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Leverage Shares plc

09 January 2024

Notice to the ETP Securityholders of a Meeting of the Leverage Shares -3x Short Coinbase (COIN) ETP Securities

THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF THE HOLDERS OF THE ETP SECURITIES. IF ANY ETP SECURITYHOLDER IS IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD CONSULT THEIR OWN INDEPENDENT PROFESSIONAL ADVISERS IMMEDIATELY. THIS NOTICE MAY CONTAIN INSIDE INFORMATION FOR THE PURPOSES OF THE MARKET ABUSE REGULATION (EU) 596/2014.

If you have recently sold or otherwise transferred your entire holding(s) of ETP Securities referred to below, you should immediately forward this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee

Leverage Shares PLC
2nd Floor, Block 5
Irish Life Centre
Abbey Street Lower
Dublin 1
D01 P767
Ireland

(the **"Issuer"**)

Leverage Shares -3x Short Coinbase (COIN) ETP Securities (ISIN: XS2595672465)
(together the "**Relevant Series"**)

NOTICE IS HEREBY GIVEN that the meeting of the ETP Securityholders of the Relevant Series convened by the Issuer on 8 January 2024 (the "**Original Meeting**") by Notice dated 11 December 2023 published in accordance with the terms of the Trust Deed constituting the Relevant Series was adjourned through lack of quorum and that an adjourned meeting (the "**Adjourned Meeting**") of the ETP Securityholders of the Relevant Series will be held at 2nd Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin 1, D01 P767, Ireland on 25 January 2024 at 2.50 pm Dublin time (which is not less than 14 nor more than 42 calendar days after the date of the Original Meeting). Such Adjourned Meeting will be held for the purpose of considering and, if thought fit, passing the resolution set out in Annex 1 hereto, which will be proposed as an Extraordinary Resolution, in accordance with the provisions of Schedule 6 (*Provisions for Meetings of the ETP Securityholders*) of the master trust deed originally dated 5 December 2017 as most recently amended and restated on 16 August 2022 and as supplemented by a supplemental trust deed dated 15 May 2023 (the **"Trust Deed"**) made between the Issuer and Apex Corporate Trustees (UK) Limited (the **"Trustee"**) and constituting the Relevant Series.

Capitalised terms used, but not defined, in this Notice shall have the meaning given thereto in the Conditions of the ETP Securities set out therein.

BACKGROUND

On 28 November 2023 the ETP Security Value of the ETP Securities of the Relevant Series fell below 2% of the Principal Amount.

Condition 8.5(A)(1) provides "*If on any Valuation Date (a "**Threshold Event Date**") the ETP Security Value falls to less than 2.00 per cent. of the Principal Amount of the ETP Securities… The Issuer shall give notice convening a meeting of the ETP Securityholders on a date not less than 30 calendar days after the Threshold Event Date for the purpose of considering an Extraordinary Resolution which would have the effect of reducing the Principal Amount of the ETP Securities to an amount which is not less than 2.00 per cent of the ETP Security Value as at the time of suspension of redemptions, in which event the suspension will cease only if such Extraordinary Resolution is passed*". To date, the Issuer has not suspended redemptions of ETP Securities of the Relevant Series, nor has the Issuer convened a meeting referred to in Condition 8.5(A)(1) within 30 days of the Threshold Redemption Date (the "**First Matter**").

Condition 8.7(B) provides "*if on any Valuation Date falling on or after the 60th calendar day following a Threshold Event, the ETP Security Value is less than 2.00 per cent. of the Principal Amount of such ETP Securities, the Issuer shall designate a Mandatory Redemption Date in respect of the ETP Securities*". To date, the Issuer has not designated a Mandatory Redemption Event with respect to the Relevant Series (the "**Second Matter**").

The Issuer is proposing to consolidate the ETP Securities of the Relevant Series into ETP Securities with a proportionately higher value, as detailed below. Such consolidation is reasonably expected to improve the liquidity of the ETPs of the Relevant Series for secondary market investors.

PROPOSED CONSOLIDATION OF THE ETP SECURITIES OF THE RELEVANT SERIES

The Issuer is proposing to consolidate all of the ETP Securities of the Relevant Series into ETP Securities with a proportionately larger ETP Security Value of approximately US$ 30.00 per ETP Security (the "**Target ETP Security Value**"), so that for every ETP Security of the Relevant Series held by an ETP Securityholder, they will hold a smaller number of ETP Securities after the consolidation such that the resulting ETP Security Value is as close as possible to the Target ETP Security Value. The number of ETP Securities resulting from the consolidation relative to the number of ETP Securities before the consolidation (the "**Consolidation Ratio**") would be determined by the Issuer by reference to the ETP Security Value of the Relevant Series on a Valuation Date following approval of the Consolidation, as shall be notified to ETP Securityholders, using the following formula:

Consolidation Ratio = Target ETP Security Value / V_t

Where:

V_t is the ETP Security Value on *t; and*

t is the Valuation Date determined and notified by the Issuer in accordance with the Conditions.

