

Indicative Termsheet dated 09/03/2022

## Call Warrant on Leonteq Mixed Allocation Funds 12%RC

Final Fixing Date 19/05/2027; issued in SEK; listed on Börse Frankfurt Zertifikate AG (Open Market)

ISIN CH0588517687 | Swiss Security Number 58851768 | WKN A2U0WC

This Product is collateralised in accordance with the terms and conditions of the TCM Security Agreement for Triparty Collateral Management Secured Structured Products ("TCM Secured Structured Products"). More detailed information regarding the collateralisation can be found in the section ["Information about TCM-Collateralisation"](#) below. Investors should read the section "Significant Risks" below as well as the section "Risk Factors" of the relevant Issuance and Offering Programme, as amended from time to time. By investing in this product (the "Product"), the Investor may put the capital that he invested in this Product at risk and, in addition, transaction costs may incur. Investors may lose some or all of their capital invested in the Product as well as transaction costs. Investors are exposed to the credit risk of the Issuer. Even though translations into other languages might be available, only the English version of the Final Terms and the relevant Issuance and Offering Programme are legally binding. Until the Initial Fixing Date, the terms of this Termsheet are indicative and may be adjusted anytime. The Issuer is not obliged to issue the Product.

For Switzerland:

This Product is a derivative instrument according to Swiss law. It does not qualify as unit of a collective investment scheme pursuant to article 7 et seqq. of the Swiss Federal Act on Collective Investment Schemes ("CISA") and is therefore neither registered nor supervised by the Swiss Financial Market Supervisory Authority FINMA. Investors do not benefit from the specific investor protection provided under the CISA.

This document constitutes advertising within the meaning of article 68 of the FinSA.

This document is an indicative termsheet prepared in view of the issuance of the Products and neither a prospectus within the meaning of article 35 et seqq. of the Swiss Federal Act on Financial Services ("FinSA"), nor a private placement documentation, nor a basic information document according to article 58 et seqq. of the FinSA or any equivalent document under the FinSA. The information contained in this document is not complete and is subject to completion and amendment. This document has neither been reviewed nor approved by a reviewing body pursuant to articles 51 et seqq. FinSA. This document does not, and is not intended to, constitute or contain an offer or invitation to sell, and it is not soliciting offers to buy, the Product in any jurisdiction where such offer or sale is not permitted.

It is intended that the Products will only be offered to professional investors in the sense of the FinSA and, therefore, will not be, directly or indirectly, publicly offered in the meaning of the FinSA.

For EEA:

In the European Economic Area (EEA) this product may only be offered to qualified investors as defined in the Prospectus Regulation or in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no such offer shall require the publication of a prospectus or supplement pursuant to the Prospectus Regulation.

### Product Description

If the Final Fixing Level of the Underlying is above the Strike Level, the Investor will receive a Cash Settlement in the Settlement Currency on the Redemption Date, corresponding to the Denomination multiplied by the difference between the Final Fixing Level and the Strike Level and further divided by the Initial Fixing Level. Otherwise, the Product will expire worthless.

### UNDERLYING

| Underlying                           | Index Sponsor         | Bloomberg Ticker | Initial Fixing Level (100%)* | Strike Level (100.00%)* |
|--------------------------------------|-----------------------|------------------|------------------------------|-------------------------|
| Leonteq Mixed Allocation Funds 12%RC | Leonteq Securities AG | LEONMA12         | SEK TBA                      | SEK TBA                 |

\* will be determined after the last Lookback date. Levels are expressed in percentage of the Initial Fixing Level

### PRODUCT DETAILS

|                       |                                                |
|-----------------------|------------------------------------------------|
| Swiss Security Number | 58851768                                       |
| ISIN                  | CH0588517687                                   |
| WKN                   | A2U0WC                                         |
| Issue Price           | 15.00%                                         |
| Issue Size            | SEK 100'000'000 (can be increased at any time) |
| Denomination          | SEK 10'000                                     |
| Settlement Currency   | SEK                                            |
| Warrant Type          | Call Warrant                                   |
| Expiration Date       | 19/05/2027                                     |

### DATES

|                             |                                                                |
|-----------------------------|----------------------------------------------------------------|
| Initial Fixing Date         | 19/05/2022                                                     |
| Issue Date                  | 31/05/2022                                                     |
| First Exchange Trading Date | 31/05/2022 (anticipated)                                       |
| Last Trading Day/Time       | 19/05/2027 / Exchange market close                             |
| Final Fixing Date           | 19/05/2027 (subject to Market Disruption Event provisions)     |
| Redemption Date             | 31/05/2027 (subject to Settlement Disruption Event provisions) |

