) are also reported under this item. The fair value (market value) of the money market funds amounted to EUR 69,186,395.99 (2021: 0 thousand).

2.2. The development of deferred tax assets was as follows:

	Status 01.01.2022	Reversal	Allocation	Stand 31.12.2022
Deferred tax assets	2,982,205.94	1,825,522.56	30,295,326.62	31,451,903.05
<i>thereof from loss carryforwards</i>	<i>0.00</i>	<i>0.00</i>	<i>30.295.219,67</i>	<i>30.295.219,67</i>

2.3. Receivables with a remaining term of more than one year were exclusively reported under the item receivables and other assets in the amount of EUR 424,017.90 (2021: EUR 423 thousand). In 2022, as well as in 2021, no income was included under other receivables and assets that will only become cash effective after the balance sheet date.

2.4. Receivables from affiliated companies include trade receivables of EUR 22,163,678.53 (2021: EUR 11,380 thousand) and other receivables of EUR 19,410,057.16 (2021: 0 thousand).

3. Equity

3.1. During the financial year, "Bitpanda old" was merged into SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH. As of the merger date (1 January 2022), the surplus of the assets transferred from "Bitpanda old" over the consideration (granting of new shares) was transferred to the capital reserve. The portion of the transferred assets that was not offset by any consideration was transferred to the unrestricted capital reserve (EUR 65,340,720.56) and the voluntarily restricted capital reserve (EUR 142,653,318.63). In accordance with the shareholders' resolution, the voluntarily appropriated capital reserve can only be released in the event of a balance sheet loss, that would otherwise have to be reported, in order to avoid a capital-locking effect for one year from the entry of the merger in the commercial register. Free and restricted reserves were released in the amount of the annual loss. For the resulting development of equity, see Appendix II to the Notes.

Translation

4. Provisions

4.1. The Provisions for taxes broke down as follows as of the reporting date:

	Status 01.01.2022	Utilisation	Reversal	Allocation	Status 31.12.2022
	EUR	EUR	EUR	EUR	EUR
Provision for corporate income tax	14,264,793.94	14,264,793.94	0.00	358,354.69	358,354.69
	14,264,793.94	14,264,793.94	0.00	358,354.69	358,354.69

4.2. Other provisions relate to provisions for PSOP and other provisions as shown in the schedule of provisions.

The following table shows the development of phantom shares outstanding for PSOP I and PSOP II for each reporting period:

	Number of PSOP shares 31.12.2021					
	01.01.2021 outstanding	granted	terminated	buyback	31.12.2021 outstanding	31.12.2021 thereof vested
PSOP I	463.36	160.17	0.00	-36.46	587.07	274.67
thereof Panda Grant	0.00	0.00	0.00	0.00	0.00	0.00
PSOP II	160.08	86.75	0.00	-1.35	245.48	28.69
Total	623.44	246.92	0.00	-37.81	832.55	303.36

	Number of PSOP shares 31.12.2022						
	01.01.2022 outstanding	Adjustment PSOP*	accepted	expire	buyback	31.12.2022 outstanding	31.12.2022 thereof vested
PSOP I	587.07	-72.46	209.66	-48.51	0.00	675.76	413.87
thereof Panda Grant	0.00	0.00	139.70	-4.91	0.00	134.79	0.00
PSOP II	245.48	-63,25	53.13	-69.81	0.00	165.55	64.23
Total	832.55	-135.71	262.79	-118.32	0.00	841.31	478.10

* The outstanding PSOP shares were adjusted due to a change in the PSOP plan setup as of 01.01.2022.

As a result of the PSOP programmes, there is a long-term provision including non-wage costs of EUR 17,622,749.83 as of 31 December 2022 (2021: EUR 32,955 thousand). The average remaining term until vesting of all PSOP shares is 0.67 years for PSOP I, 2.67 years for the Panda Grant and 2.07 years for PSOP II.

Based on the company valuation of approximately EUR 1.3 billion (2021: EUR 3.3 billion; enterprise value 2021 derived from the Series C financing round), the provision was adjusted in the financial year.

Translation

The provision for "Loan Notes Custody" (earn out agreement) amounting to EUR 10,376,000.00 (2021: 0 thousand) relates to payments for the purchase of Trustology, which are based on the achievement of defined targets.

Furthermore, non-wage costs for employee bonuses amounting to EUR 1,654,787.68 (2021: EUR 5,300 thousand) were accrued under other personnel provisions.

The provisions for other include costs for the Financial Market Authority in the amount of EUR 1,541,457.02 (2021: EUR 752 thousand).

The other provisions were made up as follows as of the balance sheet date:

Description	As of 01.01.2022	Reversal	Utilisation	Allocation	As of 31.12.2022
PSOP	32,955,055.34	15,332,305.51	0.00	0.00	17,622,749.83
Loan Notes Custody	0.00	0.00	0.00	10,376,000.00	10,376,000.00
Holiday not yet consumed	2,070,931.32	0,00	2,070,931.32	1,852,976.21	1,852,976.21
Other					
Personnel provisions	7,077,162.09	3,645,634.78	1,776,739.63	332,074.22	1,986,861.90
Provision for auditors	342,339.00	0.00	342,339.00	221,500.00	221,500.00
Provision for unbilled services	2,339,272.75	0.00	2,291,230.05	4,387,805.00	4,435,847.70
Provision for other	751,929.98	8,957.00	0.00	1,084,665.94	1,827,638.92
Total	45,536,690.48	18,986,897.29	6,481,240.00	18,255,021.37	38,323,574.56

5. Liabilities

5.1. The item Liabilities from user wallets includes the credit balances of customers on FIAT wallets in the amount of EUR 113,237,161.77 (2021: EUR 229,721 thousand).

Furthermore, liabilities from "digital securities" or "A-tokens" in the amount of EUR 112,364,714.76 (2021: EUR 51,634 thousand), which represent financial contracts relating to shares and ETFs (financial contracts with embedded derivatives), were also reported under this item. The fair value (market value) of the digital securities amounted to EUR 88,532,234.48 (2021: EUR 53,666 thousand). The performance of the digital securities in the financial year corresponded to the performance of the underlying shares and ETFs held in the own securities account and dedicated to current assets. Shares and ETFs held served as hedging instruments for the digital securities.

