

## Purpose

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

You are about to purchase a product that is not simple and may be difficult to understand.

## Product

Product name	Naked warrants (Aktioptionssscheine)
Product identifier	ISIN: AT0000A2HQA7
Product manufacturer	Kontron AG, Industriezeile 35, 4020 Linz, Austria, LEI 5299002PSXXMVHB26433 (further information can be obtained under +43 732 7664-0)
Competent Authority	Austrian Financial Market Authority (Österreichische Finanzmarktaufsichtsbehörde; FMA)
Date and time of production	28 June 2023 12:20 Vienna local time

## 1. What is this product?

<b>Type</b>	Naked warrants pursuant to Austrian law (instruments falling under § 174 of the Austrian Joint Stock Corporation Act (AktG)).
<b>Term</b>	The product has a fixed term and will be due on 30 July 2025.
<b>Objectives</b> (Terms that appear in bold in this section are described in more detail in the table(s) below.)	<p>The product targets to generate a profit for the holder of the warrant in case of exercise of the option right provided by the warrant. Each warrant, which has been issued on the <b>issue date</b>, securitizes a warrant holder's claim against Kontron AG in case of exercise of the option right for:</p> <p>(i) delivery of such number of <b>delivery shares</b> of Kontron AG which are of the same type and class as the <b>existing shares</b> as is equal to the <b>relevant warrant ratio</b> against prior payment of the <b>exercise price</b> per <b>delivery share</b>, or</p> <p>(ii) if the delivery of a <b>delivery share</b> to the respective warrant holder cannot be completed on or before the date falling on the 45th day (or, if such day is not a business day, the immediately following business day) after the relevant <b>exercise date</b>, payment of the <b>cash amount</b> in accordance with the terms and conditions without delivery of any <b>delivery share</b> to the warrant holder.</p> <p>The issuer is obliged to target delivery of a delivery share to settle warrant holders' claims in case of exercise of their option rights. For the purpose of delivery of <b>delivery shares</b>, the issuer will either create <b>new delivery shares</b> or will use <b>existing delivery shares</b> for delivery. Warrant holders are entitled to exercise the option right during <b>exercise periods</b>. Option rights may be exercised once the <b>reference price</b> exceeds the <b>barrier</b>, which is set at EUR 32.8597 per <b>existing share</b> (as adjusted from time to time in accordance with the Terms and Conditions), in effect at the relevant time on an <b>exercise date</b> as set forth in the Terms and Conditions. Warrant holders are therefore only entitled to exercise option rights if both (i) an <b>exercise period</b> applies and (ii) the <b>reference price</b> exceeds the <b>barrier</b> at a time within the respective <b>exercise period's reference price period</b>. Warrants are not exercised automatically at the end of their term on the <b>maturity date</b>. In case the two requirements (open exercise period and <b>reference price</b> exceeding the <b>barrier</b> during the related <b>reference price period</b>) are both not fulfilled before the <b>maturity date</b> or if a warrant holder misses to exercise the option right during the time these requirements both were fulfilled, the warrants will expire worthless on the <b>maturity date</b>. The warrants do not bear any interest and do not provide for any ordinary payment or repayment at their <b>maturity date</b>.</p>

<b>Issue date</b>	30 July 2020	<b>Maturity date</b>	End of term of the warrants on 30 July 2025
<b>Type, style</b>	Call, [Bermuda Option]	<b>Underlying = existing shares</b>	Ordinary bearer shares of Kontron AG (ISIN: AT0000A0E9W5; Bloomberg: [KTN GY Equity]), as amended in accordance with the Terms and Conditions
<b>Trading of warrants</b>	Vienna Stock Exchange (Wiener Börse)	<b>Market segment</b>	Official Market (Amtlicher Handel) / warrants
<b>Exercise period</b>	Period of 20 consecutive business days commencing on falling on the second business day after publication of the Issuer's interim and annual consolidated financial statements. The first exercise period start date is in respect of the publication of the Issuer's interim or annual consolidated financial statements immediately following 30 July 2023. Exercise periods will therefore depend on the date of publication of the Issuer's interim and annual consolidated financial statements.	<b>Reference price</b>	Arithmetic average of the official closing prices of the Issuer's existing shares on each trading day, on which such official closing price of the existing shares on the XETRA platform of the Deutsche Börse is available during the reference price period
<b>Exercise date</b>	Date which is the last day of the exercise period during which the relevant request date falls, whereby request date means the business day on which delivery of the relevant exercise and subscription notice is made or deemed to be made	<b>Reference price period</b>	Period of 10 consecutive qualifying trading days ending on and including the tenth day (or, if such day is not a qualifying trading day, the immediately preceding qualifying trading day) prior to the first day of such exercise period
<b>Strike price</b>	EUR 14.9362 (as adjusted from time to time in accordance with the Terms and Conditions)	<b>Relevant trading venue (underlying)</b>	XETRA platform of Deutsche Börse
<b>Warrant ratio</b>	1.0003, adjusted by the Calculation Agent concurrently to any adjustment	<b>Relevant warrant ratio</b>	Number of delivery shares as is equal to the product (rounded down to the nearest whole multiple of 1 (one))

