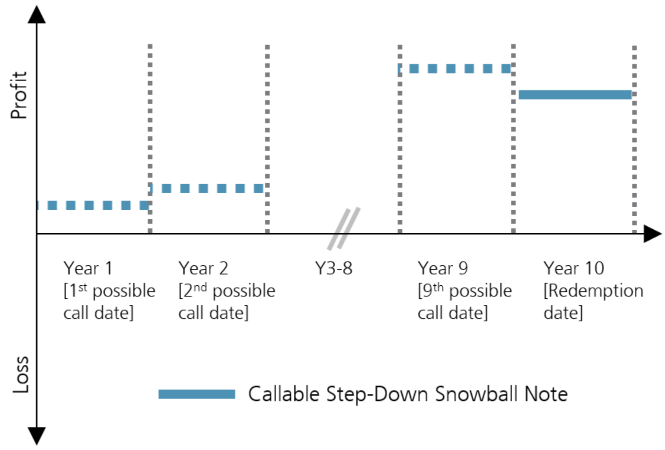
Callable Step-Down Snowball Note

In general, Callable Snowball Notes offer you a fixed-rate payment on the redemption date (subject to the credit risk of the issuer). The embedded issuer's call right according to a predefined schedule is compensated by a potentially above market return. In addition receiving a single payment on redemption can further increase the return.



The payout profile is for illustrative purposes only and is based on the assumption that no exceptional cancellation will occur, in accordance with the issuer's product documentation.

Main features of a sample product

Currency
USD

Term
10 years, subject to issuer call

Redemption
[167 – 172]%, subject to issuer call

Early redemption option
Callable by the Issuer according to an early redemption schedule.
Equivalent to: [7.90 – 8.40]% p.a.

Capital
Floor at 100%, subject to issuer risk

You may consider an investment in this product, if

- You look for a way to enhance yield on your cash positions
- You are familiar with both structured products and fixed income markets
- You are looking for fixed, predefined coupon payments.
- You are comfortable that the issuer has an early redemption option (call option)
- You intend to be invested in this product until its redemption date
- You wish to be invested in the investment currency of the product. If your reference currency is not equal to the investment currency of the product, the return may increase or decrease in reference currency terms as a result of exchange rate fluctuations

Summary of main product-specific benefits

- Enhanced return potential over comparable non-callable straight bonds of the same tenor
- Full capital protection on the redemption date
- Higher annualized return in case of an early redemption

Summary of main product-specific risks

- Capital protection applies only on the redemption date or in the case of an early redemption
- Lower annualized return in case of an early redemption
- Reinvestment risk in case of an early redemption (Call Option)
- If the currency of the product is different from your reference currency, the return may increase or decrease as a result of currency fluctuations
- You are fully exposed to the default risk of the issuer. In the worst case a default of the issuer can lead to a loss of the entire invested capital

Scenario Analysis

Return on investment (ROI)

Callable by the Issuer according to the following early redemption schedule, (equivalent to 7.28% p.a.)

Date	Early Redemption Value
04.09.2025	**107.28%**
04.09.2026	**114.56%**
04.09.2027	**121.84%**
04.09.2028	**129.12%**
04.09.2029	**136.40%**
04.09.2030	**143.68%**
04.09.2031	**150.96%**
04.09.2032	**158.24%**
04.09.2033	**165.52%**

For illustrative purposes only. Source: UBS

Scenario 1: Early redemption

At launch the pricing of the product was based on the forward rates implied at the time. As time passes if the realised rates are below those implied by the forwards then the price may appreciate and the probability of the issuer exercising the early redemption option (Call Option) before the redemption date will be increased. You will receive the payment according to a predefined schedule when the note is redeemed early and achieve an attractive average yield from issuance to the early redemption date.

Scenario 2: No early redemption

If realised rates are in line with the rates implied by the forwards at the time of pricing, the price of the product should not be impacted as much and the issuer will be less likely to exercise the early redemption option (Call Option). However if realised rates are far above those implied by the forwards the price of the product will be impacted by this development. In this scenario it becomes highly unlikely that the early redemption option will be exercised by the issuer. Still, you will receive the full payment on the redemption date (subject to the credit risk of the issuer).