In connection with liabilities from digital securities, which form a valuation unit with the shares and ETFs, there was an appreciation of EUR 91,406.03 (2021: EUR 33 thousand).

In connection with liabilities from digital securities, which do not form a valuation unit with the shares and ETFs, there was an appreciation of EUR 7,955.71 (2021: EUR 33 thousand).

5.2. Liabilities to affiliated companies include trade payables of EUR 2,692,403.66 (2021: EUR 838 thousand) and other liabilities of EUR 3,750,000.00 (2021: EUR 0 thousand).

5.3. The total amount of liabilities with a remaining term of more than 1 year was EUR 15,661.20 as of the balance sheet date (2021: EUR 20 thousand).

Translation

- 5.4. As in the previous year, all liabilities had a remaining term of less than 5 years.
- 5.5. Expenses amounting EUR 7,444,695.03 (2021: EUR 3,584 thousand) were recognised in the item other liabilities, which will only have an effect on payments after the balance sheet date.

Profit and loss account

- 1.1. The breakdown of turnover according to areas of activity in the financial year is as follows:

	2022	2021
Areas of activity	EUR	EUR
Broker revenues	2,211,342	7,566,058
Revenues pro fee	0	2,921
Revenues Exchange	27,590	257,479
Sales revenue BEST	62,221	31,419
Revenues from payment services	6,680	16,644
Intercompany sales revenue	4,179	6,082
Revenue Staking	3,820	0
Total	2,315,832	7,880,603

- 1.2. Cost of materials comprises mainly of costs in connection with crypto trading.

- 1.3. Miscellaneous other operating expenses include the following categories:

	2022	2021
Category	EUR	EUR
Marketing effort	25,428	22,233
Intercompany recharges	25,440	9,243
Consultancy expenses	22,217	14,519

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Staff leasing	19,820	5,180
Rental and licence expenses	17,773	9,697
Devaluation expense	11,085	5,323
Loss from sale of shares and ETFs	7,824	521
Loss from sale of digital securities	4,834	2,286
Maintenance	2,977	5,343
Expenses	2,978	2,321
BEST	0	259,009
Other	13,541	14,280
Total	153,918	349,957

- 1.4. Expenses for the auditor amounted to EUR 141,000 (2021: EUR 85 thousand) for the audit of the annual financial statements and EUR 53,160.00 (2021: EUR 20 thousand) for special services.
- 1.5. In the 2022 financial year, there were no transactions with related parties that were not customary in the market and were of a material scope.
- 1.6. Income taxes include income of EUR 25,758,291.39 (2021: EUR 11,388 thousand). This mainly includes income from deferred tax assets amounting to EUR 28,469,697.11 (2021: EUR -2,982 thousand), of which loss carryforwards amounted to EUR 30,295,219.67 (2021: EUR 0 thousand).

2. Other financial obligations

- 2.1. The total amount of other financial obligations from the use of property, plant and equipment not recognised in the balance sheet amounted to EUR 2,496,025.15 (2021: EUR 2,734 thousand) for the following financial year and EUR 8,043,809.82 (2021: EUR 11,638 thousand) for the next five years as of the reporting date.

3. Off-balance sheet transactions

- 3.1. There are no transactions that are neither reported in the balance sheet nor required to be disclosed pursuant to § 238 Z 10 UGB or § 199 UGB from which material risks or benefits arise.

C. OTHER INFORMATION

1. The average number of employees ("full time equivalents") in the business year was (§ 239 para. 1 line 1 UGB):

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	2022	2021
Employees	592	389

2. Benefits to company employee pension funds amounting to EUR 482,091.17 (2021: EUR 342 thousand) were recognised in the income statement.

3. **Fiscal group**

Until the merger of Bitpanda GmbH (FN 423018 k, tax number 09 358/1635) with SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH (FN 569240 v, tax number 09 389/2404) on the basis of the merger agreement on 26 September 2022, Bitpanda GmbH (old) was the group parent of the tax group pursuant to Section 9 KStG with the following group members:

- Pantos GmbH (09 368/9933)
- Bitpanda Payments GmbH (09 368/2318)
- Bitpanda Metals GmbH (09 368/2300)
- Bitpanda Customer Care GmbH (12 786/5624)
- Bitpanda Financial Services GmbH (12 822/9580)

Due to the merger of the group parent Bitpanda GmbH (old) with the non-group member SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH as the acquiring company, the corporate group was terminated at the end of the assessment year 2021 (cf. RTA Guidelines margin no. 354d). In a letter dated 22 December 2022, an application was submitted to the Austrian tax office for the formation of a (new) tax group pursuant to Section 9 KStG with the acquiring Bitpanda GmbH (formerly SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH) as the group parent from FY 2022 (assessment year 2022). The application relates to the following members of the tax group:

- Pantos GmbH (09 368/9933)
- Bitpanda Payments GmbH (09 368/2318)
- Bitpanda Metals GmbH (09 368/2300)
- Bitpanda Customer Care GmbH (12 786/5624)
- Bitpanda Financial Services GmbH (12 822/9580)
- BP 22 Pfandleihe GmbH (46 554/0078)

On 15 December 2022, a tax sharing agreement was signed for the tax group from the financial year 2022 onwards. The tax rate on which the group taxation agreement is based is 25% for FY 2022 (for FY 2023 the tax rate will be reduced to 24% and from FY 2024 to 23% in accordance with section 22 (1) KStG). The tax group benefit defined in clause 3.3 of the tax sharing agreement is appointed to 80% among all profit-making and 20% among all loss-making tax group members.

4. **Significant events after the balance sheet date**

Bitpanda Pro Carve Out: Conclusion

The closing of Bitpanda Pro's Series A funding round as well as the legal separation of Bitpanda and all regulatory approvals were completed in March/April 2023. The technical separation of Bitpanda Pro will be completed during 2023.

Launch of Bitpanda Technology Solutions

On 26 January 2023, Bitpanda officially launched Bitpanda Technology Solutions, an investment infrastructure that builds on its existing white label offering. As the most scalable investment

Translation

infrastructure in the world, the solutions aim to enable banks, fintechs, brokers and online platforms across Europe and globally to quickly offer trading and investment services to their customers.

