

Next generation index investing for crypto assets

Tracker Certificate on the SEBAX® Crypto Asset Select Index

Product Description

The product is a tracker certificate on SEBA Bank's proprietary cryptocurrency index – the SEBAX® Index. The SEBAX® Index offers investors a diversified cryptocurrency market exposure while optimizing overall risk by applying advanced quantitative methods. The product is intended for investors who have a long-term positive view on the overall crypto market. The product's exposure is physically backed by the underlying coins of the index.

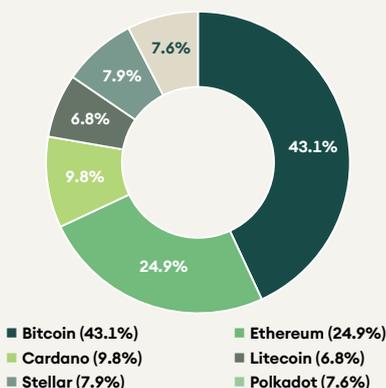
2 YEAR
ANNIVERSARY
SEBAX®



SEBAX® Index ETP Key Facts

ISIN	CH0568452707
Ticker Symbol	SEBAX
Issuer	SA1 Issuer Limited, Guernsey, a non-cellular company incorporated with limited liability under the laws of Guernsey. Registration No. 66982
SVSP Category	Tracker Certificate (1300)
Custodian, Broker	SEBA Bank AG, Zug, Switzerland, licensed as a bank under the Federal Banking Act and as securities dealer under the Federal Stock Exchange Act by the Swiss Financial Market Authority (FINMA)
Issue Currency	USD
Maturity	Open-end
Eligible Investors	Public Distribution (CH), Retail investors in Switzerland, otherwise qualified investors. Not to be offered or sold in the USA or to US persons
Index Administrator	MV Index Solutions Frankfurt am Main, Germany
Listing	SIX Swiss Exchange
Fees	1.5% p.a. all-in fee

SEBAX® Index weightings after rebalancing on 30 November 2021

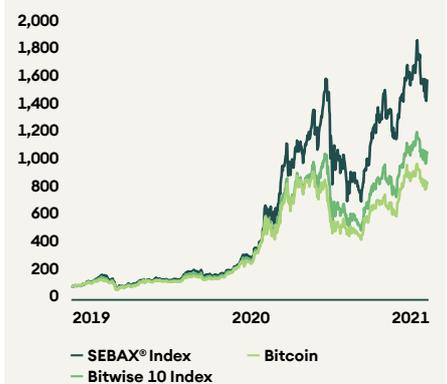


Last available NAV (30.11.2021): USD 55.67

Performance since inception in USD (Backtest & Live)



Performance since certificate launch in USD



Source: MVIS, SEBA Bank as of 30.11.2021. Historical data are not a reliable indicator for future performance.

November

Just as investors were gearing up for a year-end rally, news about the Omicron variant hit markets and erased November's gains. There was a brief glimpse of hope that – similarly to when the Delta variant emerged – the markets would quickly recover in a V-shape fashion. However, Stéphane Bancel – CEO of Moderna – dented these hopes in a public interview which in turn rattled financial markets further. Mr. Bancel's prediction is that due to the high number of mutations on the spike proteins, existing vaccines will likely be much less effective against the Omicron variant and that it would take several months before an Omicron-specific vaccine could be produced at scale. In a later interview Pfizer CEO Albert Bourla stated confidence in the efficacy company's Covid treatment pill, but this news failed to calm markets. Adding fuel to this fire, surging inflation in the US and the Eurozone is likely to severely constrain central banks in their policy responses to renewed lockdown measures. The US Fed Chair commented on the new variant, saying that it poses a threat to the central bank's dual mandate to achieve price stability and maximum employment. US CPI data has increased by 6.2% in October while German inflation is set to surpass the 5% threshold in November – for both countries the highest increase in almost three decades. The S&P 500 and Eurostoxx 50 closed the month down -0.8% and -4.4% respectively.

