Key Information Document (KID) - ETH.EXANTE CFD

I. Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and help you compare it with other products. You are advised to read it so you can make an informed decision about whether to invest.

II. Product

Product name: ETH.EXANTE CFD

Product provided by: XNT LTD., a company registered in Malta and regulated by the Malta Financial Services Authority.

Additional Information: For more information, please refer to our corporate website xnt.mt. This KID was created on 01.01.2018 / last updated on 11.11.2020. (Version 1.2)

Alert

You are about to invest in a product that is not simple and may be difficult to understand.

III. What is this product?

Type: The product is a Contract for Difference' ("CFD"). It allows you an indirect exposure to ETH.EXANTE FUND - Pacific Liberty SPC Bitcoin SP, share class H5. You will have no direct interest in the underlying fund. Accordingly, you can make gains or suffer losses as a result of price or value movements in relation to the underlying fund to which you have the indirect exposure. The Pacific Liberty SPC Bitcoin SP, share class H5 fund tracks the price of the Ethereum (ETH) cryptocurrency. A cryptocurrency is a digital or virtual asset that is not issued or backed by a central bank or government. The price of the cryptocurrency is based on supply and demand and can be derived from specific crypto exchanges where cryptocurrencies are traded.
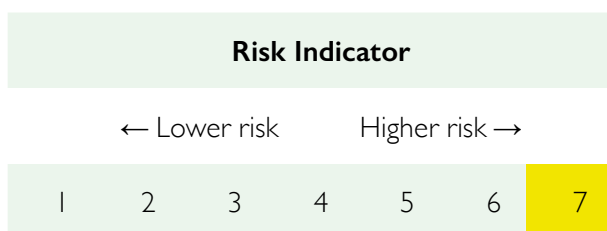
XNT LTD. is incorporated as a Limited Liability Company under the laws of Malta. Registration number: C 52182.
XNT LTD. is authorised to provide the Investment Services by the MFSA. Licence No.:IS/52182.

1
v 1.0/04.21

Objectives: The objective of CFD on ETH.EXANTE FUND - Pacific Liberty SPC Bitcoin SP, share class H5 is to gain leveraged exposure to fluctuations (generally on the short term) related to the performance of class H5 shares and its underlying instruments. Your return depends on the size of the performance (or movement) of the underlying fund and the size of your position. This product is commonly traded on margin. Margin refers to the use of an initial amount of capital to support an investment of a larger exposure. Please note that margin/leveraged trading requires extra caution, because whilst you can realize large profits if the price moves in your favor, you risk extensive losses if the price moves against you. As an example, if an investor buys 10 ETH.EXANTE CFD with an initial margin of 50% and the underlying fund price of 450 USD, the minimum margin requirements will be 2,250 USD (450 USD x 50% x 10). The effect of leverage, in this case 2:1 (or 50%), has resulted in a position value of 4,500 USD (2,250 USD/50%). This means that for each 1 point change in the price of the underlying fund the value of the ETH.EXANTE CFD changes by 1 USD. So, if the investor is long and the market price increases, a 1 USD profit will be made for every one point increase of the price. However, if the market price decreases, a 1 USD loss will be incurred for each point the market decreases. If an investor holds a short position, a profit is made when market price decreases and a loss is incurred when market price increases. ETH.EXANTE CFD does not have a pre-defined maturity date and there is no recommended holding period. it is down to the discretion of each individual investor to determine the most appropriate holding period based on their own individual trading strategy and objectives. If the position is opened on margin, failure to deposit additional funds in the case of negative price movement may result in the ETH.EXANTE CFD position being closed.

Intended retail investor: This product is not appropriate for all Retail Clients. It is intended for investors who have knowledge of, or are experienced with, leveraged products, understand that by investing in this product, they could lose some or all of their investment, accept the risk of losing some or all of their investment in exchange for the potential of higher return, understand that the underlying asset can be highly volatile and the value of the product may change frequently and therefore investors should have sufficient time to monitor and manage their investments, have experience trading this or similar products and understand that trading this product will include fees that will reduce the profitability of the investment the longer the product is held.

Insurance benefits: This product offers no insurance benefits or capital protection.

IV. What are the risks and what could I get in return?

Risk Indicator						
← Lower risk				Higher risk →		
1	2	3	4	5	6	7

There is no recommended or minimum holding period for this product. The risk indicator should be used to compare this product to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

XNT LTD. is incorporated as a Limited Liability Company under the laws of Malta. Registration number: C 52182.
XNT LTD. is authorised to provide the Investment Services by the MFSA. Licence No.:IS/52182.

2
v 1.0/04.21

We have classified this product as 7 out of 7, representing the highest risk class. The level 7 indicates that the potential losses from future performance of the product at a very high level. And it assumes that you may not be able to buy or sell ETH.EXANTE CFD at a price you wanted due to the volatility of the market or you may have to buy or sell ETH.EXANTE CFD at a price that significantly impacts how much you get back.