Bitpanda believes that the future of our industry will be driven by B2B partnership, with banks and other financial institutions at its core. With the move to a Software-as-a-Service (SaaS) model, a new era of expansion through partnerships has begun.

The infrastructure is built as a modular system to allow our partners to choose from our features such as savings plans, asset-to-asset swaps, crypto-staking, fractional shares/ETFs, our full blockchain services and many others with an API integration, leveraging Bitpanda's extensive product range.

With its first whitelabel API, Bitpanda Technology Solutions has already attracted several large fintech companies and online platforms (e.g. N26, HYPE, Lydia, Fabric or Plum) to use its software-as-a-service functionalities and serve the demand for investment services for their more than 20 million users in over 25 countries.

Partnership N26 x Bitpanda

Following N26's partnership with Bitpanda's whitelabel solution in October 2022 and a successful phase limited to Austria, the partnership was extended in January 2023. From 18 January 2023, N26 customers from Germany, Portugal, Belgium, Ireland and Switzerland will be able to invest in a wide range of over 200 crypto assets from as little as €1 directly via the N26 app.

Armed conflicts in Ukraine

The ongoing armed conflicts in Ukraine and the associated sanctions against the Russian Federation and Belarus may have an impact on the European economies and the global economy. The company has no significant direct exposure to Ukraine, Russia or Belarus. The impact on the general economic situation may result in the need to change certain assumptions and estimates in the future. This may require material adjustments to the carrying amount of certain assets and liabilities within the next financial year. Currently, management is not able to reliably estimate the effects of constantly changing events. The longer-term effects may also have an impact on trading volume, cash flow and profitability.

MiCA Regulation

The MiCA (Markets in Crypto-Assets) Regulation provides the harmonised EU regulatory framework for crypto assets. It aims to increase investor protection and contribute to the functioning of markets by providing legal certainty for innovations in distributed ledger technology. The bulk of the MiCA regulation will enter into force at the beginning of 2025.

There are no other events after the balance sheet date that have a material impact on the 2022 financial statements.

5. **Other**

There is no obligation to establish a supervisory board.

Translation

The following directors were in office during the financial year 2022

Bitpanda old:

Demuth Eric, born 21.01.1987, resigned on 27.12.2022

Klanschek Paul, born 18.02.1990, resigned on 21.12.2022

Bitpanda (formerly SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH):

Dr. Roman Perner, born 13.05.1978, resigned on 27.07.2022

Demuth Eric, born 21.01.1987, appointed on 27.07.2022

Klanschek Paul, born 18.02.1990, appointed on 27.07.2022

Pursuant to § 242 para. 4 UGB, the remuneration of the members of the management is not disclosed. As of 31 December 2022, Bitpanda GmbH was not required to prepare consolidated financial statements, as the subsidiaries are of immaterial significance (section 249 (2) UGB). The company is included in the consolidated financial statements of Bitpanda Group AG, Fraumünsterstrasse 16, 98001, Zurich, Switzerland.

Vienna, on 21 06 2023

Demuth Eric

Vienna, on 21 06 2023

Klanschek Paul

Translation

Appendix I
to the Notes**Fixed asset movement schedule for the year ended 31. December 2022 (in accordance with section 226 UGB (Austrian Commercial Code))**

	Acquisition cost						Accumulated depreciation				Net book value			
	As of 31/12/2021 EUR	As of 01/01/2022 EUR	As of 01/01/2022 EUR	Additions EUR	Reclassification EUR	Disposals EUR	As of 31/12/2022 EUR	As of 01/01/2022 EUR	Additions EUR	Disposals EUR	As of 31/12/2022 EUR	As of 31/12/2021 EUR	As of 01/01/2022 EUR	As of 31/12/2022 EUR
Fixed assets														
I. Intangible assets														
1. Concessions, industrial property rights and similar rights as well as licenses derived therefrom	0.00	284,310.45	284,310.45	5,362.04	0.00	0.00	289,672.49	71,124.67	57,068.34	0.00	128,193.01	0.00	213,185.78	161,479.48
2. Crypto currencies	0.00	36,796,140.62	36,796,140.62	0.00	0.00	14,083,686.15	22,712,454.47	2,134,934.00	12,746,012.78	0.00	14,880,946.78	0.00	34,661,206.62	7,831,507.69
	0.00	37,080,451.07	37,080,451.07	5,362.04	0.00	14,083,686.15	23,002,126.96	2,206,058.67	12,803,081.12	0.00	15,009,139.79	0.00	34,874,392.40	7,992,987.17
II. Tangible assets														
1. Land, similar rights and buildings including buildings on third-party land	0.00	10,020,244.16	10,020,244.16	2,074,538.40	62,691.89	525,859.31	11,631,615.14	167,004.06	2,272,084.61		2,439,088.67	0.00	9,853,240.10	9,192,526.47
2. Other plants, furniture and fixtures	0.00	3,902,187.49	3,902,187.49	2,284,094.74	97,528.00	480,795.70	5,803,014.53	794,471.43	1,648,633.64	-232,465.61	2,210,639.46	0.00	3,107,716.06	3,592,375.07
3. Low-value assets	0.00	0.00	0.00	1,158,970.28	5,496.67	1,164,466.95	0.00	0.00	1,158,970.28	-1,158,970.28	0.00	0.00	0.00	0.00
4. prepayments & assets under construction	0.00	217,763.38	217,763.38		-165,716.56	52,046.82	0.00	0.00	0.00	0.00	0.00	0.00	217,763.38	0.00
	0.00	14,140,195.03	14,140,195.03	5,517,603.42	0.00	2,223,168.78	17,434,629.67	961,475.49	5,079,688.53	-1,391,435.89	4,649,728.13	0.00	13,178,719.54	12,784,901.54
III. Financial assets														
1. Investments in affiliated companies	0.00	2,568,630.45	2,568,630.45	54,579,908.68	0.00	0.00	57,148,539.13	390,295.17	22,761,566.43	0.00	23,151,861.60	0.00	2,178,335.28	33,996,677.53
2. Investments in associated companies	0.00	150,000.00	150,000.00		0.00	0.00	150,000.00	0.00		0.00	0.00	0.00	150,000.00	150,000.00
	0.00	2,718,630.45	2,718,630.45	54,579,908.68	0.00	0.00	57,298,539.13	390,295.17	22,761,566.43	0.00	23,151,861.60	0.00	2,328,335.28	34,146,677.53
	0.00	53,939,276.55	53,939,276.55	60,102,874.14	0.00	16,306,854.93	97,735,295.76	3,557,829.33	40,644,336.08	-1,391,435.89	42,810,729.52	0.00	50,381,447.22	54,924,566.24

