

Termsheet
Exchange Traded Product on FuW Swiss 50 Index NTR

Open End; issued in CHF; listed on SIX Swiss Exchange

ISIN CH1171791820 | Swiss Security Number 117179182 | SIX Symbol FUW50

This Product is collateralised in accordance with the terms and conditions of the TCM Security Agreement ("TCM 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.

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 a 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 key 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.

Product Description

This Product replicates the price movements of the Underlying (adjusted by the AF, Conversion Ratio, and FX Rate, as further outlined herein) and is therefore in terms of risks comparable to a direct investment in the Underlying. On the Redemption Date the Investor will receive a Cash Settlement as further described under "Redemption". The Product is an Exchange Traded Product, which is issued as a TCM Product and collateralized in accordance with the Terms for TCM Products pursuant to the TCM Security Agreement and subject to compliance with the SIX Additional Rules for the Listing of Exchange Traded Products of SIX Swiss Exchange.

Underlying

Underlying	Index Sponsor	ISIN	Initial Fixing Level (100%)*
FuW Swiss 50 Index NTR	Solactive AG	DE000SL0GLS0	CHF 2346.49

Product Details

Swiss Security Number	117179182
ISIN	CH1171791820
SIX Symbol	FUW50
Issue Price	CHF 23.4649
Issue Size	2'000'000 Product(s) (can be increased at any time)
Settlement Currency	CHF
Initial Conversion Ratio (Conversion Ratio.)	0.01
Administration Fee (AF)	0.72% p.a. (deducted pro rata temporis) The Administration Fee reduces the redemption amount subject to the holding period and has a negative effect on the secondary market prices.

Dates

Initial Fixing Date	14/10/2022
Issue Date	28/11/2022
First Exchange Trading Date	28/11/2022 (anticipated)
Last Trading Day/Time	Open-end
Final Fixing Date	As specified by the Issuer in his Redemption Announcement or, the 5th Exchange Business Day following the day, on which the duly completed and signed Redemption Notice is delivered to the Authorized Participant (subject to Market Disruption Event provisions)
Redemption Date	Means the 5th Business Day following the Final Fixing Date (subject to Settlement Disruption Event provisions)

* levels are expressed in percentage of the Initial Fixing Level

Redemption

The Investor is entitled to receive from the Issuer on the Redemption Date per each Product a Cash Settlement in the Settlement Currency equal to the **Redemption Amount** on the Final Fixing Date and calculated as follows:

$$\text{Redemption Amount} = \text{Conversion Ratio}_t \times \text{Final Fixing Level} \times \text{FX Rate}_t - \text{AF}_t$$

Initial Fixing Level	Official close of the Underlying on the Initial Fixing Date as calculated and published by the Index Sponsor and as determined by the Calculation Agent.
Final Fixing Level	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.
Fixing Level_t	The official closing price of the Underlying on calendar day t (or if such official closing price is not available the last available official closing price of the Underlying) and as published by the Index Sponsor, as reasonably determined by the Calculation Agent.
Issuer's Termination Right	The Issuer has the unconditional right to call all Products with immediate effect, with a five Business Days period of notice prior to the Final Fixing Date (the " Termination Right ") by announcement (the " Termination Announcement ") on the Lead Manager's website, all in accordance with the General Terms and Conditions of the Programme. The Termination Announcement will specify the Last Trading Day and Final Fixing Date. In case of an exercise of the Issuer's Termination Right, the Issuer will pay to the Investor a Cash Settlement in the Settlement Currency that shall be the Fair Market Value of the Product.
Investor's Termination Right	Each Investor has an annual right, on 14/10 for the first time on 14/10/2023 (such day being the Final Fixing Date; Following Business Day Convention will apply) to call the Products for redemption (taking into account any Minimum and/or Maximum Redemption Number, if such is applicable as stated under "General Information" herein), by delivering a duly completed and signed Redemption Notice to the Authorized Participant in accordance with the General Terms and Conditions of the Programme (notice to be received by the Authorized Participant no later than 07.00 am CET on the 10th Business Day preceding the respective Final Fixing Date). Following such announcement, the Products will be redeemed on the Redemption Date for a value equal to the Redemption Amount on the Final Fixing Date as determined by the Calculation Agent.
Conversion Ratio_t	The Conversion Ratio _t on calendar day t and determined by the Calculation Agent as follows: $\text{Conversion Ratio}_t = \text{Conversion Ratio}_{t-1} - \text{AF}_t / (\text{Fixing Level}_t \times \text{FX Rate}_t)$
Administration Fee (AF_t)	The Administration Fees on calendar day t and determined by the Calculation Agent as follows: $\text{AF}_t = \text{Conversion Ratio}_{t-1} \times \text{Fixing Level}_{t-1} \times \text{FX Rate}_t \times \text{AF} \times \text{Day Count}$
Day Count_t	The actual number of calendar days between (and including) calendar day t-1 to (and excluding) the current calendar day t divided by 360.
FX Rate_t	Prevailing foreign exchange rate on calendar day t used for exchanging the Underlying's currency into the Settlement Currency, as reasonably determined by the Calculation Agent. For an Underlying quoted in the Settlement Currency this value will be equal to 1.