## REDEMPTION

The Investor is entitled to receive from the Issuer on the Redemption Date per Product:

|                                                |                                                                                                                                                                                                                                                                                 |
|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Scenario 1</b>                              | If the Final Fixing Level is at or below the Strike Level, the product expires worthless.                                                                                                                                                                                       |
| <b>Scenario 2</b>                              | If the Final Fixing Level is above the Strike Level, the Investor will receive a Cash Settlement in the Settlement Currency according to the following formula:<br>$\text{Denomination} \times (\text{Final Fixing Level} - \text{Strike Level}) / \text{Initial Fixing Level}$ |
| <b>Initial Fixing Level</b>                    | The arithmetic mean of the official closing levels on each Lookback Observation Date of each Underlying on the Related Exchange, as determined by the Calculation Agent                                                                                                         |
| <b>Final Fixing Level</b>                      | Official close of the Underlying on the Final Fixing Date as calculated and published by the Index Sponsor and as determined by the Calculation Agent.                                                                                                                          |
| <b>Fixing Level<sub>t</sub></b>                | The next available Price (after the last date of the Lookback Observation Period) of the Underlying as calculated and published by the Index Sponsor and as determined by the Calculation Agent.                                                                                |
| <b>Certificate Execution Price<sub>t</sub></b> | $\text{Denomination} \times (\text{Fixing Level}_t - \text{Strike Level}) / \text{Initial Fixing Level}$                                                                                                                                                                        |
| <b>Lookback Observation Dates</b>              | 19/05/2022, 20/06/2022, 19/07/2022, 19/08/2022                                                                                                                                                                                                                                  |

## GENERAL INFORMATION

|                                     |                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Issuer</b>                       | Leonteq Securities AG, Guernsey Branch, St Peter Port, Guernsey<br>(Rating: Fitch BBB- with positive outlook, JCR BBB+ with stable outlook, Supervisory Authority: FINMA / GFSC)                                                                                                                                                                                                                                       |
| <b>Collateral Provider (TCM)</b>    | Leonteq Securities AG, Guernsey Branch, St Peter Port, Guernsey                                                                                                                                                                                                                                                                                                                                                        |
| <b>Lead Manager</b>                 | Leonteq Securities AG, Zurich, Switzerland                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Calculation Agent</b>            | Leonteq Securities AG, Zurich, Switzerland                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Paying Agent</b>                 | Leonteq Securities AG, Zurich, Switzerland                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Distribution Fees</b>            | Relevant Fees (incl. VAT, if any. Reference is made to section "Remunerations to Third Parties" herein and to the General Terms and Conditions of the Programme.)                                                                                                                                                                                                                                                      |
| <b>Listing/Exchange</b>             | Frankfurter Wertpapierbörse (Freiverkehr); traded on Börse Frankfurt Zertifikate AG (Open Market)<br>There is no obligation of the Issuer and/or the Lead Manager or any third party to list the Product or apply for admission to trading at issuance or during the term of the Product. In case of a listed/admitted Product, there is no obligation to maintain a listing/admission during the term of the Product. |
| <b>Secondary Market</b>             | Daily price indications will be available from 09:00 - 17:30 CET on <a href="http://www.leonteq.com">www.leonteq.com</a> , Refinitiv [WKN]=LEOZ or [ISIN]=LEOZ and Bloomberg [ISIN] Corp or on LEOZ.                                                                                                                                                                                                                   |
| <b>Settlement Type(s)</b>           | Cash Settlement                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Minimum Investment</b>           | SEK 10'000                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Minimum Trading Lot</b>          | SEK 10'000                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Clearing</b>                     | SIX SIS Ltd, Euroclear, Clearstream                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Depository</b>                   | SIX SIS Ltd                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Public Offering only in</b>      | N/A                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Form</b>                         | Uncertificated Securities                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Governing Law / Jurisdiction</b> | Swiss / Zurich                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Quotation Type and Price</b>     | Secondary market prices are quoted in percentage. The Unwind price will be at least equal to Certificate Execution Price.                                                                                                                                                                                                                                                                                              |

**The definition "Issuing Party/Parties" as used herein, means the Issuer, as indicated in section "General Information".**

## TAXATION

Investors and prospective Investors are advised to consult with their tax advisers with respect to the tax consequences of the purchase, ownership, disposition, lapse or exercise or redemption of a Product in light of their particular circumstances. The Issuing Parties and the Lead Manager hereby expressly exclude any liability in respect of any possible tax implications.

