

## ROUNDHILL UCITS ICAV

Supplement dated 11 March 2022

for

### Roundhill Ball Metaverse UCITS ETF

This Supplement contains specific information in relation to the Roundhill Ball Metaverse UCITS ETF (the Fund), a sub-fund of Roundhill UCITS ICAV (the ICAV), an umbrella fund with segregated liability between sub-funds and authorised by the Central Bank pursuant to the Regulations.

**This Supplement forms part of, may not be distributed unless accompanied by (other than to prior recipients of the Prospectus of the ICAV dated 11 March 2022, as may be amended, supplemented or modified from time to time), and should be read in conjunction with the Prospectus for the ICAV.**

THIS DOCUMENT IS IMPORTANT. YOU SHOULD NOT PURCHASE SHARES IN THE FUND DESCRIBED IN THIS SUPPLEMENT UNLESS YOU HAVE ENSURED THAT YOU FULLY UNDERSTAND THE NATURE OF SUCH AN INVESTMENT AND THE RISKS INVOLVED AND ARE SATISFIED THAT THE INVESTMENT IS SUITED TO YOUR CIRCUMSTANCES AND OBJECTIVES, THE RISKS INVOLVED AND YOUR OWN PERSONAL CIRCUMSTANCES. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS SUPPLEMENT YOU ARE RECOMMENDED TO TAKE ADVICE FROM AN APPROPRIATELY QUALIFIED ADVISOR.

The Directors of the ICAV whose names appear in the section entitled Directors of the ICAV in the Prospectus accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

**Shares purchased on the secondary market cannot usually be sold directly back to the Fund. Investors must buy and sell Shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current Net Asset Value when buying Shares and may receive less than the current Net Asset Value per Share when selling them.**

Certain risks attached to investments in the Fund are set out in the Prospectus in the section entitled Risk Factors.

## TABLE OF CONTENTS

1	IMPORTANT INFORMATION	3
2	INVESTMENT OBJECTIVE AND POLICIES	4
3	INVESTMENT APPROACH	6
4	SUB-INVESTMENT MANAGER AND SUB-INVESTMENT MANAGEMENT AGREEMENT	7
5	INFORMATION ON THE INDEX	7
6	INDEX PROVIDER	10
7	INVESTMENT RESTRICTIONS	10
8	BORROWING	10
9	RISK FACTORS	10
10	DIVIDEND POLICY	16
11	KEY INFORMATION FOR PURCHASING AND SELLING	16
12	CHARGES AND EXPENSES	17
13	REGISTRATION FOR PUBLIC DISTRIBUTION AND LISTING	17
14	HOW TO BUY AND SELL SHARES	18
15	SUSTAINABLE FINANCE DISCLOSURE	18
16	OTHER INFORMATION	18

## **1 IMPORTANT INFORMATION**

### **1.1 Profile of a typical investor**

A typical investor is expected to be an informed investor who, is able to bear capital and income risk, and should view investment in the Fund as a medium to long term investment.

### **1.2 General**

This Supplement sets out information in relation to the Shares and the Fund. You must also refer to the Prospectus which is separate to this document and describes the ICAV and provides general information about offers of shares in the ICAV. You should not take any action in respect of the Shares unless you have received a copy of the Prospectus. Should there be any inconsistency between the contents of the Prospectus and this Supplement, the contents of this Supplement will, to the extent of any such inconsistency, prevail. This Supplement and the Prospectus should both be carefully read in their entirety before any investment decision with respect to Shares is made.

An application has been made to Deutsche Börse Xetra for the Class A Shares of the Fund issued and available for issue to be admitted to listing on Deutsche Börse Xetra.

Neither the admission of Shares of the Fund to listing on the official list and to trading on Deutsche Börse Xetra nor the approval of the listing particulars pursuant to the listing requirements shall constitute a warranty or representation as to the competence of service providers to or any other party connected with the Fund, the adequacy of information contained in the listing particulars or the suitability of the Fund for investment purposes.

As of the date of this Supplement, the Company does not have any loan capital (including term loans) outstanding or created but unissued and no outstanding mortgages, charges or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities..

### **1.3 Suitability of Investment**

You should inform yourself as to (a) the possible tax consequences, (b) the legal and regulatory requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which you might encounter under the laws of the country of your citizenship, residence or domicile and which might be relevant to your purchase, holding or disposal of the Shares.

The Shares are not principal protected. The value of the Shares may go up or down and you may not get back the amount you have invested. See the section entitled Risk Factors of the Prospectus and the section entitled Risk Factors of this Supplement for a discussion of certain risks that should be considered by you.

An investment in the Shares is only suitable for you if you are a sophisticated investor and (either alone or with the help of an appropriate financial or other advisor) are able to assess the merits and risks of such an investment and have sufficient resources to be able to bear any losses that may result from such an investment. The contents of this document are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters.

## 1.4 Distribution of this Supplement and Selling Restrictions

Distribution of this Supplement is not authorised unless accompanied by a copy of the Prospectus and is not authorised in any jurisdiction after publication of the audited annual report of the ICAV unless a copy of the then latest annual report and, if distributed after the semi-annual report has been produced, a copy of the then latest published semi-annual report and unaudited accounts is made available in conjunction with the Prospectus and this Supplement. The distribution of this Supplement and the offering or purchase of the Shares may be restricted in certain jurisdictions. If you receive a copy of this Supplement and/or the Prospectus you may not treat such document(s) as constituting an offer, invitation or solicitation to you to subscribe for any Shares unless, in the relevant jurisdiction, such an offer, invitation or solicitation could lawfully be made to you without compliance with any registration or other legal requirement other than those with which the ICAV has already complied. If you wish to apply for the opportunity to purchase any Shares it is your duty to inform yourself of, and to observe, all applicable laws and regulations of any relevant jurisdiction. In particular, you should inform yourself as to the legal requirements of so applying, and any applicable exchange control regulations and taxes in the countries of your respective citizenship, residence or domicile.