After a strong October, which was the best month since the beginning of 2021, November has been a mixed bag for cryptocurrencies. The total market cap crossed a new all-time high of USD 3 trillion for the first time, only to be followed by market corrections in the second half of the month. While the broader market measured by the Bitwise-10 index posted only small losses of -1.4%, most coins dropped significantly from their recent all-time highs. Bitcoin dropped 5.4%.

Despite the successful conclusion of its first two parachain auctions Polkadot lost -8% over the course of the month. Ethereum was the coin that stood out in November, posting a gain of 12%. Part of this price increase may be related to the latest Ethereum Improvement Proposal (EIP) which aims to significantly decrease transaction costs while avoiding network congestion. The Bitcoin network received its long-anticipated 'Taproot' upgrade on 14 November, after almost four years of development. It sets out to make transactions fungible, improve the network's privacy & scalability by reducing the transaction data to be recorded on the blockchain. The impact of the upgrade will only be known in the long term, as more ecosystem participants start implementing and building on Taproot. However, the upgrade did not have significant impact on BTC's price.

SEBAX® Index Methodology

This Factsheet contains a summary description of the main terms of the Tracker Certificate on SEBA Crypto Asset Select Index. Once the product is issued, the final terms and conditions, which are the only legally binding terms and conditions, will be set out in the final Termsheet. This Factsheet must be read in conjunction with the Termsheet, which shall be the sole determining and binding documentation. In case of any inconsistency between this Factsheet and the Termsheet, the Termsheet shall prevail.

SEBA Crypto Asset Select Index (SEBAX®) is a proprietary index of SEBA Bank AG, a licensed and supervised financial service provider specialised in digital assets.

The index methodology is based on three key elements:

- Selection**
Qualitative and quantitative filters to define the eligible universe with emphasis on safety, technical reliability and tradability. The eligible universe consists of at least five constituents and is monitored on an ongoing basis.
- Weighting**
Quantitative rules to allocate the optimal weight to each constituent based on a modified risk-parity approach. The approach limits concentration into single digital assets and ensures optimal diversification.
- Rebalancing**
Monthly rebalancing to reset the weights of the constituents to their dynamic target allocations. The rebalancing is executed according to defined price fixing rules.



seba.swiss

The performance of the SEBAX® index was effectively flat over the month of November (-0.4%), thereby outperforming Bitcoin by 5%-points. The SEBAX® index tracker now has a 2-year live track record, a unique feature in this new asset class. Over this period, the SEBAX® has outperformed Bitcoin and all other major multi-coin indices. YTD, the index has returned 272.6% and therefore outperformed Bitcoin by 172%-points and 119.5%-points vs. the broad market measured by the Bitwise Index. Just in time for our 2-year anniversary we are delighted to announce that the SEBAX® ETP has been awarded “ETP of the Year” by Xenix and finanzen.ch. The Swiss ETF Awards 2022 honor ETFs and ETPs listed in Switzerland during 2021 across seven categories. The SEBAX® ETP was selected as “Best ETP of the Year”, trumping nominations from well-known Swiss and global ETP providers. The winner was judged on the criteria of excellence in delivery, innovation, and customer impact.

Performance & Risk metrics of the SEBAX® Index

Cumulative performance (in %)

	MTD	YTD	1 Year	Since certificate launch 12/2019
SEBAX® Index (USD)	-0.4%	272.6%	380.2%	1504.8%
Bitwise Index (USD)	-1.4%	153.1%	247.7%	981.2%
Bitcoin (USD)	-5.4%	100.6%	193.8%	754.5%

Key risk metrics (since certificate launch)

	Volatility	Sharpe Ratio	Maximum Drawdown	Value at Risk (95%, 30 days)
SEBAX® Index (USD)	81.7%	3.8	-55.9%	-30.1%
Bitwise Index (USD)	76.2%	3.1	-54.7%	-29.0%
Bitcoin (USD)	74.0%	2.7	-52.8%	-29.2%

Contact details

SEBA Bank AG

Kolinplatz 15 in 6300 Zug, Switzerland
Email: clientmanagement@seba.swiss
Phone: +41 41 552 64 90
www.seba.swiss

Disclaimer

The content of this Monthly Update must be read in conjunction with the termsheet, which shall be the sole determining and binding documentation. In case of any inconsistency between the monthly update and the termsheet, the termsheet shall prevail.