Translation

**Appendix II
to the Notes**

Changes in equity

in EUR

	Share capital	Restricted capital reverses	Non restricted capital reverses	Reserves	Profit/ loss	Total
As of 31.12.2021	35,000.00	0.00	0.00	0.00	-1,588.32	33,411.68
Capital increase 1)*	12,127.90	0.00	0.00	0.00	0.00	12,127.90
Merger BP GmbH **	0.00	212,788,418.17	65,340,720.56	0.00	0.00	278,129,138.73
As of 01.01.2022	47,127.90	212,788,418.17	65,340,720.56	0.00	-1,588.32	278,174,678.31
Capital increase 2)***	965.50	0.00	0.00	0.00	0.00	965.50
Annual loss	0.00	0.00	0.00	0.00	-116,041,241.14	-116,041,241.14
Release of capital reserves	0.00	-50,702,108.90	-65,340,720.56	0.00	116,042,829.46	0.00
As of 31.12.2022	48,093.40	162,086,309.27	0.00	0.00	0.00	162,134,402.67

* In the course of the merger, the share capital increased by EUR 12,127.90 by issuing new shares with dividend rights as of January 1, 2022.

** see explanatory notes in chapter A) General information

With the resolution of the Annual General Meeting on 18.08.2022, the share capital of SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH was increased by EUR 965.50.

MANAGEMENT REPORT

In accordance with section § 243 UGB (Austrian Commercial Code)

(Amounts in EUR)

A. BUSINESS PERFORMANCE AND ECONOMIC SITUATION

1. Business structure and economic business environment

The former Bitpanda GmbH (FN 423018 k; "Bitpanda old") was merged with SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH (FN 569240 v) retrospectively with effect from the 01.01.2022 (see the explanation in the appendix under General Information). The business will now continue under the name Bitpanda GmbH. In order to allow comparability, the previous year's figures of "Bitpanda old" are reported in the financial statements, which is possible due to the immateriality of the previous year's figures from SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH. Bitpanda GmbH was founded in 2014 as a service provider related to virtual currencies. The main benefits of a user-friendly retail investment platform were convenience and secure access to crypto assets for European retail investors with little experience, simplifying all the technical complexities related to investing and owning crypto assets. Since then, both the industry and Bitpanda have evolved greatly. Crypto assets have been widely adopted by early innovators and technology enthusiasts, while the underlying blockchain technology has been incorporated into several protocols. Furthermore, Bitpanda has already begun to use blockchain technology to lower the barriers to entry for other asset classes. The digitisation of stocks, metals and commodities makes them accessible to everyone 24/7. At the same time, Europeans increasingly understand the need to invest for their future. As a result, we are seeing retail investing take a trajectory similar to the US and UK, where retail investors are buying and trading short-, medium- and long-term investment opportunities across multiple asset classes. Driven by this trend, Bitpanda has become one of the leading investment platforms for crypto and other digital assets in Europe. With offices in several markets, the company achieved a global trading volume of more than €5 billion across all platforms in 2022. Although the tremendous growth of previous years slowed, it still marks the second-best year in Bitpanda's history in terms of trading volume and revenue. While Bitpanda's structure and business model were dominated by the broker platform in the early years, the company developed other solutions (e.g. Bitpanda Pro and Bitpanda Technology Solutions / Whitelabel) and thus became a key investment player. With the acquisition of Bitpanda Custody (formerly Trustology) in February 2022, the company structure now consists of three solutions:

- Bitpanda.com:

The broker platform for retail investors with a trusted, seamless and intuitive experience.

- Bitpanda Technology Solutions (Whitelabel):

The infrastructure solution for companies in the financial services industry that enables them to provide investment opportunities such as the Bitpanda Broker offering to their customers.

- Bitpanda Custody:

Simple and secure crypto asset storage solution developed for institutional clients. At the core of the group structure is Bitpanda's DNA as a technology company with strong development expertise and a solid infrastructure.

2. Business performance

Growth ambitions

The first months of the 2022 financial year were characterised by high growth ambitions across the industry. After achieving a record result in the company's history in 2021, Bitpanda started the year with an ambitious hyper-growth strategy to continue its scaling path. Aggressive recruitment saw a massive increase in headcount at the start of the year. The aim of this rapid and steep increase in people was to meet the expected demand for resources due to the company's growth strategy.

In February, Bitpanda acquired crypto custody provider Trustology with the aim of expanding its business to include a digital asset custody solution to increasingly target institutional clients. The UK-based company, which had 14 employees at the time, was subsequently renamed Bitpanda Custody.

Crisis

Despite the ambitious growth plans, the remaining months of the first half of the year showed a steady decline in revenue, driven mainly by a deterioration in macroeconomic conditions. Revenues fell by more than 50% between January and June 2022. One of the main drivers of this development was the outbreak of the war in Ukraine in February 2022, which led to a catastrophic humanitarian but also economic crisis. The war affected energy markets and, together with post-Covid 19 supply chain issues, inflation began to rise globally. In a time of high uncertainty and fear, central banks began to tighten monetary policy by raising interest rates. All these variables reduced investment activities and negatively affected disposable income for individuals.

The worst week in crypto history was in May 2022, which saw double-digit percentage declines across all crypto assets. Bitcoin fell almost 23% in seven days, while some of the top 10 altcoins saw losses of over 50%. This was partly caused by the collapse of the Terra ecosystem, its token LUNA and the stablecoin TerraUSD.