## 2 INVESTMENT OBJECTIVE AND POLICIES

### 2.1 Investment Objective

The Fund's investment objective is to replicate, before fees and expenses, the price and yield performance of an Index which measures the performance of exchange-listed companies which offer exposure to developing and enabling a future version of the internet and digital platforms.

### 2.2 Investment Policy

In order to seek to achieve its investment objective, the Investment Manager will use a replication strategy by investing directly in the underlying securities of the Ball Metaverse Index (the “**Index**”), being the equities, common stock (including for the avoidance of doubt, initial public offering stock), American depository receipts (ADRs), and global depository receipts (GDRs) in approximately the same proportions as in the Index. Such securities must be companies that are actively involved in and benefit from revenue and profits generated by developing and enabling a future version of the internet known as the Metaverse (the “**Metaverse**”), listed or traded on the Markets referred to in Schedule 1 of the Prospectus. The ‘Metaverse’ is a massively scaled and interoperable network of real-time rendered 3D virtual worlds which can be experienced synchronously and persistently by an unlimited number of users with an individual sense of presence, and with continuity of data, such as identity, history, entitlements, objects, communications, and payments. Such equity securities will include companies involved in the following categories of entity involved in the Metaverse as further described in the section entitled “Information on the Index”: (i) hardware; (ii) compute; (iii) networking; (iv) virtual platforms; (v) interchange standards; (vi) payments; and (vii) content, assets and identity services. Changes to the categories will be reflected in an updated Supplement. For the avoidance of doubt, the Fund will not invest in or gain indirect exposure to cryptocurrencies.

To the extent the Index concentrates (i.e. holds more than 25% of its total assets) in the securities of a particular industry or group of related industries, the Fund will concentrate its investments to approximately the same extent as the Index. In so doing, the Fund may invest up to 20% of its Net Asset Value in securities issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply which may include the dominance of a particular issuer in the relevant market, sector or industry. However, where it is not practical or cost efficient for the Fund to fully replicate the Index, the Investment Manager may utilise a representative sampling methodology. Where it is not practical or cost efficient for the Fund to fully replicate the Index, the Fund will not avail

of the increased limits as set out in Regulation 71 of the UCITS Regulations. Further detail with respect to this approach is set out in the section entitled Investment Approach below.

The Fund may also (or alternatively) invest in financial derivative instruments (FDIs) which relate to the Index or constituents of the Index. The FDIs which the Fund may use are futures, swaps (for example index swaps and equity swaps), currency forwards and non-deliverable forwards (a forward contract that does not require settlement on maturity) (NDFs). Futures may be used in order to equitise cash balances (i.e. gaining exposure to equity markets through investment in derivatives for efficient portfolio management purposes) pending investment of subscription proceeds or other cash balances held by the Fund to seek to reduce tracking error. Currency forwards and NDFs may be used to hedge currency exposures. The Fund may use FDIs as an alternative to direct investment in the constituents of the Index in order to avail of the related cost or liquidity advantages of FDIs which may, in certain circumstances, be available over the direct investment in the constituents of the Index. The Fund may also use ADRs or GDRs to gain exposure to equity securities instead of using physical securities in circumstances where, due to local restrictions or quota limitations, it is not possible to hold these directly or where it is otherwise advantageous to the Fund to do so.

The Fund may also invest in ancillary liquid assets and money market instruments which may include bank deposits, depositary receipts, certificates of deposit, commercial paper, floating rate notes and freely transferable promissory notes. The ancillary liquid assets, money market instruments and FDI (other than permitted unlisted investments) will be listed or traded on the Markets referred to in Schedule 1 of the Prospectus. Investment in ancillary liquid assets and money market instruments may be utilised in a variety of circumstances, including but not limited to, situations such as managing total exposure to cash and borrowing on a short-term basis and in anticipation of participation in a rights offering.

For the avoidance of doubt, as of the date of the Supplement, the Fund uses (within the meaning of the Benchmark Regulation) the Index. As of the date of the Supplement, the benchmark administrator is not listed on the ESMA Register referred to in Article 36 of the Benchmark Regulation.

### **2.3 Efficient Portfolio Management**

Investors should note that the Fund may invest in FDIs for efficient portfolio management or hedging purposes only. The Fund may use futures, swaps and currency forwards for the purpose of reducing risk associated with currency exposures within the Fund. This may on occasion lead to an increase in the risk profile of the Fund or result in a fluctuation in the expected level of volatility. Please see the section entitled Risk Factors in the Prospectus in relation to such risks.

The Fund will employ the commitment approach to assess the Fund's global exposure and to ensure that the Fund's use of derivative instruments is within the limits specified by the Central Bank. Global exposure will be calculated daily. While the Fund may be leveraged through the use of the FDIs, any such leverage will not exceed 100% of the Fund's Net Asset Value.

Investment in FDIs is subject to the conditions and limits contained in the CBI UCITS Regulations. Subject to these limits, the Fund may invest in FDIs dealt on any of the regulated markets set out in the list of Markets in Schedule 1 to the Prospectus (and/or over the counter FDIs (OTCs)) which will be used for efficient portfolio management and/or for hedging purposes.

The ICAV employs a risk management process which enables it to accurately measure, monitor and manage at any time the various risks associated with FDIs and their contribution to the overall risk profile of the portfolio of assets of the Fund. The ICAV will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments. The Fund will only invest in FDIs in accordance with the risk

management policy prepared and submitted to the Central Bank in accordance with the Central Bank requirements.

The Fund may invest in FDIs dealt over-the-counter provided that the counterparties to over-the-counter transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

Position exposure to the underlying assets of FDIs, including embedded FDIs in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the CBI UCITS Regulations.

Investors are referred to the section entitled Use of Financial Derivative Instruments and Efficient Portfolio Management in the Prospectus.

