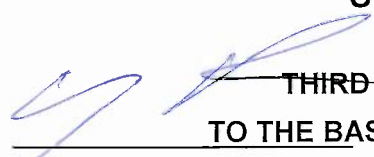


Supplement to Base Prospectus



~~THIRD SUPPLEMENT DATED OCTOBER 7, 2020~~
TO THE BASE PROSPECTUS DATED NOVEMBER 13, 2019

Hany Rashwan
Chairman of the Board



21Shares AG

(incorporated in Switzerland)

Exchange Traded Products Programme

This third supplement (the **Supplement**) to the Base Prospectus dated November 13, 2019 (the **Base Prospectus**), is prepared in connection with the Exchange Traded Products Programme established by 21Shares AG (the **Issuer** or **21Shares**). Capitalized terms used but not defined herein have the meanings assigned to such terms in the Base Prospectus.

The Base Prospectus has been registered as an issuance program for the listing of exchange traded products (the **ETPs** or the **Products**) on the SIX Swiss Exchange in accordance with the listing rules of the SIX Swiss Exchange. This Supplement constitutes a supplement to the Base Prospectus for purposes of Article 12 of the Directive on the Procedures for Exchange Traded Products (**DPETP**) issued by SIX Exchange Regulation AG. In accordance with article 109 of the Swiss Financial Services Ordinance, this Supplement has been prepared in compliance with the Listing Rules of SIX Swiss Exchange in their version dated November 8, 2019 and in force as of January 1, 2020. Consequently, this Supplement has not been and will not be reviewed or approved by a Swiss review body pursuant to article 51 of the Swiss Financial Services Act (the **FinSA**), and does not comply with the disclosure requirements applicable to a supplement approved by such a review body under the FinSA.

This Supplement is supplemental to and should be read in conjunction with the Base Prospectus and the First Supplement to the Base Prospectus dated February 17, 2020 and the Second Supplement to the Base Prospectus dated July 27, 2020. To the extent that there is any inconsistency between (i) any statement in this Supplement and (ii) any other statement in or incorporated by reference into the Base Prospectus, as supplemented prior hereto, the statements in this Supplement will prevail.

The Issuer assumes responsibility pursuant to article 27 of the listing rules of the SIX Swiss Exchange and section 5 of Scheme G thereunder for the content of this Supplement and declares that the information contained in the Base Prospectus, as supplemented by the First Supplement, and supplemented by the Second Supplement is, to the best of its knowledge, correct and no material facts or circumstances have been omitted therefrom.

AMENDMENTS TO THE "RISK FACTORS" SECTION

The sub-section "*Risk Factors Relating to Specific Underlying or Underlying Components*", the following should be added to the end of this sub-section of the Base Prospectus:

Risks Specific to Cosmos (ATOM)

Technology Risks: Cosmos was designed to solve today's hardest blockchain problems – scalability, usability, and interoperability. As a result, there is a risk that some of the innovations that Cosmos has designed, such as their use of a special consensus algorithm called 'Tendermint Consensus' could have currently-unknown flaws, bugs, or inefficiencies which damage the long-term viability of the crypto asset.

Usage Risks: Cosmos has a number of competitors such as Polkadot – which is attempting to build a similar 'network for blockchains' –, moreover, smart contract platforms like Ethereum, Tezos, and EOS can also be seen as competitors due to the similar functionality which is possible on the two networks and their focus on finding ways to also improve their own scalability and interoperability. Each competitor is tackling the problem of scaling in various different ways and there is the risk that Cosmos' solution to the problem turns out to be suboptimal compared to others. If this is the case there is the risk the use of Cosmos will be diverted away to its competitors over time; in such a scenario this would damage the long-term value of the ATOM cryptocurrency.

Control Risks: Cosmos' Tendermint consensus algorithm works in such a way that validators – the equivalent of Bitcoin miners, those who propose blocks within Cosmos Hub and other blockchains on Cosmos – must hold ATOM in order to propose blocks. As a result, there is the risk that if a bad actor controls a large proportion of the ATOM supply they could negatively influence transaction processing and the block proposal system within Cosmos. This would negatively affect the value of Cosmos Network and therefore negatively affect the long-term value proportion of the ATOM cryptocurrency.

Risks Specific to Polkadot (DOT)

Technology Risks: Polkadot is a brand-new cryptoasset whose blockchain only recently went live (as of September 2020); given this and the novel consensus mechanism that it employs, there are larger technology risks than older and more established projects. If the blockchain is found to have serious issues which, however unlikely, harms the ability for it to carry out its function, this fact could damage the valuation of Polkadot.

Usage Risks: Polkadot is a new blockchain which aims to compete with other smart contract platforms such as Ethereum and Cosmos. Currently, the usage the blockchain has seen drastically pales in comparison to the much-older blockchain of Ethereum. The long-term valuation of Polkadot is contingent on its ability to garner significant usage and siphon a significant amount of users and developers from Ethereum in particular — however this is not a guarantee.

Control Risks: Polkadot's transactions and blocks are processed by entities called Validators who are analogous to miners in Bitcoin or Ethereum. The security of the network is proportional to the amount of DOTs which are used by validators to stake on the network and this is what ensures that the network is never controlled by a malicious actor. Such a situation would have a significant negative impact on the long-term investment viability of the network.

Copies of this Third Supplement, as well as of the Base Prospectus, as supplemented by the First Supplement, as supplemented by the Second Supplement and as supplemented by this Third Supplement, are available, free of charge from 21Shares AG, Dammstrasse 19, 6300 Zug, Switzerland, or via e-mail etp@21shares.com.