Driven by the macroeconomic environment and the developments in the crypto market described above, the entire industry gradually moved into a bear market, which had a significant impact on financial and commercial performance. Although the plan was to continue scaling up the business internationally and to access new markets with an aggressive expansion, Bitpanda had to change strategy very quickly. The ambitions for strong growth could not be realized, the investments in resources and staff turned out to be too high for the market demand.

Restructuring

As a measure, the management decided in June to restructure the company to adapt to the changed environment. In view of the significant decline in revenues, analyses showed that the size of the organisation was no longer sustainable, which led to a reduction in the number of staff. This difficult decision had a significant impact on our staff. In retrospect, the aggressive hyper-growth strategy was not the best strategy given the rapidly changing environment. In this mixed situation, the main focus was on improving the robustness and resilience of the company.

Efficiency and cost control#

In order to mitigate the bearish trend in the crypto industry and its impact on the financial health of the company, a strict cost control programme was implemented to optimise expenses and ensure the long-term sustainability of the company. The main purpose of this programme was to ensure complete transparency across the entire cost base and identify areas where expenses can be reduced without compromising the quality of products and services offered. A data-driven approach was used to analyse expenses and challenge cost items to identify inefficiencies or redundancies. The management team set clear cost targets and made several decisions to curb spending activities.

Despite these challenges throughout the financial year, Bitpanda remains determined to create high value for our customers and stakeholders. We are determined to optimise our expenses while continuing to deliver high quality products and services. We believe that the cost control programme will ensure long-term success and that our commitment to our customers and stakeholders will pay off.

#

Product development in the bear market

In the challenging 2022 financial year, Bitpanda has increased its focus on developing high-quality products. It has always been part of the company's DNA to create simple and secure products that allow you to invest in what you believe in. We closely monitor developments in our community and strive to constantly improve and expand the quality and scope of our service offering. In 2022, Bitpanda achieved key milestones in its product development roadmap and launched several new products. With Staking, Bitpanda offers users the opportunity to earn weekly rewards by staking assets with the click of a button. Staking allows users to participate in transaction validation on proof-of-stake blockchains, for which users are rewarded by the network. Essentially, this is the process of committing assets to a blockchain network to validate transactions. Bitpanda Staking thus allows its users to become validators for verifying new transactions added to the blockchain, as more bound assets mean a more secure network. The second new product, launched in 2022, allows users to trade cryptocurrencies with leverage. With a 2x long offering for Bitcoin and Ethereum, Bitpanda aims to provide an attractive option for investors who want to take higher risks and earn higher profits even in sideways moving markets. There are plans to expand the leveraged product on the long side to more assets, but also to introduce short products. In addition to the new products described above, Bitpanda has also introduced a new asset class on the investment platform. Bitpanda Commodities is a simple and innovative way to invest in the price movements of commodities. Investing in commodities such as oil, natural gas, aluminium, wheat and more from as little as €1 is now possible. The new asset class is a valuable addition to the existing ones and demonstrates Bitpanda's strategy to further diversify its user offering.

Within the existing and established asset classes of cryptocurrencies, equities and ETFs, Bitpanda has significantly expanded the number of offerings listed on its platform. By the end of 2022, 211 cryptocurrencies, 2,465 stocks and ETFs, and 4 different precious metals were offered. With this variety of different investment options, Bitpanda is one of the top players in its industry. The continuous expansion of the user offering again ties in with the strategy of giving everyone the opportunity to invest in what they believe in.

There were also important developments on Bitpanda's innovative "Investing-as-a-Service" infrastructure (Bitpanda Technology Solutions, formerly Bitpanda Whitelabel). This solution gives

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fintechs, traditional banks and online platforms the opportunity to offer investment opportunities such as the Bitpanda broker offering in a secure and regulated environment. In addition to improving its infrastructure offering, Bitpanda has entered collaborations with key players in the fintech world. The partnership with Italian neobank market leader HYPE has made investing possible for millions of users. In addition, Bitpanda and N26, the largest digital bank in continental Europe, have joined forces to provide their customers with access to cryptocurrency trading. Both partnerships bring Bitpanda's investment infrastructure to more people, enabling them to discover the world of investing in a simple, fast and secure way.

#

Security

The core of Bitpanda's brand positioning is to make investing safe for everyone. This becomes even more important, especially in troubled times. The collapses of Terra Luna, Three Arrows Capital, Voyager, FTX, Genesis and more have highlighted why choosing a regulated and safe investment platform is essential. Ultimately, Bitpanda remains focused on consumer protection in an industry where many unregulated competitors are vying for investors' favour and seeking to maximise revenue. Bitpanda's strategy of always focusing on safety and regulation has paid off this year, proving to the industry that they can find a trustworthy partner in us. Following the FTX scandal, management decided to engage the auditor with agreed upon procedures to show that cryptocurrency holdings in Bitpanda cold-storage exceeded all cumulative customer holdings for the top 5 cryptocurrencies. The result of the agreed upon procedures shows that the crypto funds for BTC, ETH, ADA, XRP and DOGE held in Bitpanda cold storage exceed the total customer holdings.

As Bitpanda expands internationally, the number of relevant licenses and registrations is constantly increasing to ensure full regulation and always act in the best interest of our community.

In December, Bitpanda received ISO 27001 certification and achieved another important milestone on its security agenda by demonstrating full compliance with international security standards. ISO 27001 is the internationally recognised standard for information security and provides a compliance framework that focuses on security and risk management processes. As Europe's leading investment platform and a company committed to safety and security, it was natural to aim for this, raising the bar for the entire crypto industry by building out the most secure platform on the market.

3. Branches

As of the balance sheet date, Bitpanda GmbH had a total of 10 branches throughout Europe, which are of immaterial significance in the annual financial statements of Bitpanda GmbH.

4. Significant events during the financial year

In February 2022, Bitpanda acquired **Trustology**, a UK-based company that provides custody services for wallets and during the year renamed it Bitpanda Custody. The acquisition allowed Bitpanda to expand its service offering and become a custodian of cryptocurrencies for institutional clients. The integration of Trustology's technology with Bitpanda's existing broker assets and the expansion of custody services in the UK and EU will enhance Bitpanda's offering and make the platform more attractive to institutional and individual investors. The acquisition of Trustology has

enabled DeFi functionality to be adopted and the product offering to be expanded, which will undoubtedly contribute to further growth in the future. With Bitpanda Custody, Bitpanda has a well-functioning custody service that increases security and user confidence in all its products.