## **2.4 Securities Financing Transactions**

The ICAV may enter into securities financing transactions and repurchase agreements (SFTs) (as defined under Article 3(11) of Regulation (EU) 2015/2365) (the SFTR) for efficient portfolio management purposes only where the objective of using such instruments is to hedge against risk and/or to reduce costs borne by the Fund or to generate additional capital or income which is consistent with the risk profile of Fund and the risk diversification rules set down in the UCITS Regulations. All types of assets which may be held by the Fund in accordance with its investment objectives and policies may be subject to a securities financing transaction. The Fund may enter into securities lending arrangements solely for the purposes of efficient portfolio management, subject to the conditions and within the limits set out in the Prospectus.

While the maximum proportion of the Fund's assets which can be subject to securities financing transactions is 100% of the Net Asset Value of the Fund it is not expected that this flexibility will be used. However, the expected proportion of the Fund's assets which will be subject to securities financing transactions is between 0% and 50% of the Net Asset Value of the Fund's assets. The proportion of the Fund's assets which are subject to securities financing transactions at any given time will depend on prevailing market conditions and the value of the relevant investments. The amount of assets engaged in each type of securities financing transactions, expressed as an absolute amount and as a proportion of the Fund's assets, as well as other relevant information relating to the use of securities financing transactions shall be disclosed in the annual report and semi-annual report of the Fund.

## **3 INVESTMENT APPROACH**

The Fund utilises a passive or indexing investment approach (i.e. the Fund will not be actively managed and will seek to replicate the Index). In order to seek to achieve its investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Index. However, under various circumstances, it may not be practicable and possible to invest in such equity securities in proportion to their weightings in the Index. It is not expected that the Fund would invest in securities outside the Index under normal circumstances. In these circumstances, the Fund may use such other techniques including, but not limited to, representative or "optimised" sampling to gain access to stocks which provide economic characteristics similar to the security in the Index. There also may be instances, for example if one or more securities are suspended from trading or in situations where the Fund is forced to liquidate particular securities, in which the Investment Manager may choose to overweight a security in the Index, purchase securities not in the Index which the Investment Manager believes are appropriate to substitute for certain securities in the Index or utilise other investment techniques in seeking to replicate, before fees and expenses, the price and yield performance of the Index, or as a result of legal restrictions or limitations that apply to the Fund but not to the Index. The Fund may sell securities that

are represented in the Index in anticipation of their removal from the Index or purchase securities not represented in the Index in anticipation of their addition to the Index. The Fund may invest in securities that are not components of the Index to reflect various corporate actions and other changes to the Index (such as reconstitutions, additions, and deletions).

Anticipated tracking error is based on the expected volatility of differences between the returns of the relevant fund and the returns of its benchmark index. For a physically replicating ETF, one of the primary drivers of tracking error is the difference between the Fund's holdings and the Index constituents. Cash management, trading costs from rebalancing and withholding tax suffered by the Fund on any income received from its Investments can also have an impact on tracking error as well as the return differential between the ETF and the benchmark index. The impact can be either positive or negative depending on the underlying circumstances. The anticipated tracking error of the Fund is not a guide to its future performance. The annualised tracking error envisaged is not anticipated to exceed 1% under normal market conditions.

## **4 SUB-INVESTMENT MANAGER AND SUB-INVESTMENT MANAGEMENT AGREEMENT**

### **4.1 Sub-Investment Manager**

The Investment Manager has appointed Exchange Traded Concepts, LLC as discretionary sub-investment manager for the Fund (the “**Sub-Investment Manager**”). The Sub-Investment Manager is a limited liability company established in January 2011 and has its registered office at 10900 Hefner Pointe Drive, Suite 400, Oklahoma City, OK 73120, United States of America. The Sub-Investment Manager is a SEC registered investment advisor engaged in the portfolio management of passive and active equity and fixed income exchange traded funds.

### **4.2 Sub-Investment Management Agreement**

The Sub-Investment Management Agreement dated 23 December 2021 between the Investment Manager and the Sub-Investment Manager as may be amended from time to time. The Sub-Investment Management Agreement may be terminated by either party on giving not less than 90 days' prior written notice to the other party. The Sub-Investment Management Agreement may also be terminated forthwith by either party giving notice in writing to the other party upon certain breaches as outlined in the Investment Management Agreement or upon the insolvency of a party (or upon the happening of a like event). The fees of the Sub-Investment Manager shall be paid by the Investment Manager out of its own fee as set out in the Sub-Investment Management Agreement. The Sub-Investment Management Agreement contains certain indemnities in favour of the Sub-Investment Manager which are restricted to exclude matters resulting from fraud, wilful default or negligence of the Sub-Investment Manager in the performance or non-performance of its obligations and duties thereunder.

## **5 INFORMATION ON THE INDEX**

The “Index Universe” is comprised of companies that are listed as a publicly traded company, American Depository Receipt (“ADR”), or Global Depository Receipt (“GDR”) on a freely traded exchange.

The Index includes globally-listed companies with a market capitalization of at least \$250 million and with at least \$2 million average daily traded value over the trailing 6-month period. If 6-month trading volume is unavailable, volume since initial listing date will be used. Existing Index components must maintain a minimum market capitalization of \$200 million. A committee comprised of representatives from the Index Provider and external subject matter experts (the “**Index Committee**”) analyses companies for their current and future potential to experience profits or earn revenue from their activities or provision of products, services, technologies, or technological capabilities to enable the Metaverse, and benefit from its generated revenues. The companies selected for inclusion in the Index are companies engaged in activities that fall into one or more categories identified by the Index Committee

and described below. These categories, which may change over time as technology and consumer behaviour evolves, are determined through analyses by the Index Committee, using information from corporate announcements and filings, patent filings, third-party industry assessments, third-party usage data and metrics, scientific and technology updates, executive presentations and consumer interviews. Currently, the seven categories and their descriptions are as follows:

