

ETC Group to launch new ETP based on upcoming Ethereum hard fork

Holders of ETC Group's Ethereum ETP will receive units of the new EthereumPOW ETP free of charge alongside their existing ZETH holdings

London, UK, 7 Sep 2022 - ETC Group (www.etc-group.com), Europe's leading specialist provider of institutional-grade digital asset-backed securities, has announced that it will list a new exchange traded product on XETRA based on the imminent hard fork of Ethereum and ETHW (the native asset to the new ETHPoW chain). The expected listing date will be 16th September, following the fork event.

In line with its commitment to transparency and maintaining the highest standards for investors, ETC Group will issue holders of its current Ethereum ETP (Ticker ZETH), units of the new security free of charge on a 1:1 unit basis, in addition to their existing ZETH holdings which will persist and be backed by ETH as before. Details are described in the official bondholder notice available at https://etc-group.com/resources/announcements/zeth_bondholder_notice_092022.pdf.

The hard fork of Ethereum, the world's largest smart-contract blockchain, is planned for mid-September and will see it splitting into a proof-of-stake (PoS) chain and a proof-of-work (PoW) chain. The Ethereum chain with the PoS consensus mechanism will retain the seven-year-old ether (ETH), which was trading on 2 Sep at \$1,585, as its native token. The PoW chain, representing a group of miners opposing the switch to PoS, will have a new token called ETHW.

ETC Group's new physically-backed ETP based on ETHW, which will be called ETHWetc - ETC Group Physical EthereumPoW (ticker: ZETW), will list on Xetra shortly after the hard fork. When the listing is live, all holders of ETC Group's ETHetc - ETC Group Physical Ethereum (ticker: ZETH, ISIN: DE000A3GMKD7) will automatically receive securities of the new security, ZETW, on a 1:1 unit basis into their brokerage accounts.

Bradley Duke, founder and co-CEO of ETC Group comments: "When we launched ETC Group, we committed to holders of our digital asset-backed securities that they would benefit from hard forks to the underlying digital assets and cryptocurrencies. In line with this and our demonstrated leadership of the digital

asset industry, any holders of our Ethereum based ETP (ZETH) will receive, at no cost, matching units of the new Ethereum PoW ETP soon after the Ethereum Hard Fork occurs, which we're expecting around September 15. We believe that it is only right that investors in our products should receive the proceeds of this fork."

ETC Group's products offer several benefits over investing directly in the digital assets they track. Traded on regulated markets, investors can buy and sell the ETCs in the same way they would when trading conventional shares through their online broker platform or bank, and with identical regulatory protections in place. The underlying collateral is securely stored in institutional-grade custody, and investors do not require a digital wallet or related technical knowledge.

ETC Group Research has recently released a report explaining the Ethereum Merge, available at https://etc-group.com/blog/the_state_of_ethereum_the_merge/

Cryptocurrencies are highly volatile, and your capital is at risk. Disclaimer: <https://bit.ly/etcdisc>

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Notes for editors

ETC Group (www.etc-group.com) develops innovative digital asset-backed securities including [BTCetc - ETC Group Physical Bitcoin \(BTCE\)](#) and [ETHetc - ETC Group Physical Ethereum \(ZETH\)](#) which are listed on European exchanges including XETRA, Euronext, SIX, AQUIS UK and Wiener Börse. ETC Group launched the world's first centrally cleared Bitcoin exchange traded product (ETP) in June 2020 on Deutsche Börse XETRA, Europe's largest ETF trading venue. ETC Group is continuously working on expanding its suite of institutional-grade cryptocurrency backed ETPs, providing investors the opportunity to gain exposure to Bitcoin, Ethereum, Cardano, Solana and other popular digital assets on major European stock exchanges. ETC Group's securities are marketed to professional investors by HANetf.