General Information

Issuer	Leonteq Securities AG, Zurich, Switzerland (Rating: Fitch BBB- with positive outlook, JCR BBB+ with stable outlook, Supervisory Authority: FINMA)
Collateral Provider (TCM)	Leonteq Securities AG, Zurich, Switzerland
Collateral Agent (TCM)	SIX Repo AG, Zurich, Switzerland
Collateral Custodian (TCM)	SIX SIS AG, Olten, Switzerland
Authorized Participant	Leonteq Securities AG, Zurich, Switzerland
Lead Manager	Leonteq Securities AG, Zurich, Switzerland
Calculation Agent	Leonteq Securities AG, Zurich, Switzerland
Paying Agent	Leonteq Securities AG, Zurich, Switzerland
Distribution Fees	Up to 0.40% p.a. (incl. VAT, if any. Reference is made to section "Remunerations to Third Parties" herein and to the General Terms and Conditions of the Programme.)
Listing/Exchange	SIX Swiss Exchange AG; traded on SIX Swiss Exchange - Exchange Traded Products (ETPs) 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.
Secondary Market	Daily price indications will be available from 09:00 - 17:30 CET on www.leonteq.com , Refinitiv [SIX Symbol]=LEOZ or [ISIN]=LEOZ and Bloomberg [ISIN] SW Equity or on LEOZ.
Quotation Type	Secondary market prices are quoted in the Settlement Currency, per Product.
Settlement Type(s)	Cash Settlement
Minimum Investment	1 Product(s)
Minimum Trading Lot	1 Product(s)

Minimum Redemption Number	1 Product(s)
Maximum Redemption Number	1 Product(s)
Clearing	SIX SIS Ltd, Euroclear, Clearstream
Depository	SIX SIS Ltd
Public Offering only in	Switzerland
Form	Uncertificated Securities
Governing Law / Jurisdiction	Swiss / Zurich

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

Taxation Switzerland

Swiss Federal Stamp Duty	Neither the issuance of the Product nor secondary market transactions are subject to Swiss stamp duty.
Swiss Federal Income Tax (for private investors with tax domicile in Switzerland)	Compensation payments or reinvestments of distributions from the Underlying are subject to Swiss Federal Income Tax. Capital gains realised during the term of the Product and on the Redemption Date are not subject to Swiss Federal Income Tax for private investors with tax domicile in Switzerland holding the Product as part of their private assets. The tax treatment regarding the cantonal and communal income taxes can differ from the tax treatment regarding the Swiss Federal Income Tax. But in general the income tax treatments are corresponding.
Swiss Withholding Tax	The Product is not subject to Swiss withholding tax.

The tax information provided herein is a non-binding summary and only provides a general overview of the potential Swiss tax consequences linked to this Product at the time of issue. Tax laws and tax interpretation may change at any time, possibly with retroactive effect.

Investors and prospective Investors are advised to consult with their tax advisers with respect to the Swiss 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 22 September 2022 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 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 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.

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). 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.

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.

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.

Remunerations to Third Parties

Depending on the circumstances the Issuer and/or Lead Manager may sell this Product to financial institutions or intermediaries at a discount to the Issue Price or reimburse a certain amount to such financial institutions or intermediaries (reference is made to section "General Information" herein). For open-end products such fees will be split linearly over ten years.

In addition, for certain services rendered by distribution partners and to increase quality and services relating to the Products, the Issuer and/or Lead Manager may from time to time pay recurring fees to such third parties.

Further information is available on request.

No Offer

This Termsheet is primarily provided for information purposes and does not constitute a recommendation, an offer or a solicitation of an offer to buy financial products.

No Representation

The Issuer, the Lead Manager and any third party appointed by them make no representation or warranty relating to any information herein which is derived from independent sources.

Information about TCM-Collateralisation

Triparty Collateral Management Secured Products ("TCM Products") are 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 Products are collateralized in accordance with the terms of the Security Agreement. The Collateral Provider will provide collateral to secure the value of TCM Products, whereby such collateral can consist among others of the securities that are the direct or indirect underlying's of the TCM Product.

The legal position of the Investors and of all involved parties in relation to the collateralization of the TCM 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 Product as well as the borrowing costs of the products collateral may be taken into account for the pricing of TCM 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 Product as published daily by the Collateral Provider on SIX Financial Information proves to be incorrect, the collateralization of the TCM Product may be insufficient.

This TCM 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

Solactive AG ("Solactive") is the licensor of the Index. The financial instruments that are based on the Index are not sponsored, endorsed, promoted or sold by Solactive in any way and Solactive makes no express or implied representation, guarantee or assurance with regard to: (a) the advisability in investing in the financial instruments; (b) the quality, accuracy and/or completeness of the Index; and/or (c) the results obtained or to be obtained by any person or entity from the use of the Index. Solactive does not guarantee the accuracy and/or the completeness of the Index and shall not have any liability for any errors or omissions with respect thereto. Notwithstanding Solactive's obligations to its licensees, Solactive reserves the right to change the methods of calculation or publication with respect to the Index and Solactive shall not be liable for any miscalculation of or any incorrect, delayed or interrupted publication with respect to the Index. Solactive shall not be liable for any damages, including, without limitation, any loss of profits or business, or any special, incidental, punitive, indirect or consequential damages suffered or incurred as a result of the use (or inability to use) of the Index.

Further information on the Index can be ordered free of charge from the Index Sponsor or from 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 and can be ordered free of charge from the Lead Manager.