The Consolidation Ratio will be rounded down to the nearest full integer. If as a result of the Consolidation of the ETP Securities, an ETP Securityholder would become entitled to a fraction of an ETP Security, the Issuer will redeem such fractional ETP Security. The Issuer will notify the Consolidation Ratio and any resulting fractional shares to ETP Securityholders in accordance with the Conditions no later than two (2) Business Days immediately following V_t. (the "**Consolidation**").

ETP Securityholders should be aware that it is not proposed to amend the Principal Amount applicable to the Relevant Series proportionate to the Consolidation. As the Consolidation will result in an ETP Securityholder holding less ETPs (albeit at a proportionately higher ETP Security Value), this will impact the return an investor would receive on a Mandatory Redemption, Optional Redemption or Final Redemption (a "**Redemption Event**"), if the Principal Protection Amount is higher than the Pro-rata Liquidation amount at the time of the Redemption Event (assuming that the same number of ETPs are held at the Redemption Event as held immediately after the Consolidation).

The below examples demonstrate the impact the Consolidation would have (i) on an ETP Securityholder's economic interest in a Series of ETP Securities; and (ii) on the value of the Principal Protection Amount.

Example 1 – impact of consolidation (with no fractional ETP Securities) on an ETP Securityholder's economic interest in a Series of ETP Securities - for illustration purposes only

	# ETP Securities held by an ETP Securityholder	Hypothetical Value per ETP Security	Value economic interest
Pre consolidation effective date	600,000	US$0.006	US$3,600
Consolidation effective date	2,000 [=600,000/300]	US$1.80 [0.006*300]	US$3,600

Example 2- impact of consolidation (with fractional ETP Securities) on an ETP Securityholder's economic interest in a Series of ETP Securities– for illustration purposes only

		# ETP Securities held by an ETP Securityholder	Hypothetical Value per ETP Security	Value economic interest

Pre consolidation effective date		605,000	US$0.006	US$3,630
Consolidation effective date	New ETP Securities	2,016 [=605,000/300 rounded down]	US$1.80 [0.006*300]	US$3,628.80
	Fractional ETP Securities	200 [=605,000-(2,016*300)]	US$0.006	US$1.20

Examples 1 and 2 demonstrate in two hypothetical contexts how a consolidation would have no impact on an investor's economic interest in a Series of ETP Securities.

Example 3 – impact of consolidation on the Principal Protection Amount – for illustration purposes only

	# ETP Securities	Principal Amount	Principal Protection Amount per ETP Security	Total Value of Principal Protection Amount
Pre consolidation	600,000	US$20	US$0.40 [2% of $20]	US$240,000 [600,000*$0.40]
Post consolidation	2,000	US$20	US$0.40 [2% of $20]	US$800 [2,000*$0.40]

Example 3 illustrates in a hypothetical context the impact a consolidation would have on the total value of the Principal Protection Amount. The Principal Protection Amount is relevant as it would be the amount payable per ETP Security on a Redemption Event in circumstances where the Principal Protection Amount is higher than the Pro-rata Liquidation amount. Such a scenario might arise where a significant decrease in the value of the Reference Asset underlying the Relevant Series has occurred.

The Consolidation would be effected by a deed supplemental to the Trust Deed prepared by the Issuer and in such form as the Issuer considers necessary, appropriate or expedient to give effect to the Consolidation (the "**Consolidation Supplemental Trust Deed**").

PROPOSAL

The purpose of the Adjourned Meeting is for the ETP Securityholders to consider and, if thought fit, approve the Consolidation and to waive any breaches of the Conditions which have occurred to date in relation to the First Matter and the Second Matter (the **"Proposal"**):

The Issuer is aware of 2 holders of ETP Securities, together holding 2000 ETP Securities of the Relevant Series, who have indicated their intention to vote in favour of the Proposal. Accordingly, if such indications are correct and if no other ETP Securityholders of the Relevant Series choose to vote, it is anticipated that the Proposal will ultimately be approved.

If the Proposal is approved by the Adjourned Meeting, the Consolidation would become effective on such date as shall be notified to the ETP Securityholders of the Relevant Series by the Issuer.

FORM OF THE EXTRAORDINARY RESOLUTION

The resolution that will be put to the ETP Securityholders of the Relevant Series at the Adjourned Meeting in order to pass the Proposal is set out in Annex 1 hereto. The Proposal is set out in a single Extraordinary Resolution.