## PRODUCT DOCUMENTATION

It is intended that the Products will be issued under a base prospectus ("Base Prospectus") as per article 45 FinSA approved by SIX Exchange Regulation AG ("SIX Exchange Regulation") in its capacity as Swiss Prospectus Office. Only the Final Terms, which will be available no later than on the Issue Date, together with the Base Prospectus of the relevant Issuance and Offering Programme (the "Programme") dated 24 September 2021 containing all further relevant terms and conditions, shall form the entire and legally binding documentation for this Product ("Product Documentation"). The Final Terms will be registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office. The Final Terms should always be read together with the Base Prospectus. Definitions used in this Termsheet, but not defined herein, shall have the meaning given to them in the Final Terms and the Base Prospectus. Even though a translation into other languages might be available, only the English version of the Final Terms jointly with the Base Prospectus are legally binding.

The Products may be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (Privatkundinnen und -kunden) in the meaning of the FinSA ("Retail Clients") in accordance with the FinSA.

A Swiss key information document / key information document in accordance with Regulation (EU) No 1286/2014 (PRIIPs Regulation) has been prepared in relation to the Products and may be obtained, free of charge, upon request from the Lead Manager (see the contact details below).

Notices to Investors in connection with this Product shall be validly given in accordance with the terms and conditions of the Programme. In addition, any changes with regard to the terms and conditions of this Product will be published on the relevant Termsheet on [www.leonteq.com](http://www.leonteq.com) under the

section "Products" or, for listed products, in any other form as permitted by the rules and regulations of the relevant Exchange. Notices to Investors relating to the Issuing Parties will be published under the section "About Leonteq" on [www.leonteq.com](http://www.leonteq.com) and/or on the web page of the respective Issuing Party.

Insofar as this publication contains information relating to a Packaged Retail and Insurance-based Investment Product (PRIIP), a Key Information Document in accordance with Regulation (EU) No 1286/2014 (PRIIPs Regulation) is available and can be obtained from [www.priipkidportal.com](http://www.priipkidportal.com).

During the whole term of this Product, the Product Documentation can be ordered free of charge from the Lead Manager at Europaallee 39, 8004 Zurich (Switzerland), via telephone (+41 58 800 1111\*), fax (+41-(0)58-800 1010) or via e-mail ([termsheet@leonteq.com](mailto:termsheet@leonteq.com)). Please note that all calls made to numbers marked with an asterisk (\*) are recorded. By calling such number, your consent to the recording is deemed given.

## SIGNIFICANT RISKS

Prospective Investors should ensure that they fully understand the nature of this Product and the extent of their exposure to risks and they should consider the suitability of this Product as an investment in the light of their own circumstances and financial condition. Products involve a high degree of risk, including the potential risk of expiring worthless. Potential Investors should be prepared in certain circumstances to sustain a total loss of the capital invested to purchase this Product as well as the transaction costs. Prospective Investors shall consider the following important risk factors and read the section "Risk Factors" of the Programme for details on all other risk factors to be considered.

This is a structured product involving derivative components. Investors should make sure that their advisors have verified that this Product is suitable for their portfolio taking into account the investor's financial situation, investment experience and investment objectives.

The terms and conditions of the Product may be subject to adjustments during the lifetime of the Product as set out in the Programme.

**Product Specific Risks:** To the extent that this Product is not capital protected, investors may lose some or all of their investment as well as the transaction costs as they are fully exposed to the performance of the Underlyings. The Product does not confer any claim to receive rights and/or payments of the Underlying, such as dividend payments, unless explicitly stated in the documentation governing the Product. Please refer to the Product Documentation as regards the further Product specific risk factors to be taken into account.

**Issuer Risk:** Investors are exposed to the credit risk of the Issuer. If the Issuer is not able to make a payment or becomes insolvent, investors could lose some or all of their investment.

**Market Risk:** Market risk may have a negative impact on the value of and the return on an investment in the Product. Market risk is the risk associated with the effect of changes in market factors such as interest and foreign exchange rates, equity and commodity prices, credit spreads or implied volatilities, on the value of assets and liabilities held for both the short and long term. Market risk may also lead to an early redemption of the Product (e.g. in the event of a hedging disruption).

