

## 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.

## Inverse Express Certificate in USD on Netflix

Swiss Securities Number: 45675887 | ISIN: CH0456758876

Issuer of this Product: **Leonteq Securities AG, Guernsey Branch** | www.leonteq.com | Call +41 58 800 10 00 for more information

KID Manufacturer: **Leonteq Securities AG** | Competent Authority: the relevant Authority | Production date of the KID: 24.05.2019

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 investor may receive a coupon payment on the Coupon Payment Date if a Coupon Trigger Event has occurred on the corresponding Coupon Observation Date. A Coupon Trigger Event shall occur if on any Conditional Coupon Observation Date the official close of the Underlying is below the Coupon Trigger Level. If the investor has not received a coupon payment on the previous Coupon Payment Date(s), the missed coupon payment(s) shall additionally be payable in arrears if a Coupon Trigger Event occurs on a subsequent Coupon Observation Date (“Memory Coupon”). The product has a fixed lifetime and will be redeemed on the Early Redemption Date or on the Redemption Date. The possibilities for the redemption of the product are as follows:

Early Redemption on the specific Early Redemption Date:

Provided that on one of the pre-defined Autocall Observation Dates the official close of the Underlying is below the Autocall Trigger Level, an Early Redemption will occur and the product will expire immediately.

The investor will receive USD 1'000.00 (100% of the Issue Price) plus the Conditional Coupon Amount, if applicable, for the respective Conditional Coupon Payment Date. No further payments will be made.

#### Redemption opportunities on the Redemption Date:

- If a Barrier Event has NOT occurred, the Investor will receive a Cash Settlement in the Settlement Currency equal to: Issue Price (USD 1'000.00)
- If a Barrier Event HAS occurred, the investor will receive a Cash Settlement that equals the Issue Price multiplied by the difference of (a) 2 and (b) the Final Fixing Level divided Initial Fixing Level. The Cash Settlement will be at least zero. This means the Cash Settlement is calculated as follows:  $\text{MAX}[0; \text{Issue Price} \times (200\% - \text{Final Fixing Level} / \text{Initial Fixing Level})]$

A Barrier Event shall be deemed to occur if the Underlyings' Final Fixing Level is at or above the Barrier Level.

The investor might incur a loss in case the sum of Cash Settlement on the Redemption Date and the coupon payment is below the purchase price of the product. Different from a direct investment in the Underlying, the investor will receive a coupon payment, but no dividend payment nor any further entitlement resulting from the Underlying (e.g. voting rights). The investor will not benefit from any increase of the market price of the Underlying.

<b>Currency of the product (Settlement Currency)</b>	Euro (“EUR”)	<b>Minimum Investment / Minimum Trading Lot</b>	1 Certificate(s)
<b>Issue Date</b>	28/01/2019	<b>Initial Fixing Date</b>	23/01/2019
<b>Last Trading Day/Time</b>	23/01/2020 / Exchange market close	<b>First Exchange Trading Date</b>	28/01/2019
<b>Redemption Date</b>	30/01/2020	<b>Final Fixing Date</b>	23/01/2020
<b>Issue Price</b>	EUR 1'000.00	<b>Initial Fixing Level</b>	Official close of the Underlying on the Initial Fixing Date on the Related Exchange.
<b>Final Fixing Level</b>	Official close of the Underlying on the Final Fixing Date on the Related Exchange.	<b>Settlement Type</b>	Cash Settlement
<b>Exchange Listing</b>	EuroTLX	<b>Quoting in consideration of accrued interest</b>	yes (dirty prices); the investor pays no accrued interest additionally when purchasing the product
<b>Conditional Coupon Rate</b>	0.7500% (9.0000% p.a.)	<b>Currency Risk</b>	The product is currency hedged at maturity, i.e. although the Initial Fixing Level is determined in the currency of the Underlying, the amounts determined in the currency of the Underlying will be converted 1:1 into the Currency of the Product (Quanto).

Coupon Observation Date	Coupon Trigger Level <sup>a</sup>	Conditional Coupon Payment Date	Conditional Coupon Amount	Autocall Observation Date	Autocall Trigger Level <sup>a</sup>	Early Redemption Date
25/02/2019	150.00%	28/02/2019	EUR 7.50	-	-	-
25/03/2019	150.00%	28/03/2019	EUR 7.50	-	-	-
23/04/2019	150.00%	26/04/2019	EUR 7.50	-	-	-
23/05/2019	150.00%	28/05/2019	EUR 7.50	-	-	-
24/06/2019	150.00%	27/06/2019	EUR 7.50	-	-	-
23/07/2019	150.00%	26/07/2019	EUR 7.50	23/07/2019	100.00%	26/07/2019
23/08/2019	150.00%	28/08/2019	EUR 7.50	23/08/2019	100.00%	28/08/2019
23/09/2019	150.00%	26/09/2019	EUR 7.50	23/09/2019	100.00%	26/09/2019
23/10/2019	150.00%	28/10/2019	EUR 7.50	23/10/2019	100.00%	28/10/2019
25/11/2019	150.00%	28/11/2019	EUR 7.50	25/11/2019	100.00%	28/11/2019
23/12/2019	150.00%	30/12/2019	EUR 7.50	23/12/2019	100.00%	30/12/2019
23/01/2020	150.00%	30/01/2020	EUR 7.50	-	-	-

<sup>a</sup>: levels are expressed in percentage of the Initial Fixing Level



- the meaning of the different cost categories.

This table shows the impact on return over the Recommended Holding Period			
One-off costs	Entry costs	0.80%	The impact of the costs already included in the price.
	Exit costs	-	Not applicable
Ongoing costs	Portfolio transaction costs	-	Not applicable
	Other ongoing costs	-	Not applicable
Incidental costs	Performance fees	-	Not applicable
	Carried interests	-	Not applicable

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

##### Recommended holding period: 8 months 6 days (until Redemption Date 30/01/2020)

The objective of the product is to provide the investor with the redemption profile described under "1. What is this product?" above. It is not always appropriate to compare the performance or cost figures of this product with other products with different recommended holding periods.

There are no possibilities to take the investor's money out early other than to sell the product through the exchange where the product is listed or 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 final terms and the base prospectus (including any supplements hereto) are published on the Issuer's 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.

Furthermore, Leonteq created the KID after having made certain assumptions and exercised certain discretion with respect to calculations of key figures and performance scenarios and is going to reassess and adapt its assumptions as it deems appropriate from time to time.