DOCUMENTATION

The Trustee has not been involved in the formulation or negotiation of the Proposal (as defined herein) and, in accordance with normal practice, the Trustee expresses no opinion on the merits of the Proposal (which it was not involved in negotiating) or the Extraordinary Resolution (as set out herein) and no opinion on whether the ETP Securityholders would be acting in their best interests voting for or against the Proposal or the Extraordinary Resolution but on the basis of the information contained in this Notice has authorised it to be stated that it has no objection to the Extraordinary Resolution being submitted to the ETP Securityholders for their consideration. The Trustee makes no representation that all relevant information has been disclosed to the ETP Securityholders in connection with the Proposal in this Notice or otherwise. The Trustee is not responsible for the accuracy, completeness, validity or correctness of the statements made in this Notice or omissions therefrom. Nothing in this Notice should be construed as a recommendation to the ETP Securityholders from the Trustee to vote in favour of, or against, any of the Proposal or the Extraordinary Resolution. The Trustee recommends that the ETP Securityholders take their own independent professional advice on the merits and the consequences of voting in favour of, or against, each of the Extraordinary Resolution and the Proposal.

No person has been authorised to make any recommendation on behalf of the Issuer, the Trustee or the Issuing and Paying Agent as to whether or how the ETP Securityholders should vote pursuant to the Proposal. No person has been authorised to give any information, or to make any representation in connection therewith, other than those contained herein. If made or given, such recommendation or any such information or representation must not be relied upon as having been authorised by the Issuer, the Trustee or the Issuing and Paying Agent.

This Notice is issued and directed only to the ETP Securityholders of the Relevant Series and no other person shall, or is entitled to, rely or act on, or be able to rely or act on, its contents.

Each person receiving this Notice must make its own analysis and investigation regarding the Proposal and make its own voting decision, with particular reference to its own investment objectives and experience, and any other factors which may be relevant to it in connection with such voting decision. If such person is in any doubt about any aspect of the Proposal and/or the action it should take in respect of it, it should consult its professional advisers.

QUORUM AND VOTING

The provisions governing the convening and holding of the Adjourned Meetings are set out in Schedule 6 to the Trust Deed (*Provisions for Meetings of ETP Securityholders*).

Quorum

The quorum required at the Adjourned Meeting called to pass the Extraordinary Resolution is two or more ETP Securityholders or agents present in person holding or representing ETP Securities, whatever the number of ETP Securities so held or represented.

If a quorum is not present within 15 minutes from the time initially fixed for the Adjourned Meeting, the Adjourned Meeting will be dissolved.

Voting

The provisions for meetings of the ETP Securityholders is set out in Schedule 6 of the Master Trust Deed. A holder of an ETP Security may appoint a proxy in accordance with the relevant rules and procedures of the Relevant Clearing System.

In order to exercise voting instructions an ETP Securityholder must request the Relevant Clearing System to block the ETPs of the Relevant Series in his own account and to hold the same to the order or under the control of a Paying Agent not later than 48 hours before the time fixed for the Adjourned Meeting in order to give voting instructions to the relevant Paying Agent in respect of the votes attributable to the blocked Relevant ETP Securities. Unless an ETP Securityholder instructs otherwise, the chairman of the Adjourned Meeting shall be deemed to be appointed as the ETP Securityholder's proxy for the Adjourned Meeting. The Relevant ETP Securities so blocked will not be released until the earlier of (i) the conclusion of the Adjourned Meeting; and (ii) in respect of a form of proxy, not less than 48 hours before the time for which the Adjourned Meeting is convened or the revocation of such form of proxy where notice of such revocation has been given to the relevant Paying Agent. Any voting instructions received by the Registrar with respect to the Original Meeting, shall, unless revoked in accordance with the provisions set out herein, remain valid for the Adjourned Meeting.

Voting instructions must therefore be received by the Registrar by 2.50 pm on Tuesday, 23 January 2024. The deadlines set by any intermediary, broker, dealer, commercial bank, custodian, trust company or other nominee institution and each Relevant Clearing System for the submission and (in the limited circumstances where permitted) revocation of voting instructions may be earlier than the relevant deadlines specified above. You should check with your relevant custodian or nominee immediately to understand what earlier deadlines are set by your nominee institution or institutions.

Any proxy so appointed or representative so appointed shall so long as such appointment remains in full force be deemed, for all purposes in connection with the Adjourned Meeting of the ETP Securityholders, to be the holder of the ETP Securities to which such appointment relates and the holder of the ETP Securities shall be deemed for such purposes not to be the holder or owner, respectively.