- (i) **Hardware** – The sale and support of physical technologies and devices used to access, interact with or develop the Metaverse. This includes, but is not limited to, consumer-facing hardware, such as virtual reality headsets, mobile phones, and haptic gloves, as well as enterprise hardware such as those used to operate or create virtual or augmented reality-based environments, such as industrial cameras, projection and tracking systems, and scanning sensors. This category does not include compute-specific hardware, such as graphic processing unit chips and servers, or networking-specific hardware, such as fiber optic cabling or wireless chipsets.
- (ii) **Compute** – The enablement and supply of computing power to support the Metaverse, supporting such diverse and demanding functions as physics calculation, rendering, data reconciliation and synchronization, artificial intelligence, projection, motion capture and translation. ‘Compute’ refers to the actual data centers, ‘cloud’ computing providers, computers, and microprocessors on which the software programs that enable Metaverse experiences are ‘running.’
- (iii) **Networking** – The provision of persistent, real-time connections, high bandwidth, and decentralized data transmission by backbone providers (i.e., companies that provide access to high-speed data transmission networks), the networks, exchange centers, and services that route amongst them, as well as those managing “last mile” (i.e., the function of connecting telecommunication services directly to end-users, both businesses and residential customers, usually in a dense area) data to consumers.
- (iv) **Virtual Platforms** – The development and operation of immersive digital and often three-dimensional simulations, environments and worlds wherein users and businesses can explore, create, socialize and participate in a wide variety of experiences (e.g., race a car, paint a painting, attend a class, listen to music), and engage in economic activity. These businesses are differentiated from traditional online experiences and multiplayer video games by the existence of a large ecosystem of developers and content creators which generate the majority of content on and/or collect the majority of revenues built on top of the underlying platform.
- (v) **Interchange Standards** – The tools, protocols, formats, services, and engines which serve as actual or de facto standards for interoperability, and enable the creation, operation and ongoing improvements to the Metaverse. These standards support activities such as rendering, physics and artificial intelligence, as well as asset formats and their import/export from experience to experience, forward compatibility management and updating, tooling and authoring activities, and information management. ‘Interchange standards’ are the software tools and systems that provide standardised methods for generating Metaverse experiences such that they can work across different platforms and simulations.
- (vi) **Payments** – The support of digital payment processes, platforms, and operations, which includes companies that are fiat onramps to digital currencies (a form of digital currency exchange) and financial services.
- (vii) **Content, Assets and Identity Services** – The design/creation, sale, re-sale, storage, secure protection and financial management of digital assets, such as virtual goods and currencies, as connected to user data and identity. This contains all business and services “built on top of” and/or which “service” the Metaverse, and which are not vertically integrated into a virtual platform by the platform owner, including content which is built specifically for the Metaverse, independent of



virtual platforms. 'Content, Assets and Identity Services' include companies that create, sell and manage virtual items, the transaction systems inside virtual platforms to purchase them, and the digital profiles of their users.

The companies in the Index are segregated into three categories by the Committee, specifically:

- (a) "Pure-Play" Companies - Companies whose primary business model and/or growth prospects are directly linked to the Metaverse (being companies expected to generate over 50% of future revenues from the Metaverse). For these companies, continued growth in the Metaverse is expected to be critical to their economic success going forward.
- (b) "Core" Companies - Companies with substantial operations and/or growth prospects linked to the Metaverse (being companies expected to generate between 25% and 50% of future revenues from the Metaverse). These companies have other business units driving their economics, and thus are less affected by the growth of the Metaverse than pure-play companies. In time, growth in the industry and/or investments in their Metaverse-specific units may lead these companies to become pure-play companies if their Metaverse operations become a primary driver of economic performance. In most cases, the Metaverse related offerings of these companies are core components of the Metaverse industry.
- (c) "Non-Core" Companies - Companies with some operations and/or growth prospects linked to the Metaverse (being companies expected to generate less than 25% of future revenues from the Metaverse). These companies derive the majority of their revenue from other business lines not directly related to the Metaverse. In time, growth in the industry and/or investments in their Metaverse units may lead these companies to become "core" companies if their Metaverse operations become a relevant driver of economic performance. It is unlikely, based on current information, that the Metaverse-specific offerings of non-core companies would become the primary driver of such economic performance going forward.

The composition of the Index has a quarterly review in March, June, September and December of each year, at which times the Index is reconstituted and rebalanced by the Index Provider and any necessary changes announced. Index components are weighted on a tiered weight basis in accordance with a pre-determined weighting calculation methodology. These initial weights are calculated based on the number of companies under each category in the Index upon each rebalancing, so as to ensure the total combined weight of each category is exactly 100%.

Component changes resulting from reconstitutions are made after the market close on the third Friday in each quarterly review month (March, June, September and December) and become effective at the market opening on the next trading day. The Index consists of a minimum of 25 components and a maximum of 100 components upon each rebalancing.

Companies may be classified in multiple categories. The Index employs a capping scheme to ensure diversification by assigning weights to categories and components. Single categories are capped at 25% of the total Index upon rebalance and individual components weightings cannot exceed 8% of the total Index upon rebalance. Any weighting in excess of 8% from a single component will be pro-rated across remaining index components, subject to the 25% category cap.

The Information on the Index contains a summary of the principal features of the Index and is not a complete description of the Index. In case of inconsistency between the Information on the Index contained in this summary and the complete description of the Index which can be found on the Index Provider's website, the complete description of the Index prevails.

## 6 INDEX PROVIDER

The Index is published by Ball Metaverse Research Partners LLC (the “**Index Provider**”). The Index Provider will notify the Fund of material errors in the Index via the Index Provider's website.

In accordance with Central Bank requirements, the ICAV is required to provide details of the Index Provider's website to enable shareholders to obtain further details of the Index (including the Index constituents). The ICAV has no responsibility for the Index Provider's website and is not involved in any way in sponsoring, endorsing or otherwise involved in the establishment or maintenance of the Index Provider's website or the contents thereof. Further information in relation to the Index may be found on the Index Provider's website, [www.ballmetaverse.co](http://www.ballmetaverse.co). For the avoidance of doubt, Solactive AG acts the calculation agent of the Index and all specifications and information relevant for calculating the Index are made available on the <http://www.solactive.com>.