**Liquidity Risk:** The Issuer or, as the case may be, the guarantor or a third party appointed by the Issuer or guarantor, if any, intends to act as market maker in relation to the Product and it will use commercially reasonable efforts to provide indicative bid and offer prices for the Product on a regular basis under normal market conditions. However, such market maker does not have an obligation to provide prices for the Product. Liquidity of the Product in the secondary market may be limited and an active trading market for the Product may not develop. Accordingly, investors may not be able to sell their Product.

**Currency Risk:** If the investor's reference currency is different from the currency, in which the Product is denominated, the investor bears the currency risk between the two currencies. The fluctuations in exchange rates could have an adverse effect on the value of or return on an investment in the Product, even if the redemption amount would otherwise provide for a positive return. If the Underlyings are calculated in a currency different from the Currency of the Product, the conversion into the Currency of the Product will be carried out at the relevant exchange rate.

**Early Termination and Reinvestment Risk:** The Product may be redeemed prior to its maturity (be it by declaration of the issuer or as a result of certain events specified in the terms of the Product) and investors must consider that in case of such an early redemption, investors will not receive any further coupon payments after the occurrence of the early redemption and the early redemption amount may be significantly below the issue / purchase price paid and the redemption amount payable at maturity. Investors may not be able to reinvest the early redemption amount in a financial instrument with the same profit potential and additional transaction costs may be incurred as a consequence of a reinvestment of the early redemption amount.

**Illiquidity of Underlying:** One or, if applicable, more of the Underlyings might be or become illiquid over the life time of the Product. Illiquidity of an Underlying might lead to larger bid/offer spreads of the Product and/or to an extended time period for buying and/or selling the Underlying respective to acquire, unwind or dispose of the hedging transaction(s) or asset(s) or to realise, recover or remit the proceeds of such hedging transaction(s) or asset(s) which might implicate a postponed redemption or delivery and/or a modified redemption amount, as reasonably determined by the Calculation Agent.

## ADDITIONAL INFORMATION / DISCLAIMER

### Prudential Supervision

Leonteq Securities AG is authorised as securities firm and subject to prudential supervision by FINMA. Leonteq Securities AG, Guernsey Branch is regulated by the Guernsey Financial Services Commission ("GFSC").

### Conflict of Interests

The Issuing Parties and/or the Lead Manager and/or any third party appointed by them, as the case may be, may from time to time, as principal or agent, have positions in, or may buy or sell, or make a market as well as be active on both sides of the market at the same time in any securities, currencies, financial instruments or other assets underlying the products to which this document relates. The Issuer's and Lead Manager's and/or the appointed third party's trading and/or hedging activities related to this transaction may have an impact on the price of the Underlying and may affect the likelihood that any relevant Barrier Level, if any, is reached.

### Payment of a Coupon

If the Product stipulates the Payment of a Coupon, the Investor is only entitled to receive the respective coupon payment, if he has purchased/not sold the Product at the latest on the Business Day preceding the respective Coupon Ex-Date for the then prevailing price.

## No Offer

The indicative Termsheet has been prepared for discussion purposes only. It is not an offer to buy the Product described within or enter into any agreement. Neither the Issuer nor any of their officers or employees is soliciting any action based upon it. The Final Termsheet is subject to further discussion and negotiation and also subject to internal approval.

## No Representation

The Issuer and/or Lead Manager makes no representation or warranty relating to any information herein which is derived from independent sources. Furthermore, the Issuer makes no representations as to (i) the suitability of the Product for any particular Investor and (ii) the appropriate accounting treatment or possible tax consequences of investing in the Product or (iii) the future performance of the Product either in absolute terms or relative to competing investments.

## No Advice

This Termsheet should not be construed as investment, financial, strategic, legal, regulatory, accounting or tax advice. It does not take into account the particular investment objectives, financial situation or needs of individual Investors. Certain transactions, including those involving futures, options and high yield securities, give rise to substantial risk and are not suitable for all investors. Accordingly Investors should consider whether the Product described herein is suitable for their particular circumstances and should consult their own accounting, tax, investment and legal advisors before investing. The Issuer does not accept any responsibility to update any opinions or other information contained in this Termsheet.

## INFORMATION ABOUT TCM-COLLATERALISATION

Triparty Collateral Management Secured Structured Products ("TCM Secured Structured Products") are structured products with a reduced issuer risk. This protection is provided by means of a collateral pledge. Investors thus profit from increased protection on the invested capital.