Each question submitted to the Adjourned Meeting shall be decided by a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the

chairman, the Issuer, the Trustee or one or more persons representing 2 per cent. of the aggregate number of the ETP Securities outstanding.

Unless a poll is demanded, a declaration by the chairman that a resolution has or has not been passed shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against it.

If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairman directs. The result of the poll shall be deemed to be the resolution of the Adjourned Meeting as at the date it was taken. A demand for a poll shall not prevent the Adjourned Meeting continuing for the transaction of business other than the question on which it has been demanded.

A poll demanded on the election of a chairman or on a question of adjournment shall be taken at once.

On a poll, every such person has one vote in respect of each ETP Security of such Series of ETP Securities so produced or represented by the voting certificate so produced or for which he is a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.

To be passed at the Adjourned Meeting, an Extraordinary Resolution requires a majority of at least 75 per cent. of the votes cast.

An Extraordinary Resolution shall be binding on all the ETP Securityholders, whether or not present at the Adjourned Meeting and each of them shall be bound to give effect to it accordingly. The passing of an Extraordinary Resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Extraordinary Resolution to ETP Securityholders within 14 calendar days but failure to do so shall not invalidate such an Extraordinary Resolution.

Subject to the quorum for the Adjourned Meeting being satisfied and the Extraordinary Resolution being passed at the Adjourned Meeting by a majority of at least 75 per cent. of the votes cast and all relevant documents being executed, the Proposal will become effective and the ETP Securityholders will be notified thereof by the Issuer in accordance with the Conditions.

This notice is given by:

Leverage Shares plc

Dated 09 January 2024

Contact details:

Apex IFS Limited
2nd Floor, Block 5
Irish Life Centre
Abbey Street Lower
Dublin 1
D01 P767

ANNEX 1

FORM OF EXTRAORDINARY RESOLUTION

"THAT this meeting of the holders of the Leverage Shares -3x Short Coinbase (COIN) ETP Securities of Leverage Shares plc currently outstanding (the **"ETP Securityholders"**, the **"ETP Securities"** and the **"Issuer"** respectively) constituted by the master trust deed originally dated 5 December 2017 as most recently amended and restated on 16 August 2022 and as supplemented by a supplemental trust deed dated 15 May 2023 (the **"Trust Deed"**) made between, among others, the Issuer and Apex Corporate Trustees (UK) Limited (the **"Trustee"**) as trustee for the ETP Securityholders hereby resolves by way of Extraordinary Resolution to:

1. assent to the Consolidation and to waive any breach or default of the Conditions or any of the Programme Documents occurring up to the date hereof which has arisen in relation or as a consequence of the First Matter and/or the Second Matter (collectively the "**Proposed Amendments**") and authorise and direct the Trustee to concur and agree to the Proposed Amendments and authorise and direct the Trustee and the Issuer, where applicable, to execute the Consolidation Supplemental Trust Deed (the matters referred to above, the "**Proposal**");

2. sanction every abrogation, modification, variation, compromise or arrangement in respect of the rights of the ETP Securityholders appertaining to the ETP Securities, whether or not such rights arise under the Trust Deed, involved in or resulting from or effected by the Proposal and its implementation;

3. authorise, direct, request and empower the Trustee and the Issuer to concur in the Proposal and, in order to give effect thereto and to implement the same, to execute the Consolidation Supplemental Trust Deed and to execute and do, all such other deeds, instruments, acts and things as may be necessary, expedient, desirable or appropriate to carry out and give effect to this Extraordinary Resolution and the implementation of the Proposal;

4. discharge and exonerate the Trustee and the Issuer from all and any liability for which they may have become or may become responsible under the Trust Deed or the ETP Securities in respect of any act or omission in connection with the Proposal, its implementation or this Extraordinary Resolution and its implementation;

5. irrevocably and unconditionally waive any claim that we may have against the Trustee as a result of anything done or omitted to be done by the Trustee in good faith in connection with this (i) Extraordinary Resolution, (ii) the Consolidation, (iii) the Consolidation Supplemental Trust Deed, (iv) the Proposed Amendments and/ or (v) the Proposal;

6. indemnify the Trustee, on demand, against any cost, loss or liability incurred in connection with (i) any act (or omission to act) or step implementing this Extraordinary Resolution, (ii) the Consolidation, (iii) the Consolidation Supplemental Trust Deed, (iv) the Proposed Amendments and/ or (v) the Proposal; unless such cost, loss or liability has been caused by the Trustee's fraud, gross negligence or wilful default; and

7. acknowledge that capitalised terms used in this Extraordinary Resolution have the same meanings as those defined in the Notice of Adjourned Meeting and/ or the Trust Deed (including the Conditions of the ETP Securities), unless otherwise defined herein or unless the context otherwise requires."