



Key Information Document (“KID”)

Purpose

This document provides the investor (“you”) with key information about this investment product. It is not marketing material. The information is required by law to help the investor understand the nature, risks, costs, potential gains and losses of this product and to help the investor compare it with other products.

4.35% p.a. Conditional Capital Protection Certificate in CAD with Reference Entities (ARDAGH PACKAGING FINANCE PLC, CEMEX SAB DE CV, INEOS GROUP HOLDINGS SA, SFR GROUP SA)

Swiss Securities Number: 35550992 | ISIN: CH0355509925

Issuer of this Product: EFG International Finance (Guernsey) Ltd., St Peter Port, Guernsey | www.efginternational.com | Call +41-(0)58-800-1000 for more information

KID Manufacturer: Leonteq Securities AG | Competent Authority: the relevant Authority | Production date of the KID: 23.02.2018

The investor is about to purchase a product that is not simple and may be difficult to understand.

1. What is this product?

Type

This product is a Swiss Uncertificated Security under Swiss law.

Objectives

Objective of the product is to provide the investor with a specified entitlement according to predefined conditions.

The product is linked to the creditworthiness of ARDAGH PACKAGING FINANCE PLC, CEMEX SAB DE CV, INEOS GROUP HOLDINGS SA, SFR GROUP SA as Reference Entities. Payments of full coupon and redemption amounts will only be made under the condition that no Credit Event (as described below) with respect to the Reference Entities occurs. Accordingly, investors bear the credit risk of the Issuer, the Guarantor of the products and the credit risk of the Reference Entities. The product has a fixed lifetime and will be due on the Redemption Date unless the issuer terminates the products, as defined below. In addition, the investor is entitled to receive a Coupon Amount on each Coupon Payment Date. The Coupon Amount equals the Denomination multiplied by the Coupon Rate and Day Count Fraction, and further adjusted by the Adjustment Factor, as defined below.

The possibilities for the redemption are as follows:

(i) In case no Credit Event during the Credit Event Observation Period has occurred, the investor will receive a Cash Settlement in the Settlement Currency that equals the Conditional Capital Protection Amount.

(ii) In case a Credit Event has occurred during the Credit Event Observation Period with respect to a Reference Entity and the publication of a Credit Event Notice, the redemption amount will no longer correspond to the Conditional Capital Protection Amount and will equal the Liquidation Amount (as described below).

The Liquidation Amount is expressed in the Settlement Currency and equals (i) the Denomination multiplied by the Conditional Capital Protection less (ii) the pro rata share of all losses for unwinding or the settlement of the hedge position relating to the Reference Entity and less (iii) the pro rata share of any costs generated by the unwind or settlement of such hedging positions. The Issuer expects that its hedge position will comprise one or more credit default swaps inter alia relating to the Reference Entity and/or the direct or indirect holding of bonds issued or guaranteed by the Reference Entity. In case of a credit default swap, the unwinding or the settlement of such hedging position will for example require a payment of the Issuer to its counterparty equal to the losses determined for such counterparty on the basis of the likely deteriorated market value of the Reference Entity’s obligations (which can be determined by way of a public auction). In case of a direct or indirect holding of bonds, the unwinding or the settlement of such hedging position may for example result in significant losses from an early liquidation of the bonds during unfavorable market conditions for the sale of the Reference Entity’s debt. The redemption amount may also be zero. In the case of the occurrence of a Credit Event the redemption may be postponed until the Liquidation Amount has been determined.

The occurrence of a Credit Event will be determined by the Calculation Agent and can be based on any publicly available information or announcements of the International Swaps and Derivatives Association, Inc. (ISDA). ISDA establishes and publishes international market standards for derivative transactions, including credit derivatives. In order to enable a uniform and market wide application of such standards, ISDA has set up a Committee (ISDA Credit Derivatives Determinations Committee) consisting of financial institutions and other market participants who are significantly involved in transactions in credit derivatives. This Committee makes, inter alia, market wide determinations as to the occurrence of events which are regarded as credit events under that ISDA standards.

Credit Events for the purposes of the products mirror the ISDA market standard.

The Adjustment Factor equals the difference between (a) 100% and (b) the sum of Weights in respect of all Reference Entities/Reference Obligations (if any) affected by a Credit Event as of, but excluding, the respective Coupon Payment Date.

Additionally, the Issuer has an unconditional termination right at any time (the Termination Right). In case the Issuer exercises the Termination Right, investors will receive the Liquidation Amount at the date specified for this termination by the Issuer.

