

Sachwertanleihe 3 | Telekia, Compartment 1

This is an additional Reference Portfolio Component as part of a notional Reference Portfolio prepared by the Reference Portfolio Advisor solely for the purposes of being used as underlying of the Sachwertanleihe 3 Notes due 2027.

This Section provides detailed description of an additional Reference Portfolio Component comprised in the Reference Portfolio as of 31st December 2022.

1.4 ACE Estonia Projects I Bonds

The EUR 3,250,000 uncleared bearer bonds (the "ACE Estonia Projects I Bonds") are issued by ACE Estonia Projects I S.à r.l. ("ACE Estonia Projects I"), incorporated as a private company with limited liability (société à responsabilité limitée) under the laws of the Grand Duchy of Luxembourg, with its registered office at 23, Am Scheerleck, L-6868 Wecker, Grand Duchy of Luxembourg and registered with the Luxembourg Register of Commerce and Companies (Registre de Commerce et des Sociétés) under number B 245083.

Issuer

The purpose of ACE Estonia Projects I is the acquisition and holding of participations in any form in existing or to be established domestic and foreign companies or enterprises. The Company may, in particular, carry on the following activities in domestic and foreign countries: (i) the acquisition of participations in companies or undertakings by means of a cash contribution, transfer of assets, merger or in any other permissible manner; (ii) the formation of companies or undertakings; (iii) the raising of loans of any kind under all legally permissible conditions, and in particular the issue of debt securities of any kind; (iv) the conclusion of or participation in financing or the granting of securities for its own purposes or for the benefit of companies or undertakings in which the Company holds direct or indirect participations or which are part of the group of companies of the Company; (v) to grant loans in any form to companies or undertakings in which it holds a direct or indirect participation or which form part of the group of companies of the Company; (vi) to carry out studies and to provide technical, legal, accounting, financial, commercial and administrative or managerial support services on behalf of companies or undertakings.

Form and Denomination

The ACE Estonia Projects I Bonds are issued by ACE Estonia Projects I as uncleared bearer bonds without a fixed denomination.

Each ACE Estonia Projects I Bonds is constituted by the execution by ACE Estonia Projects I of a bearer bond certificate which embodies the rights arising out of such ACE Estonia Projects I Bonds.

The nominal amount of each ACE Estonia Projects I Bonds is stated on the relevant bearer bond certificate.

Transfer and Title

The ACE Estonia Projects I Bonds are freely transferrable. Title to each ACE Estonia Projects I Bonds passes by physical transfer of the relevant bearer bond certificate. Each ACE Estonia Projects I Bonds may be transferred in whole but not in part.

The ACE Estonia Projects I Bonds are not cleared.

Maturity

The scheduled maturity date of the ACE Estonia Projects I Bonds is 31 January 2024.

Status and Ranking

The ACE Estonia Projects I Bonds constitute direct, unsecured obligations of ACE Estonia Projects I and rank pari passu and rateably, without any preference among themselves, with all other existing direct, unsecured obligations of ACE Estonia Projects I arising under or in connection with any debt securities issued by ACE Estonia Projects I. The ACE Estonia Projects I Bonds rank junior to ACE Estonia Projects I's obligations under any loans. In the event of ACE Estonia Projects I's insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), the ranking of the ACE Estonia Projects I Bonds may be affected by the applicable laws relating to creditors' rights generally.

Interest / Coupon

Each ACE Estonia Projects I Bonds bears interest on its outstanding nominal amount from and excluding the issue date at a fixed rate of 10.5 % per annum, accruing on a daily basis and payable in arrear, upon the redemption of such ACE Estonia Projects I Bonds.

For the avoidance of doubt, the Notional Acquisition Cost of each ACE Estonia Projects I Bond notionally added to the Reference Portfolio takes into account the outstanding nominal amount of such ACE Estonia Projects I Bond and any interest accrued on such outstanding nominal amount up to (and including) the date on which such ACE Estonia Projects I Bond is notionally added to the Reference Portfolio. Such accrued interest would be reflected in the Reference Portfolio Value. All interest accrued the ACE Estonia Projects I Bonds would be payable in arrear, upon redemption of such ACE Estonia Projects I Bonds, and would constitute a Notional Distribution Amount for the purposes of the Reference Portfolio.

Redemption Rights

ACE Estonia Projects I is entitled to redeem each ACE Estonia Projects I Bond in whole or in part without notice. ACE Estonia Projects I shall redeem each ACE Estonia Projects I Bond at the latest on the scheduled maturity date. Upon redemption, each holder of a ACE Estonia Projects I Bond is entitled to receive from ACE Estonia Projects I payment of a redemption amount equal to the outstanding nominal amount in respect of such ACE Estonia Projects I Bond plus accrued interest. In case of redemption in part, the holder of each ACE Estonia Projects I Bond is entitled to elect whether the amount payable by ACE Estonia Projects I shall be treated as principal, interest or a combination of the two.

The holders of the ACE Estonia Projects I Bonds do not have any ordinary termination, redemption or exercise rights.

Governing Law

The ACE Estonia Projects I Bonds are governed by, and shall be construed in accordance with, Luxembourg law.

Originator

The Reference Portfolio Advisor is the originator of the ACE Estonia Projects I Bonds. For the full name, address and significant business activities of the Reference Portfolio Advisor, see section "6.2 Reference Portfolio Advisor" of the Prospectus.

Source of Information

The information in respect of the ACE Estonia Projects I Bonds contained in this section "1.4 ACE Estonia Projects I Bonds" has been provided by ACE Estonia Projects I in the terms and conditions of the ACE Estonia Projects I Bonds and has been summarised and provided to the Issuer by the Reference Portfolio Advisor.

So far as the Issuer is aware and is able to ascertain from information published by ACE Estonia Projects I no facts have been omitted which would render the reproduced information misleading.