## 7 INVESTMENT RESTRICTIONS

The general investment restrictions as set out in the Prospectus shall apply. The Fund may not invest more than 10% of its Net Asset Value in open-ended collective investment schemes.

The Fund may not invest less than 51% of its Net Asset Value in equity securities which constitute "equity participation" within the meaning of section 2, Article 8 of the German Investment Tax Act (Investmentsteuergesetz). Equity participation in this context consists of shares in corporations traded or admitted for trading on a regulated market or multilateral trading facility (MTF) considered as such by the European Securities and Markets Authority (ESMA). The actual equity participation ratios of target investment funds can be taken into account. Investors should consult their own professional advisers as to the implications of the Fund maintaining "equity fund" status pursuant to the German Investment Tax Act 2018.

The Directors may from time to time impose such further investment restrictions as shall be compatible with or are in the interests of Shareholders.

## 8 BORROWING

The Fund may borrow money in an amount up to 10% of the market value of its net assets at any time for the account of the Fund and the Depositary may charge the assets of the Fund as security for any such borrowing, provided that such borrowing is only for temporary purposes.

The Fund may acquire currency by means of a back-to-back loan agreement. Foreign currency obtained in this manner is not classified as borrowing for the purposes of the Regulations provided that the offsetting deposit is denominated in the Base Currency of the Fund and equals or exceeds the value of the foreign currency loan outstanding.

## 9 RISK FACTORS

The general risk factors as set out in the section entitled Risk Factors in the Prospectus apply.

Investors in the Fund should be willing to accept a high degree of volatility in the price of the Fund's Shares and the possibility of significant losses. An investment in the Fund involves a substantial degree of risk. Therefore, you should consider carefully the following risks before investing in the Fund.

The value of investments and the income from them, and therefore the value of and income from the Shares can go down as well as up and an investor may not get back the amount invested. The Fund's exposure is based on the performance of the Index securities which, in turn, is exposed to general market movements (negative as well as positive).

An investment in the Fund may be subject to risks which include, among others, material transaction cost from rebalancing activity and fluctuations in the value of securities held by the Fund due to market and economic conditions or factors relating to specific issuers

Certain additional risks may also be associated with the Fund, including, without limitation:

### **9.1 Risk of Investing in the Software Industry**

Companies in the software industry are subject to significant competitive pressures, such as aggressive pricing, new market entrants, competition for market share, short product cycles due to an accelerated rate of technological developments and the potential for limited earnings and/or falling profit margins. Software companies also face the risks that new services, equipment or technologies are not accepted by consumers and businesses or will become rapidly obsolete. These factors can affect the profitability of software companies and, as a result, the value of their securities. Patent protection is integral to the success of many companies and their profitability can be affected materially by, among other things, the cost of obtaining (or failing to obtain) patent approvals, the cost of litigating patent infringement and the loss of patent protection for products (which significantly increases pricing pressures and can materially reduce profitability with respect to such products). In addition, many software companies have limited operating histories. Prices of software companies' securities historically have been more volatile than other securities, especially over the short term.

### **9.2 Risk of Investing in the Internet Software & Services Industry**

The prices of the securities of companies in the internet software and services industry may fluctuate widely due to competitive pressures, increased sensitivity to short product cycles and aggressive pricing, heavy expenses incurred for research and development of products or services that prove unsuccessful, problems related to bringing products to market, and rapid obsolescence of products. Many internet software and software services companies rely on a combination of patents, copyrights, trademarks and trade secret laws to establish and protect their proprietary rights in their products and technologies. There can be no assurance that the steps taken by internet software and software services companies to protect their proprietary rights will sufficiently prevent misappropriation of their technology or that competitors will not independently develop technologies that are substantially equivalent or superior to such companies' technology. Legislative or regulatory changes and increased government supervision also may affect companies in the internet software and services sector.

### **9.3 Risk of Investing in the Information Technology Industry**

To the extent that the Index holds components which are in the information technology sector, the Fund will be sensitive to changes in, and its performance will depend to a greater extent on, the overall condition of the information technology sector. Information technology companies face intense competition, both domestically and internationally, which may have an adverse effect on profit margins. Information technology companies may have limited product lines, markets, financial resources or personnel. The products of information technology companies may face product obsolescence due to rapid technological developments and frequent new product introduction, unpredictable changes in growth rates and competition for the services of qualified personnel. Companies in the information technology sector are heavily dependent on patent protection and the expiration of patents may adversely affect the profitability of these companies.

### **9.4 Risk of Investing in the Consumer Discretionary Sector**

Consumer discretionary companies are companies that provide non-essential goods and services, such as retailers, media companies and consumer services. These companies manufacture products and provide discretionary services directly to the consumer, and the success of these companies tied closely

to the performance of the overall domestic and international economy, interest rates, competition and consumer confidence.

#### **9.5 Risk of Investing in the Communication Services Sector**

The performance of the communications sector will have a greater effect on the Fund than one with less exposure to such sector. Communication companies are particularly vulnerable to the potential obsolescence of products and services due to technological advancement and the innovation of competitors. Companies in the communications sector may be affected by other pressures such as pricing competition, research and development costs, substantial capital requirements and government regulation. The fluctuating international demand, shifting demographics and often unpredictable changes in consumer tastes can drastically affect a communication company's profitability. Additionally, certain companies in the communications sector may be particular targets of network security breaches including hacking and potential theft of proprietary or consumer information or disruptions in service, which could have a material adverse effect on their businesses.