	to the strike price on an inversely proportionate basis		delivery share) of (A) the number of warrants the subject of such exercise and (B) the warrant ratio in effect on the relevant exercise date
<b>Delivery share</b>	Ordinary bearer shares of Kontron AG • <b>New delivery share:</b> Ordinary bearer share of Kontron AG to be issued • <b>Existing delivery share:</b> Treasury share of Kontron AG	<b>Exercise price</b>	Product of the strike price in effect on the relevant exercise date (set at EUR 14.9362, as adjusted from time to time in accordance with the Terms and Conditions) and the relevant warrant ratio
<b>Barrier</b>	EUR 32.8597 per existing share (adjusted from time to time in accordance with the Terms and Conditions)	<b>Cash amount</b>	Cash amount in accordance with the Terms and Conditions

#### Intended retail client

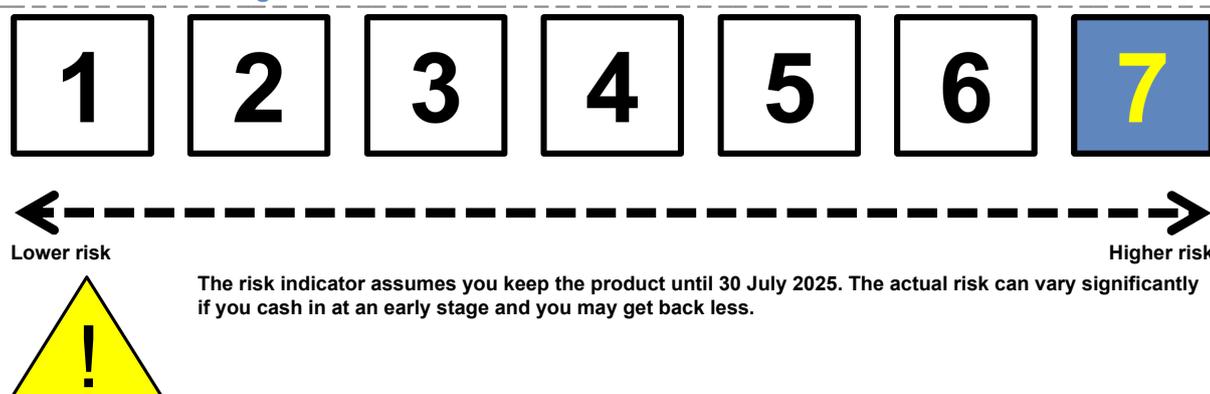
The product is intended to be offered to retail investors who fulfil all of the criteria below:

1. they are sophisticated and experienced in trading complex securities;
2. they are looking for a speculative investment opportunity that reflects an expectation that the underlying will increase in value over time;
3. they are able to bear a total loss of the amount invested; and
4. they have an intermediate investment horizon.

This view does not represent an assessment of the suitability of the product for an individual investor.

## 2. What are the risks and what could I get in return?

#### Risk indicator



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 7 out of 7, which is the highest risk class. This rates the potential losses from future performance at a very high level, and poor market conditions are unlikely to impact our capacity to pay you.

Inflation erodes the purchasing value of cash over time and this may result in the decline in real terms of any capital reimbursed.

This product does not include any protection from future market performance so you could lose some or all of your investment.

If we are not able to pay you what is owed, you could lose your entire investment.

For detailed information about all risks relating to the product please refer to the risk sections of the prospectus and any supplements thereto as specified in the section "7. Other relevant information" below.

#### Performance scenarios

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

The scenarios shown are illustrations based on results from the past and on certain assumptions. Markets could develop very differently in the future.