Currency of the Product (Settlement Currency)	Canadian Dollar (“CAD”)	Reference Entity / Transaction Type / Weight	ARDAGH PACKAGING FINANCE PLC / STANDARD EUROPEAN CORPORATE / 25%, CEMEX SAB DE CV / STANDARD LATIN AMERICA CORPORATE B / 25%, INEOS GROUP HOLDINGS SA / STANDARD EUROPEAN CORPORATE / 25%, SFR GROUP SA / STANDARD EUROPEAN CORPORATE / 25%.
Minimum Investment / Minimum Trading Lot	CAD 1’000.00	Issue Date	22/02/2017
Initial Fixing Date	15/02/2017	Final Fixing Date	20/12/2023
Denomination	CAD 1’000.00	Day Count Fraction	30/360
Issue Price	100.00%	Coupon Rate	4.35% p.a. of the Denomination
Coupon Payment Date(s)	10/01/2018, 10/01/2019, 10/01/2020, 11/01/2021, 10/01/2022, 10/01/2023, 10/01/2024	Settlement Type	Cash Settlement
Quoting in consideration of accrued interest	yes (dirty prices); the investor pays no accrued interest additionally when purchasing the product	Credit Event Observation Period	Means the period from (and including) the day which is 60 calendar days prior to the Initial Fixing Date to (and including) the Extension Date (as defined in the ISDA Definitions). For the purposes of the determination of the Extension Date, the 20

3. What happens if the Issuer is unable to pay out?

The obligations of the Issuer under this product are guaranteed by a first demand guarantee of EFG International AG, Zurich, governed by Swiss law, which protects investors in case the Issuer is unable to fulfil its obligations under the product. A total loss of the investor's capital invested is possible if both the Issuer and the Guarantor are unable to fulfil their obligations in respect of the product and the guarantee, respectively. The product is a debt instrument and as such is not covered by any deposit protection scheme.

4. What are the costs?

Cost over time

The Reduction in Yield (RIY) shows what impact the total costs the investor pays will have on the investment return the investor might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself. They include potential early exit penalties. The figures assume the investor invests CAD 10,000. The figures are estimates and may change in the future.

The person selling to the investor or advising the investor about this product may charge other costs. If so, this person will provide the investor with information about these costs, and show the investor the impact that all costs will have on the investor's investment over time.

Investment CAD 10,000	If the investor cashes in the product after 1 year	If the investor cashes in the product after 3 years	If the investor cashes in at the end of the recommended holding period
Total costs	CAD 113.98	CAD 114.01	CAD 67.14
Impact on return (RIY) per year	1.13%	0.38%	0.12%

Composition of Costs

The table below shows:

- The impact each year of the different types of costs on the investment return the investor might get at the end of the recommended holding period.
- The meaning of the different cost categories.

This table shows the impact on return per year

Cost Category	Sub-category	Impact on return	Description
One-off costs	Entry costs	0.12%	The impact of the costs the investor pays when entering the investment. The impact of the costs already included in the price. This is the most the investor will pay and could pay less.
	Exit costs	-	Not applicable
Ongoing costs	Portfolio transaction costs	-	Not applicable
	Other ongoing costs	-	Not applicable
	Performance fees	-	Not applicable
Incidental costs	Carried interests	-	Not applicable

5. How long should the investor hold it and can the investor take money out early?

Recommended holding period: 10/01/2024 (until Redemption Date)

The objective of the product is to provide the investor with the redemption profile described under "1. What is this product?" above. The ability to benefit from the favourable redemption profile does only apply if the product is held until maturity.

There are no possibilities to take the investor's money out early other than to sell the product off-exchange.

In unusual market situations, or in the event of technical faults/disruptions, a purchase and/or sale of the product can be temporarily hindered, or may not be possible at all.

6. How can the investor complain?

Any complaint regarding the person advising on, or selling, the product on the relevant website can be submitted directly to that person.

Any complaint regarding the product or the conduct of the Issuer of this product can be submitted to the following address: Leonteq Securities AG, Europaallee 39, 8004 Zurich, Switzerland, kid@leonteq.com, www.leonteq.com.

7. Other relevant information

Any additional documentation in relation to the product and in particular the simplified prospectus and the programme (including any supplements hereto) are published on the website: www.leonteq.com. In order to obtain more detailed information – and in particular details of the structure of and risks associated with an investment in the product – the investor should read these documents.