#### **9.6 Risk of Investing in Small- and Medium-Capitalisation Companies**

The securities of small- and medium-capitalisation companies may be more volatile and less liquid than the securities of large companies. As securities of small- and medium-capitalisation companies may experience more market price volatility than securities of larger companies, the net asset value of any fund which invests in small- and medium-capitalisation companies (such as the Fund) may reflect this volatility. Small- and medium-capitalisation companies, when compared with larger companies, may have a shorter history of operations, fewer financial resources, less competitive strength, may have a less diversified product line, may be more susceptible to market pressure and may have a smaller market for their securities. Investment in small- and medium-capitalisation companies may involve comparatively higher investment costs and accordingly investment in the Fund should be viewed as a long term investment. The Fund may however dispose of an investment made by it within a relatively short period of time, for example, to meet requests for redemption of Shares.

#### **9.7 Risk of Issuer-Specific Changes**

The value of individual securities or particular types of securities in the Fund's portfolio can be more volatile than the market as a whole and can perform differently from the value of the market as a whole, which may have a greater impact if the Fund's portfolio is concentrated in a country, group of countries, region, market or asset class. The value of securities of smaller issuers can be more volatile than that of larger issuers. A change in the financial condition, market perception or the credit rating of an issuer of securities included in the Index may cause the value of its securities to decline.

As the Fund may invest in a limited number of issuers, the value of the Fund's portfolio may decline due to a decline in value of the equity securities of particular issuers. The value of an issuer's equity securities may decline for reasons directly related to the issuer, such as management performance and reduced demand for the issuer's goods or services.

#### **9.8 Foreign Currency Risk**

As all or a portion of the proceeds received by the Fund from its investments and/or the revenues received by the underlying issuer may be in a currencies other than the Base Currency of the Fund, the Fund's exposure to foreign currencies and changes in the value of foreign currencies versus the Base Currency may result in reduced returns for the Fund. Moreover, the Fund may incur costs in connection with conversions between the Base Currency and foreign currencies. Certain countries may also have managed currencies which are maintained at artificial levels relative to the Base Currency rather than at levels determined by the market. This type of system could lead to sudden and large adjustments in the currency, which in turn, can have a negative effect on the Fund and its investments. Currency

exchange rates can be very volatile and can change quickly and unpredictably. As a result, the value of an investment in the Fund may change quickly and without warning and you may lose money.

### **9.9 Equity Securities Risk**

The value of the equity securities held by the Fund may fall due to general market and economic conditions, perceptions regarding the markets in which the issuers of securities held by the Fund participate, or factors relating to specific issuers in which the Fund invests. For example, an adverse event, such as an unfavourable earnings report, may result in a decline in the value of equity securities of an issuer held by the Fund; the price of the equity securities of an issuer may be particularly sensitive to general movements in the securities markets; or a drop in the securities markets may depress the price of most or all of the equities securities held by the Fund. Equity securities are subordinated to preferred securities and debt in a company's capital structure with respect to priority in right to a share of corporate income, and therefore will be subject to greater dividend risk than preferred securities or debt instruments. In addition, while broad market measures of equity securities have historically generated higher average returns than fixed income securities, equity securities have generally also experienced significantly more volatility in those returns, although under certain market conditions fixed income securities may have comparable or greater price volatility.

### **9.10 Market Risk**

The prices of the securities in the Fund are subject to the risks associated with investing in the securities market, including general economic conditions and sudden and unpredictable drops in value. An investment in the Fund may lose money.

### **9.11 Replication Management Risk**

An investment in the Fund involves risks similar to those of investing in any fund of equity securities traded on an exchange, such as market fluctuations caused by such factors as economic and political developments, changes in interest rates and perceived trends in security prices. However, because the Fund is not "actively" managed, unless a specific security is removed from the Index, the Fund generally would not sell a security because the security's issuer was in financial trouble. If a specific security is removed from the Index, the Fund may be forced to sell such security at an inopportune time or for prices other than at current market values. The timing of changes in the securities of the Fund's portfolio in seeking to replicate the Index could have a negative effect on the Fund. Unlike with an actively managed fund, the Investment Manager does not use techniques or defensive strategies designed to lessen the effects of market volatility or to reduce the impact of periods of market decline. Therefore, the Fund's performance could be lower than funds that may actively shift their portfolio assets to take advantage of market opportunities or to lessen the impact of a market decline or a decline in the value of one or more issuers. The Fund is subject to index tracking risk and may not be able to invest in certain securities in the exact proportions in which they are represented in the Index.

### **9.12 Fund Shares Trading, Premium/Discount Risk and Liquidity Risk of Fund Shares**

The market prices of the Shares may fluctuate in response to the Fund's NAV, the intraday value of the Fund's holdings and supply and demand for Shares. The Fund cannot predict whether Shares will trade above, below, or at their most recent NAV. Disruptions to creations and redemptions, the existence of market volatility or potential lack of an active trading market for Shares (including through a trading halt), as well as other factors, may result in Shares trading at a significant premium or discount to NAV or to the intraday value of the Fund's holdings. If a shareholder purchases Shares at a time when the market price is at a premium to the NAV or sells Shares at a time when the market price is at a discount to the NAV, the shareholder may sustain losses. The NAV of the Shares will fluctuate with changes in the market value of the Fund's securities holdings. The market prices of Shares will fluctuate, in some cases materially, in accordance with changes in NAV and the intraday value of the Fund's holdings.

The price differences may be due, in large part, to the fact that supply and demand forces at work in the secondary trading market for Shares may be closely related to, but not necessarily identical to, the same forces influencing the prices of the securities of the Fund's portfolio of investments trading individually or in the aggregate at any point in time.

The securities held by the Fund may be traded in markets that close at a different time than the relevant exchanges on which the Shares are listed. Liquidity in those securities may be reduced after the applicable closing times. Accordingly, during the time when the relevant exchange is open but after the applicable market closing, fixing or settlement times, bid-ask spreads on the relevant exchange and the resulting premium or discount to the Shares' NAV may widen. Additionally, in stressed market conditions, the market for the Fund's Shares may become less liquid in response to deteriorating liquidity in the markets for the Fund's underlying portfolio holdings.