	<b>Recommended holding period:</b>	<b>2 years and 1 month</b>	
	<b>Example investment:</b>	<b>EUR 10,000</b>	
<b>Scenarios</b>		<i>If you exit after 1 year</i>	<i>If you exit after 2 years and 1 month (Recommended holding period)</i>
<b>Minimum</b>	<b>There is no minimum guaranteed return. You could lose some or all of your investment.</b>		
<b>Stress</b>	<b>What you might get back after costs</b>	EUR -235	EUR 0
	<b>Average return each year</b>	0.00%	-100.00%
<b>Unfavourable</b>	<b>What you might get back after costs</b>	EUR -235	EUR 0
	<b>Average return each year</b>	0.00%	-100.00%
<b>Moderate</b>	<b>What you might get back after costs</b>	EUR 1,735	EUR 0
	<b>Average return each year</b>	-82.65%	-100.00%
<b>Favourable</b>	<b>What you might get back after costs</b>	EUR 88,354	EUR 84,647
	<b>Average return each year</b>	783.54%	523.77%

The favourable, moderate and unfavourable scenarios represent possible outcomes that have been calculated based on simulations using the reference asset's performance over up to 5 past years. The stress scenario shows what you might get back in extreme market circumstances.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

## 3. What happens if Kontron AG is unable to pay out?

The investor bears the risk that Kontron AG is potentially not able to fulfill its obligations in relation to the product, e.g. in case of insolvency of Kontron AG. This may result in non-delivery of delivery shares and a failure in payment of cash amounts. The value of the product may be materially affected. This may lead to a partial or full loss of all funds invested in the product. The product is no deposit and is not subject to any deposit protection.

#### 4. What are the costs?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

##### Costs over time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed:

- In the first year you would get back the amount that you invested (0% annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario.
- EUR 10,000 is invested

	<i>If you exit after 1 year</i>	<i>If you exit after 2 years and 1 month</i>
<b>Total costs</b>	EUR 471	EUR 235
<b>Annual cost impact*</b>	4.82%	1.14% each year

\*This illustrates how costs reduce your return each year over the holding period. For example it shows that if you exit at the recommended holding period your average return per year is projected to be 1.15% before costs and 0.00% after costs.

We may share part of the costs with the person selling you the product to cover the services they provide to you. They will inform you of the amount.

##### Composition of costs

	<b>One-off costs upon entry or exit</b>	<b>If you exit after 1 year</b>
<b>Entry costs</b>	2.35% of the amount you pay when entering this investment. These costs are already included in the price you pay.	EUR 235
<b>Exit costs</b>	2.35% of your investment before it is paid out to you. These costs are already included in the price you receive and are only incurred if you exit before maturity. If you hold the product until maturity, no exit costs will be incurred.	EUR 235

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

##### Recommended holding period: 2 years and 1 month

**Sudden changes in the value of the product can occur frequently. The value of the product should be monitored constantly.**

The product reacts due to its leverage to small price movements of the underlying leading to potential profits or losses within unpredictable timeframes.

The product does not guarantee the possibility to disinvest other than by selling the product through the exchange. No fees or penalties will be charged by the issuer for any such transaction, however an execution fee might be chargeable by your broker if applicable.

<b>Exchange listing</b>	Wiener Börse AG	<b>Last exchange trading day</b>	17 September 2020
<b>Smallest tradable unit</b>	1 unit	<b>Price quotation</b>	Units

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

#### 6. How can I complain?

Complaints about the structure of the product and/or the conduct of the manufacturer of the product can be transmitted to the following address: via e-mail to [ir@snt.at](mailto:ir@snt.at), and/or addressed in writing to Kontron AG, Industriezeile 35, 4021 Linz, Austria. Complaints shall provide for the name of the product, the ISIN, and the reasons for the complaint.

#### 7. Other relevant information

This is no offer and no invitation to submit an offer for the purchase or subscription of securities of Kontron AG. The offering of the products was exclusively made on the basis of a prospectus approved by the Austrian Financial Market Authority on 13 July 2020, which was published in accordance with applicable laws on the website of the issuer. The offering has been closed. The Terms and Conditions of the product, as well as the no longer valid prospectus (which has not been supplemented) of Kontron AG, are available on the website of Kontron AG under [https://ir.kontron.ag/Aktienoptionsscheine\\_2020.de.html](https://ir.kontron.ag/Aktienoptionsscheine_2020.de.html). These documents can be obtained free of charge also from Kontron AG, Industriezeile 35, 4021 Linz, Austria.