- Currency risk: **The currency you trade ETH.EXANTE CFD in may be different from your domestic currency. In this case, be aware of currency risk.** The final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

- Underlying asset class risk: The product tracks the fund's underlying cryptocurrency, which is traded on various crypto exchanges and is generally characterized by high risk, but which also allows for the opportunity of high returns. The product can be expected to have large fluctuations due to the nature of the underlying asset class.

- Capital protection risk: This product does not include any protection from future market performance so you could lose some or the entire amount you invest. If the XNT LTD. is not able to pay you what is owed, you could lose the amount you have invested.

Performance scenarios

The scenarios shown below illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you hold the product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where the XNT LTD. is not able to pay you.

The scenarios in Table 1 are based on the following assumptions:

ETH.EXANTE (USD) (held intraday*)		
Opening price (USD)	P	450
Trade size (number of CFD)	TS	10
Position value (USD)	PV=P*TS	4,500

XNT LTD. is incorporated as a Limited Liability Company under the laws of Malta. Registration number: C 52182.
XNT LTD. is authorised to provide the Investment Services by the MFSA. Licence No.:IS/52182.

3
v 1.0/04.21

Table 1 (Performance scenarios)

Scenario LONG* ETH. EXANTE CFD	Opening Price	Closing Price	% Price Change	P/L before costs	Costs***	P/L after costs
Favourable	450.00	483.75	+7.50%	337.50	-23.34	314.16
Moderate	450.00	461.25	+2.50%	112.50	-22.78	89.72
Unfavourable	450.00	416.25	-7.50%	-337.50	-21.66	-359.16
Stress	450.00	337.50	-25.00%	-1125.00	-19.69	-1144.69
Scenario SHORT ETH. EXANTE CFD**	**Opening Price**	**Closing Price**	**% Price Change**	**P/L before costs**	**Costs***	**P/L after costs**
Favourable	450.00	416.25	-7.50%	337.50	-21.66	315.84
Moderate	450.00	438.75	-2.50%	112.50	-22.22	90.28
Unfavourable	450.00	483.75	+7.50%	-337.50	-23.34	-360.84
Stress	450.00	562.50	+25.00%	-1125.00	-25.31	-1150.31

*If the long position is held overnight, the safekeeping fee is payable daily at the rate of 0.009722% which is equal to 1/360 of APR 3.50% of the position value at the end of the day.

**If the short position is held overnight, the short position fee is payable daily at the rate of 0.138889% which is equal to 1/360 of APR 50.00% of the product value at the end of the day.

***Costs include trade fees.

V. What happens if XNT LTD. is unable to pay out?

The product is not covered by an investor protection or guarantee scheme. This means that if the XNT LTD. becomes insolvent or otherwise fails to make full payment, you may suffer a total loss of your investment.

XNT LTD. is incorporated as a Limited Liability Company under the laws of Malta. Registration number: C 52182.
XNT LTD. is authorised to provide the Investment Services by the MFSA. Licence No.:IS/52182.

4
v 1.0/04.21

VI. Fees and charges

Trading ETH.EXANTE CFD incurs the following costs:

This table shows an impact on return per year			
One-off costs	Entry costs	0.25%	The impact of the costs of entering your investment.
	Exit costs	0.25%	The impact of the costs of exiting your investment.
Ongoing costs	Overnight fee (longs)	3.5%	The impact of the costs of holding your investment.
Ongoing costs	Overnight fee (shorts)	50.0%	The impact of the costs of holding your investment.
Incidental costs	Performance fee	N/A	Not Applicable

VII. How long should I hold it and can I take my money out early?

ETH.EXANTE CFD does not have any recommended holding period, and generally is used for short time trading. There is no lock-up period and you can liquidate the trading position and monetize the financial result at any time after you open the trading position.

VIII.   How can I complain?

Any complaints should be addressed to complaints@xnt.mt as specified in Complaints Handling Procedure which is available on our website xnt.mt. If you do not feel that your complaint has been resolved satisfactorily, you are able to refer your complaint to MFSA. See mfsa.mt for further information.

IX. Other relevant information

If there is a time lag between the time you place your order and the moment it is executed, your order may not be executed at the price you expected. Ensure your internet signal strength is sufficient before trading. The Documents section of our website contains important information regarding your account. You should ensure that you are familiar with all the documents that apply to your account. The information contained in this Key Information Document does not constitute a recommendation to buy or sell the product and is no substitute for individual consultation with the investor's bank or advisor. The KID is a pre-contractual document which gives you the main information about the product (characteristics, risks, costs, etc.). Additional information can be found on the website xnt.mt or the trading platform.

_____

XNT LTD. is incorporated as a Limited Liability Company under the laws of Malta. Registration number: C 52182.
XNT LTD. is authorised to provide the Investment Services by the MFSA. Licence No.:IS/52182.

5
v 1.0/04.21