When you buy or sell Shares of the Fund through a broker, you will likely incur a brokerage commission or other charges imposed by brokers. In addition, the market price of Shares, like the price of any exchange-traded security, includes a bid/ask spread charged by the market makers or other participants that trade the particular security. The spread of the Shares varies over time based on the Fund's trading volume and market liquidity and may increase if the Fund's trading volume, the spread of the Fund's underlying securities, or market liquidity decrease. In times of severe market disruption, including when trading of the Fund's holdings may be halted, the bid/ask spread may increase significantly. This means that Shares may trade at a discount to the Fund's NAV, and the discount is likely to be greatest during significant market volatility.

### **9.13 Index Tracking Risk**

The Fund's return may not match the return of the Index for a number of reasons. For example, the Fund incurs a number of operating expenses, including taxes, not applicable to the Index and incurs costs associated with buying and selling securities, especially when rebalancing the Fund's securities holdings to reflect changes in the composition of the Index and raising cash to meet redemptions or deploying cash in connection with newly created Creation Units (defined herein), which are not factored into the return of the Index. Transaction costs, including brokerage costs, will decrease the Fund's NAV to the extent not offset by the transaction fee payable by an Authorised Participant (AP). Market disruptions and regulatory restrictions could have an adverse effect on the Fund's ability to adjust its exposure to the required levels in order to track the Index. There is no assurance that an Index Provider or any agents that may act on their behalf will compile an Index accurately, or that an Index will be determined, composed or calculated accurately. Errors in the Index data, the Index computations and/or the construction of the Index in accordance with its methodology may occur from time to time and may not be identified and corrected by the Index Provider for a period of time or at all, which may have an adverse impact on the Fund and its shareholders.

The Fund may not be fully invested at times either as a result of cash flows into the Fund or reserves of cash held by the Fund to meet redemptions or pay expenses. In addition, the Fund may not be able to invest in certain securities included in the Index, or invest in them in the exact proportions in which they are represented in the Index, due to legal restrictions or limitations imposed by the governments of certain countries. The Fund's performance may also deviate from the return of the Index due to a lack of liquidity on stock exchanges in which such securities trade, potential adverse tax consequences or other regulatory reasons or legal restrictions or limitations (such as diversification requirements).

The Fund may value certain of its investments and/or underlying currencies based on fair value prices. To the extent the Fund calculates its NAV based on fair value prices and the value of the Index is based on securities' closing prices on local foreign markets (i.e., the value of the Index is not based on fair value prices), the Fund's ability to replicate the Index may be adversely affected. For tax efficiency purposes, the Fund may sell certain securities, and such sale may cause the Fund to realise a loss and

deviate from the performance of the Index. In light of the factors discussed above, the Fund's return may deviate significantly from the return of the Index. Changes to the composition of the Index in connection with a rebalancing or reconstitution of the Index may cause the Fund to experience increased volatility, during which time the Fund's index tracking risk may be heightened.

#### **9.14 Concentration Risk**

The Fund's assets may be concentrated in a particular sector or sectors or industry or group of industries to the extent the Index concentrates in a particular sector or sectors or industry or group of industries. To the extent that the Fund's investments are concentrated in the Metaverse industry, the Fund will be subject to the risk that economic, political or other conditions that have a negative effect on the Metaverse industry will negatively impact the Fund to a greater extent than if the Fund's assets were invested in a wider variety of sectors or industries.

#### **9.15 Absence of an Active Market Risk**

While application has been made for the Shares to be listed on Deutsche Börse Xetra and a number of stock exchanges, there can be no assurance that active trading markets for the Shares will develop or be maintained. Trading in Shares on an exchange may be halted due to market conditions or for reasons that, in the view of the relevant exchange, make trading in Shares inadvisable. In addition, trading in Shares on an exchange is subject to trading halts caused by extraordinary market volatility pursuant to the relevant exchange's "circuit breaker" rules. In addition, there can be no guarantee that once Shares are listed on any stock exchange that they will remain listed. Further, secondary markets may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods in times of market stress because market makers may step away from making a market in the Shares and in executing creation and redemption orders, which could cause a material deviation in the Fund's market price from its NAV.

#### **9.16 Cybersecurity Risk**

Cybersecurity incidents may allow an unauthorised party to gain access to Fund assets, customer data (including private shareholder information), or proprietary information, or cause the Fund, the Manager, the Investment Manager, the Sub-Investment Manager and/or other service providers (including the depositary, transfer agents and financial intermediaries) to suffer data breaches or data corruption. Additionally, cybersecurity failures or breaches of the electronic systems of the Fund, the Manager, the Investment Manager or the Fund's other service providers, market makers, Authorised Participants or the issuers of securities in which the Fund invests have the ability to cause disruptions and negatively impact the Fund's business operations, potentially resulting in financial losses to the Fund and its shareholders. In an extreme case, a shareholder's ability to redeem Fund shares may be affected.

#### **9.17 Operational Risk**

The Fund is exposed to operational risk arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of the Fund's service providers, counterparties or other third parties, failed or inadequate processes and technology or system failures.

#### **9.18 Initial Public Offering ("IPO") Risk**

The Fund may invest in securities issued in initial public offerings, the value of which may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, the small number of shares available for trading and limited information about the issuer. Purchasing IPO shares may involve high transaction costs and they are subject to market and liquidity risk.

## 10 DIVIDEND POLICY

It is not proposed that the Directors will declare a dividend in respect of the Fund. Full details of any change to the Fund's dividend policy will be provided in an updated Supplement and all Shareholders will be notified in advance.