The Collateral Provider has entered into the Security Agreement on 12 December 2013 ("Security Agreement") and TCM Secured Structured Products are collateralized in accordance with the terms of the Security Agreement. The Collateral Provider will provide collateral to secure the value of TCM Secured Structured Products, whereby such collateral can consist among others of the securities that are the direct or indirect underlying's of the TCM Secured Structured Product.

The legal position of the Investors and of all involved parties in relation to the collateralization of the TCM Secured Structured Product is determined by the provisions of the Security Agreement. The Issuer shall, upon request, provide the Security Agreement to the Investors free of charge. A copy of the Security Agreement may be obtained from the Lead Manager at Europaallee 39, 8004 Zurich (Switzerland), or via telefon (+41 58 800 1111\*), fax (+41-(0)58-8001010) or email (termsheet@leonteq.com). Please note that all calls made to numbers marked with an asterisk (\*) are recorded. By calling such number, your consent to the recording is deemed given.

More detailed information regarding TCM-Collateralisation can also be found in the Programme.

The costs with respect to the collateralization of TCM Secured Structured Product as well as the borrowing costs of the products collateral may be taken into account for the pricing of TCM Secured Structured Product and may therefore be borne by the Investors, as the case may be.

The payment to the Investors in case of a so called Realization Event may be delayed for factual or legal reasons.

To the extent the calculation of the current value of a TCM Secured Structured Product as published daily by the Collateral Provider on SIX Financial Information proves to be incorrect, the collateralization of the TCM Secured Structured Product may be insufficient.

This TCM Secured Structured Product does not constitute collective investment schemes pursuant to the Federal Act on Collective Investment Schemes (CISA) and do not require authorization or supervision by the Swiss Financial Market Supervisory Authority FINMA.

## INDEX DISCLAIMER

Leonteq Securities AG makes no representation or warranty, expressed or implied, as to the Index value at any particular time on any particular date. Leonteq Securities AG makes no express or implied representations or warranties, and expressly disclaims any express or implied representations or warranties as regards (i) the merchantability or fitness of the Index for a particular purpose, any data or information included in the Index or any data or information on which the Index is based, (ii) the advisability of purchasing or assuming any risk in connection with any transaction or product linked to the Index, (iii) the results to be obtained by any investor in any transaction or product linked to the performance of the Index or any component thereof, or (iv) the results to be obtained by any other person or entity relating to the use of the Index.

Further information on the Index can be ordered free of charge from the Index Sponsor Leonteq Securities AG, Europaallee 39, 8004 Zurich, Switzerland or termsheet@leonteq.com.

## SELLING RESTRICTIONS

No action has been or will be taken to permit a public offering of the Products or possession or distribution of any offering material in relation to the Products in any jurisdiction, where such action for that purpose is required. Consequently, any offer, sale or delivery of the Products, or distribution or publication of any offering material relating to the Products, may only be made in or from any jurisdiction in compliance with applicable laws and regulations not imposing any obligations on the Issuing Parties or the Lead Manager. Possible limitations resulting from legal restrictions with regard to cross-border communication and cross-border business concerning the Products and related information remain reserved.

Most important jurisdictions where the Products may not be publicly distributed are EEA, UK, Hong Kong and Singapore.

The Products may not be offered or sold within the United States or to, or for the account or benefit of US persons (as defined in Regulation S). Detailed information on Selling Restrictions is published in the Programme which is available on [www.leonteq.com](http://www.leonteq.com) and can be ordered free of charge from the Lead Manager.

## EEA

Each purchaser of the Products represents and agrees that it has not made and will not make an offer of the Products to the public in any Member State of the European Economic Area (each, a "Member State") prior to the publication of a prospectus in relation to the Products which has been approved by the competent authority in the relevant Member State or, where appropriate, approved in another Member State and notified to the competent authority in the relevant Member State, all in accordance with the applicable law, and the Issuer has consented in writing to the use of the prospectus for the purpose of that offer, except the purchaser may make an offer of Products in that relevant Member State:

- solely to legal entities which are qualified investors as defined in the Prospectus Regulation,

- at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the Lead Manager; or;
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Products shall require the Issuer or the Lead Manager to publish a prospectus pursuant to Article 1 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer of Products to the public" in relation to any Products in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Products to be offered so as to enable an investor to decide to purchase or subscribe the Products.