5. Significant events after the financial year end

Bitpanda Pro Carve Out: Conclusion

The closing of Bitpanda Pro's Series A funding round, as well as the legal separation of Bitpanda and all regulatory approvals, were completed in March/April 2023. The technical separation of Bitpanda Pro will be completed during 2023. The reason for this step was to allow the crypto exchange to become independent, in order to grow independently from Bitpanda Broker and the entire group.

Launch of Bitpanda Technology Solutions

On 26 January 2023, Bitpanda officially launched Bitpanda Technology Solutions, an investment infrastructure that builds on its existing white label offering. As the most scalable investment infrastructure in the world, the solutions aim to enable banks, fintechs, brokers and online platforms across Europe and globally to quickly offer trading and investment services to their customers.

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The infrastructure is built as a modular system to allow our partners to choose from our features such as savings plans, asset-to-asset swaps, crypto-staking, fractional shares/ETFs, our full blockchain services and many others with an API integration, leveraging Bitpanda's extensive product range.

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MiCA Regulation

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There are no other events after the balance sheet date that have a material impact on the 2022 financial statements.

6. **Employee matters**

The organisational structure of the company is concentrated on one operating location in Vienna, but there are further office locations in other (capital) cities in Europe (e.g. Paris, London, Berlin, Amsterdam, Milan, Barcelona, Krakow).

Special attention is paid to the health of the employees. Various projects and activities are aimed at proactive health management with a focus on information and prevention.

Comprehensive budget and training programs are provided for continuing training and development. Great care is given in granting fringe benefits according to the individuals circumstances.

Bitpanda had an average of 592 employees in 2022 (2021: 389 thousand). Total personnel expenses amounted to EUR 37.4 million (2021: EUR 71.7 million).

7. **Financial performance indicators (selected key metrics)**

	Unit	<u>2022</u>	<u>2021</u>
<i>Affiliated companies</i>	<i>Number</i>	22	15
Net sales	TEUR	82,104	477,917
EBITDA ¹	TEUR	-84,542	89,205
<i>EBITDA margin</i>	%	N/A	19%
EBIT ³	TEUR	-125,186	84,660
<i>EBIT margin</i>	%	N/A%	18%
Net loss / profit for the year	TEUR	-116,041	37,454
Balance sheet total	TEUR	457,980	663,697
Equity	TEUR	162,134	278,141
<i>Equity ratio</i>	%	35.4%	42%

¹ Allocation to the PSOP provision excl.

³ Earnings before interest and taxes in relation to total capital (balance sheet total)

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Return on equity ²	%	N/A	13%
Debt capital	TEUR	294,640	384,042
<i>Debt ratio</i>	%	64.6%	58%
Return on assets ³	%	N/A	8%

Bitpanda faced several challenges in the financial year that had a very negative impact on the company's earnings situation. This was particularly due to the implosion of some important industry players, the price drops of well-known crypto assets and a negative macroeconomic situation, especially the war in Ukraine. Revenues decreased accordingly from EUR 7,880,603 thousand to EUR 2,315,832 thousand due to the lower trading volume. Material costs decreased analogously from EUR 7,560,574 thousand to EUR 2,266,163 thousand which is also related to the lower trading volume on the Bitpanda platform. As a result, the operating costs (personnel expenses, other operating expenses) could not be covered and a pre-tax result of EUR -141,800 thousand was generated. This led to a decrease in equity from EUR 278,141 thousand in 2021 to EUR 162,134 thousand in the financial year.

It should be noted that the equity ratio decreased insignificantly from 42% in 2021 to 35.4% in 2022.

The balance sheet total changed from EUR 663,697 thousand in 2021 to EUR 457,980 thousand is mainly due to a lower level of cash and cash equivalents due to low cash receipts from users as well as a lower inventory value due to the negative price development of the crypto assets. In contrast, the securities held as current assets increased by EUR 128,192 thousand compared to the previous year, which is due to an increase in volume.

Equity decreased due to the earnings situation.

On the liabilities side, the liabilities from user FIAT wallets decreased by EUR 116,484 thousand which is due to a quantitative as well as a negative price development of the crypto assets.

As an offsetting item to the securities held as current assets, the liabilities from digital securities increased by EUR 60,731 thousand which is due to an increase in volume.

Other provisions are EUR 7,213 thousand lower than in the previous year, mainly due to the lower provision for the phantom stock option programme.

B. EXPECTED DEVELOPMENT AND RISKS OF THE COMPANY

1. Expected development of the company

Bitpanda aims to become the leading European provider of retail investment and trading opportunities, intelligently combined with value-added services to create a differentiated and premium user experience. This requires a transformation from a pure retail app to an investment-as-a-service platform, empowering the trading and investment offerings of our technology partners through the Bitpanda retail broker. All of this will be accompanied by an engaging user experience, starting from the first touchpoint through to every interaction with Bitpanda. The business strategy will focus on i) building superior products, combined with ii) operational and

² Surplus after taxes in relation to average equity

³ Earnings before interest and taxes in relation to total capital (balance sheet total)

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service excellence, rounded off by iii) a strong commercial strategy for user acquisition and retention.

Building superior products.

To achieve our vision, building, as well as, operating outstanding product solutions is key to long-term success. The ambition will be achieved by (1) expanding the asset offering, (2) expanding the retail investment service offering, (3) deepening the retail investor value chain through institutional clients, (4) ensuring trust and security through regulatory innovation, and (5) enabling interactions with the coming Web3.

Operational and service excellence.

Operational and service excellence starts from the lowest level of the organisation to the top. To maximise value creation, every employee must understand how they can contribute to Bitpanda's overall goals. Ultimately, this leads to greater impact and capability of ongoing improvements. This requires competent customer service, smooth and fast operational processing and a strong compliance culture.

Initiatives in the environment.

Significant investments in customer service, a high degree of automated operational processes and the automation of manually performed processes will help to achieve these goals. In addition, Bitpanda will focus even more on implementing structured risk management and an internal control structure to meet compliance standards and grow sustainably in a highly regulated environment.