## 11 KEY INFORMATION FOR PURCHASING AND SELLING

<b>Base Currency</b>	US Dollar (USD).
<b>Business Day</b>	means every day other than a Saturday or Sunday a day on which markets are open for business in New York (or such other day(s) as the Directors may from time to time determine and notify in advance to Shareholders).
<b>Dealing Day</b>	In general, each Business Day will be a Dealing Day. However, certain Business Days will not be Dealing Days where, in the sole determination of the Directors: (i) markets on which the Fund's investments are listed or traded, or markets relevant to the Index are closed, and/or (ii) there is a public holiday in the jurisdiction in which the Investment Manager or its delegate(s), if applicable, is or are based; provided there is at least one Dealing Day per fortnight. The Dealing Days for the Fund are available at <a href="https://www.roundhillinvestments.com/">https://www.roundhillinvestments.com/</a> .
<b>Dealing Deadline</b>	4:00pm (Irish time) on the Business Day prior to the relevant Dealing Day.
<b>Settlement Date</b>	In the case of subscription(s), within 2 Business Days of the relevant Dealing Day.  In the case of repurchases, within 3 Business Days of the relevant Dealing Day.
<b>Valuation Point</b>	11:00 p.m. (Irish time) on the relevant Dealing Day.
<b>Website</b>	<a href="https://www.roundhillinvestments.com/">https://www.roundhillinvestments.com/</a> - Information on portfolio composition and details of the intra-day portfolio value (iNAV) are set out on the website.

### Description of the Shares

<b>Share Class</b>	A
<b>ISIN</b>	IE00082BU3V4
<b>Initial Offer Period</b>	The Initial Offer Period shall commence at 9:00 a.m. (Irish time) 24 December 2021 and close at 5.00 p.m. (Irish time) on 23 June 2022 as may be shortened or extended by the Directors and notified to the Central Bank.
<b>Initial Price</b>	Approximately USD 20, plus an appropriate provision for Duties and Charges, or such other amount as determined by the Investment Manager and communicated to investors prior to investment.



<b>Creation Unit</b>	50,000 Shares or such other amount as may be determined by the Directors at their discretion.
<b>Minimum Initial Subscription</b>	1 Creation Unit unless the Directors determine otherwise. Investors will be notified of any change to the Minimum Initial Subscription.
<b>Minimum Fund Size</b>	1 Creation Unit Shares unless the Directors determine otherwise. Investors will be notified of any change to the Minimum Fund Size.

## 12 CHARGES AND EXPENSES

The following fees and expenses will be incurred by the ICAV on behalf of the Fund and will affect the Net Asset Value of the relevant Class of Share of the Fund:

<b>Share Class</b>	A
<b>Total Fee</b>	Up to 0.59% per annum or such lower amount as may be advised to Shareholders from time to time.

The Total Fee, a percentage of the Net Asset Value of the relevant Class of Shares (plus VAT, if any), is payable by the ICAV out of the Fund Assets. The Total Fee will accrue on each day and will be calculated on each Dealing Day and paid monthly in arrears. The Total Fee will cover all of the ordinary fees, operating costs and expenses payable by the Fund including fees and expenses paid to the Manager, all ordinary costs and expenses connected with the management and operating activities of the Fund, including investment management and advisory fees, Director's fees, registration, transfer agency, administration and custody fees, registrar fees, regulators and auditors and certain legal expenses of the ICAV. The Total Fee does not include extraordinary costs and expenses (including but not limited to transaction charges, stamp duty or other taxes on the investments of the ICAV including duty charges for portfolio re-balancing, withholding taxes, commissions and brokerage fees incurred with respect to the ICAV's investments, interest on any non-overdraft credit facility and charges incurred in negotiating, effecting or varying the terms of such facility, any commissions charged by intermediaries in relation to an investment in the Fund and such extraordinary or exceptional costs and expenses (if any) as may arise from time to time, such as material litigation in relation to the ICAV all of which will be paid separately out of the assets of the Fund). The cost of establishing the Fund will be borne by Roundhill Financial Inc.

Investment in this Fund should be viewed as medium to long term investment.

This section entitled Charges and Expenses should be read in conjunction with the sections entitled General Charges and Expenses and Management Charges and Expenses in the Prospectus.

## 13 REGISTRATION FOR PUBLIC DISTRIBUTION AND LISTING

Application is expected to be made to register the Fund for public distribution in various countries.

Application will be made to list the Shares on Deutsche Börse Xetra and a number of stock exchanges. Through the operation of such a secondary market, persons who are not Authorised Participants or not able or willing to subscribe for and redeem Creation Units will be able to buy Shares from or sell Shares to other retail investors or market makers, broker/dealers, or other Authorised Participants at prices which should approximate, after currency conversion, the Net Asset Value of the Shares.

## **14 HOW TO BUY AND SELL SHARES**

Investors can buy and sell Shares on the secondary market as described above in accordance with the procedures set out in the section entitled Secondary Market in the Prospectus.

Investors can otherwise subscribe for or redeem Creation Units in accordance with the procedures set out in the Prospectus.

## **15 SUSTAINABLE FINANCE DISCLOSURE**

The Fund does not have a sustainable investment objective, nor does it promote ecological and/or social characteristics.

### **15.1 Adverse impacts on sustainability factors**

The Investment Manager does not take into account the principal adverse impacts on sustainability factors as described in article 7 (1) of the SFDR.

### **15.2 Sustainability Risks**

Under the EU Sustainable Finance Disclosure Regulation (“SFDR”), “sustainability risk” means an environmental, social or governance (“ESG”) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment (“Sustainability Risks”). As the Fund is a passively managed product, Sustainability Risks cannot directly influence a decision as to whether the Fund can invest in a particular security as this will ultimately be driven by the constituents of the Index.

### **15.3 Taxonomy Regulation Disclosure**

The underlying investments of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

## **16 OTHER INFORMATION**

New Funds may be created from time to time by the Directors with the prior approval of the Central Bank in which case further Supplements incorporating provisions relating to those Funds will be issued by the ICAV. As at the date of this Supplement, the ICAV has established the following Funds:

- Roundhill Sports Betting & iGaming UCITS ETF; and
- Roundhill Ball Metaverse UCITS ETF.