This document has been prepared by SEBA Bank AG (“SEBA”) in Switzerland. SEBA is a Swiss bank and securities dealer with its Head Office and legal domicile in Switzerland. It is authorized and regulated by the Swiss Financial Market Supervisory Authority (FINMA). This document is published solely for information purposes; it is not an advertisement nor is it a solicitation or an offer to buy or sell any financial investment or to participate in any particular investment strategy. This document is for distribution only under such circumstances as may be permitted by applicable law. It is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or would subject SEBA to any registration or licensing requirement within such jurisdiction. No representation or warranty, either express or implied, is provided in relation to the accuracy, completeness or reliability of the information contained in this document, except with respect to information concerning SEBA. The information is not intended to be a complete statement or summary of the financial investments, markets or developments referred to in the document. SEBA does not undertake to update or keep current the information. Any statements contained in this document attributed to a third party represent SEBA’s interpretation of the data, information and/or opinions provided by that third party either publicly or through a subscription service, and such use and interpretation have not been reviewed by the third party. Any prices stated in this document are for information purposes only and do not represent valuations for individual investments. There is no representation that any transaction can or could have been effected at those prices, and any prices do not necessarily reflect SEBA’s internal books and records or theoretical model-based valuations and may be based on certain assumptions. Different assumptions by SEBA or any other source may yield substantially different results. Nothing in this document constitutes a representation that any investment strategy or investment is suitable or appropriate to an investor’s individual circumstances or otherwise constitutes a personal recommendation. Investments involve risks, and investors should exercise prudence and their own judgment in making their investment decisions. Financial investments described in the document may not be eligible for sale in all jurisdictions or to certain categories of investors. Certain services and products are subject to legal restrictions and cannot be offered on an unrestricted basis to certain investors. Recipients are therefore asked to consult the restrictions relating to investments, products or services for further information. Furthermore, recipients may consult their legal/tax advisors should they require any clarifications. SEBA and any of its directors or employees may be entitled at any time to hold long or short positions in investments, carry out transactions involving relevant investments in the capacity of principal or agent, or provide any other services or have officers, who serve as directors, either to/for the issuer, the investment itself or to/for any company commercially or financially affiliated to such investment. At any time, investment decisions (including whether to buy, sell or hold investments) made by SEBA and its employees may differ from or be contrary to the opinions expressed in SEBA research publications. Some investments may not be readily realizable since the market is illiquid and therefore valuing the investment and identifying the risk to which you are exposed may be difficult to quantify. Investing in digital assets including crypto assets as well as in futures and options is not suitable for every investor as there is a substantial risk of loss, and losses in excess of an initial investment may under certain circumstances occur. The value of any investment or income may go down as well as up, and investors may not get back the full amount invested. Past performance of an investment is no guarantee for its future performance. Additional information will be made available upon request. Some investments may be subject to sudden and large falls in value and on realization you may receive back less than you invested or may be required to pay more. Changes in foreign exchange rates may have an adverse effect on the price, value or income of an investment. Tax treatment depends on the individual circumstances and may be subject to change in the future. SEBA does not provide legal or tax advice and makes no representations as to the tax treatment of assets or the investment returns thereon both in general or with reference to specific investor’s circumstances and needs. We are of necessity unable to take into account the particular investment objectives, financial situation and needs of individual investors and we would recommend that you take financial and/or tax advice as to the implications (including tax) prior to investing. Neither SEBA nor any of its directors, employees or agents accepts any liability for any loss (including investment loss) or damage arising out of the use of all or any of the information provided in the document. This document may not be reproduced or copies circulated without prior authority of SEBA. Unless otherwise agreed in writing SEBA expressly prohibits the distribution and transfer of this document to third parties for any reason. SEBA accepts no liability whatsoever for any claims or lawsuits from any third parties arising from the use or distribution of this document.

© SEBA Bank AG, Kolinplatz 15, 6300 Zug, 2021. All rights reserved.