Attracting and retaining commercial users.

Bitpanda's commercial approach to attracting and retaining users - both retail and partner/institutional - needs to match the current market situation. Since the sharp market downturn in 2022, triggered by several shock waves, crypto investment has decreased significantly. Consequently, the company will work to redefine its target users and partners and focus on retaining the existing ones.

Bitpanda will continue to target regular traders as well as users investing for the first time with its retail platform. The technology solutions offering, on the other hand, will target institutional partners with many clients, while custody will focus only on B2B (especially institutions).

Establishing high-performing commercial acquisition channels (e.g. direct sales, partnerships, referrals) that are focused on performance is critical to grow in a challenging market sentiment with low cost and high impact.

Lastly, it is equally important to retain and engage existing users and partners, while at the same time striving to attract new users. Focusing on user and partner retention throughout the use of Bitpanda products will be one of our fundamental elements to differentiate ourselves from our competitors.

Bitpanda started 2023 with a focus on cost management, efficiency and improving our liquidity maturity. Crypto remains volatile and forecasting revenue growth remains challenging as it relates

to crypto's market capitalisation and asset volatility. Bitpanda is prepared to navigate through various scenarios that could occur in 2023. Success is evident from the fact that earnings figures from January 2023 to April 2023 are above plan.

In addition to cost management and efficiency, the focus is also on building superior product solutions and business models, which are also key priorities. Bitpanda will continue to make great efforts to expand its product and service portfolio quickly and with high quality.

The core of Bitpanda's strategy is to continuously address regulatory challenges, ensure security and maintain customer trust. The goal for 2023 in this regard is to further expand and strengthen the positioning by applying for new licences, further certifications and strong commitment to regulatory and compliance requirements.

2. Company exposure to principal risks and uncertainties

Bitpanda understands the importance of proper risk management and a control environment to protect customers and support the growth of the business. The business model at Bitpanda is complex and involves many risks. The Group works across all areas to ensure that risk management is a core part of Bitpanda's business processes.

Bitpanda has a risk management framework that outlines the risk universe, risk appetite, key processes and procedures, and work instructions for Bitpanda employees. This also covers Bitpanda's internal control system and notes that Bitpanda fully adopts the "Three Lines of Defence model". In addition, Bitpanda describes its governance approach, how risks are reported and progress in managing them.

Risk management process

The Group follows a structured process for identifying, assessing and managing risks. This is developed by the Group Risk Management function and adopted by staff throughout the organisation. The process comprises five key steps:

Risk identification:

Dynamic identification of all risk types in each part of the Group, with assigned risk owners and review by supervisors

Risk assessment:

Estimation of the impact and likelihood of risks on an inherent and residual basis with initial mitigation proposals.

Risk treatment and plan:

Determination risk treatment and agreement on proposed mitigation plan with the assigned "risk owner".

Risk mitigation measures:

Implementation of mitigation measures or compensatory controls already agreed by the risk owners and the mitigation plan.

Risk monitoring:

Tracking and monitoring of mitigation plans on an ongoing basis to ensure that the desired risk treatment is achieved.

Main risks include market risk, compliance risk, financial risk, operational risk and information security and data risk.

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Market risk

Market risk refers to the risk that changes in market prices - e.g. exchange rates, interest rates and equity prices - will affect the Group's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk positions within acceptable limits while optimising returns.

Exchange rate risk

Bitpanda has a foreign currency exposure of less than 10% (in CHF, GBP and USD) of its total assets. Changes in exchange rates may, therefore, have a negative impact on future financial costs, but they will be minor.

Interest rate risk

Our investment policy and strategy with respect to our cash holdings is to preserve capital and meet liquidity requirements without increasing risk. Our cash balances are allocated to our users. Changes in interest rates would have little impact on our interest income due to the short-term investment structure.

Market price risk of crypto assets

Crypto-asset price risk could adversely affect our results of operations. In particular, the future profitability of the Company could depend on the market prices of our crypto-asset prices, which, together with our operating results, could fluctuate significantly from quarter to quarter. There is no guarantee that crypto-asset prices will reflect historical trends. A decline in the market price could have a material and adverse effect on our revenues, the net realisable value of our crypto-assets and our future cash flows. This could also affect the Company's liquidity and its ability to meet its ongoing obligations.

Compliance risk

This includes the risk of not complying with required laws, regulations and rules, which could lead to problems for our clients, losses for the company or reputational damage. Some of the Group's businesses are currently unregulated, while others operate in highly regulated environments. This means that the Group is exposed to many different, albeit complementary, risks related to compliance with a wide range of laws and regulations in an increasing number of jurisdictions. Bitpanda's activities involve numerous customer transactions and therefore the Group may be exposed to criminal activity.

The Group works hard to comply with all established regulations and reduce the risk of financial misconduct in our asset classes and products. Bitpanda has zero tolerance for the loss of licences or public requirements from regulators that could limit Bitpanda's ability to support its customers. The Group's anti-financial crime practices go beyond what is required by regulators and are specifically designed to protect customers and the Group from the negative consequences of money laundering and terrorist financing.

Financial risk

Liquidity risk means that Bitpanda might not be able to meet short-term financial obligations and long-term liabilities. The Group has many different payment obligations under its business model to cover operating expenses in many areas of the Group. Bitpanda has developed policies that outline its methods for ensuring sufficient cash flows and available funding to support growth.

The main credit risk for the Group is the inability of its counterparties to meet their obligations. Bitpanda manages credit risk by working with banks and globally recognised market makers.

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Bitpanda uses externally available information as well as its own qualifications to perform credit assessments of its partners as part of the due diligence process.

Operational risk

This refers to the risk of the Group suffering losses due to inadequate or failed internal processes and systems, or due to wrong actions by employees or external events. Bitpanda relies heavily on operational processes, IT and its system architecture, while ensuring that the right people are employed in the right roles. Occasionally, these systems and processes may not function as planned, may not be in line with their intended purpose, or may be disrupted due to unexpected events such as cybercrime or human error.

Bitpanda invests significantly in strong operational and control systems to ensure that it can continue to respond to unexpected events in a timely and structured manner.

Information security and data risk

This refers to the risk of loss due to insufficient restriction of access to systems, data, misguided IT strategy, incomplete or inaccurate data in systems, including inadequate applications and inadequate or outdated technology infrastructure. As a digital asset trading platform, Bitpanda recognises that the threat of cyber security is an ongoing threat to the Group caused by access to systems or customers and their data. Bitpanda processes large amounts of customer data and must comply with specific data protection laws and regulations.

The investment in the digital platform is a primary objective and focuses heavily on building robust and secure technology that prevents data protection and security breaches.

Future uncertainties

Bitpanda is building a sustainable and resilient business model that customers can rely on for years to come. This means that Bitpanda can withstand potential downturns or significant risk areas. The operating environment and market conditions are already a high risk environment, however, recent events such as the COVID 19 pandemic have shown that the Group can manage global events where many others fail. This demonstrates the investment already made in the operating model and the flexibility to adapt to a rapidly changing environment.

Bitpanda fully recognises that there will continue to be areas of uncertainty, threats and potential vulnerabilities that could impact the Group:

- The regulatory environment is expected to change and evolve as macroeconomic conditions change. Recent events such as the pandemic have changed regulatory expectations, especially when the Group's operating model is still in flux.
- The ever-changing political landscape is a growing concern for Bitpanda, and the outcomes of ongoing conflicts in many parts of the world, including Europe, could have an impact on the customer base, not only in terms of the cost of living but also the availability of funds.
- Asset volatility is expected to persist due to the unique nature of digital assets. The assets are more sensitive than conventional FX, which means Bitpanda will constantly iterate its risk models and rethink its strategy to limit losses.

Crypto Asset Custody Risk

When crypto assets are held in custody, there is a risk of loss or theft of the private keys. Cyber threats such as hacking increase this risk. However, there are modern solutions to mitigate these risks. The decision between self-custody and third-party custody depends on individual needs and

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capabilities. Own custody offers full control but requires technical knowledge and the implementation of security measures. Bitpanda offers a secure third-party custody solution with high security standards. The platform uses a complex and secured system of hot, warm and cold wallets to reduce the risk of hacks. Secured warm and hot wallets allow quick access, but only contain a small portion of the total assets to limit risks.

Personnel risks

Staff risks are limited to a risk of failure of key persons, in particular the founder management of the company. It's the company's policy that key personnel should not be exposed to the same risks, limiting the extent of any failure scenarios.

3. Financial instruments, risks and strategies

The company generally uses an internal control system to cover various internal and external risks. Qualified experts have been engaged for the permanent further development of this system and also for the general establishment of an enterprise risk management system with corresponding corporate governance measures. A separate department was created in the finance division to actively manage treasury and market risk factors. The Operations & Risk and Compliance departments deal with the ongoing monitoring of operational risk and the creation of corresponding governance guidelines as well as ensuring compliance with these guidelines. In addition, a further new department, Regulatory Reporting, was created to take care of the transmission of data to the competent authorities and to ensure compliance with the required reporting regulations. Bitpanda's risk policy stipulates that all user funds on its platform are 100% covered by the corresponding assets and currencies.

Bitpanda GmbH attaches great importance to the conservative management of corporate risks in order to maintain the value of the business model as well as the corresponding serious market positioning.

Specifically, financial instruments (shares) are used as hedges for the Bitpanda stocks product. Bitpanda thereby enables clients to participate proportionately in individual equities and exchange traded funds (ETF) by subscribing to Bitpanda Stocks. Bitpanda Stocks are classified as non-derivative host contracts containing embedded derivatives with indefinite maturity, no maturity and no expiry date. The redemption of these shares is linked to the performance of the underlying shares and the ETF. Bitpanda is obliged to redeem the shares at any time at market value less costs.

4. Research and Development

Bitpanda GmbH does not conduct research, but does perform product development for the purpose of software development.

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Vienna, on 21 06 2023

Demuth Eric

Vienna, on 21 06 2023

Klanschek Paul

Auditor's Report

Report on the Financial Statements

Audit Opinion

We have audited the financial statements of

**Bitpanda GmbH,
Vienna, Austria,**

which comprise of the Balance Sheet as at 31 December 2022, the Income Statement for the year then ended, and the Notes.

In our opinion, the financial statements comply with the legal requirements and present fairly, in all material respects, the financial position of the Company as at 31 December 2022 and its financial performance for the year then ended, in accordance with Austrian Generally Accepted Accounting Principles.

Basis for our Opinion

We conducted our audit in accordance with Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section of our report. We are independent of the Company, in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor's report is sufficient and appropriate to provide a basis for our audit opinion on this date.

Other Matter

We would like to point out that the annual financial statements of Bitpanda GmbH (formerly: SASR Beta Achtundzwanzigste Beteiligungsverwaltung GmbH) for the financial year ending 31 December 2021 have not been audited by us or any other auditor.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Austrian Generally Accepted Accounting Principles and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Management is also responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

Moreover:

- We identify and assess the risks of material misstatements in the financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- We conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to it in our audit report to the respective note in the financial statements. If such disclosures are not appropriate or we will modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the notes, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Management Report

In accordance with Austrian company law, the management report is to be audited as to whether it is consistent with the financial statements and prepared in accordance with legal requirements.

Management is responsible for the preparation of the management report in accordance with Austrian company law.

We have conducted our audit in accordance with generally accepted standards on the audit of management reports.

Opinion

In our opinion, the management report is consistent with the financial statements and has been prepared in accordance with legal requirements.

Statement

Based on our knowledge gained in the course of the audit of the financial statements and our understanding of the Company and its environment, we did not note any material misstatements in the management report.

Engagement Partner

The engagement partner is Mr Christian Grinschgl.

Vienna, 23 June 2023

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed by:
Christian Grinschgl
Wirtschaftsprüfer
(Austrian Chartered Accountant)

This report is a translation of the original report in German, which is solely valid.

The financial statements, together with our auditor's opinion, may only be published if the financial statements and the management report are identical with the audited version attached to this report. Section 281 Paragraph 2 UGB (Austrian Commercial Code) applies.