

Purpose

This document will provide you with key information about this investment product. It is not promotional material. The provision of this information is required by law to help you understand the nature, risks, costs, potential returns and losses associated with this product and to compare it with other products.

Currency option

Product: Currency option
 Creator: AKCENTA CZ a.s. (www.akcenta.eu)
 Competent supervisory authority: Czech National Bank
 Date and time of issue: 01/01/2024 8:00

Warning

The product you are considering buying is complex and can be difficult to understand. The product is not suitable for every investor. The product is suitable for an investor who is actively investing, has experience and is aware of the investment risks.

I. What product is it?

Type

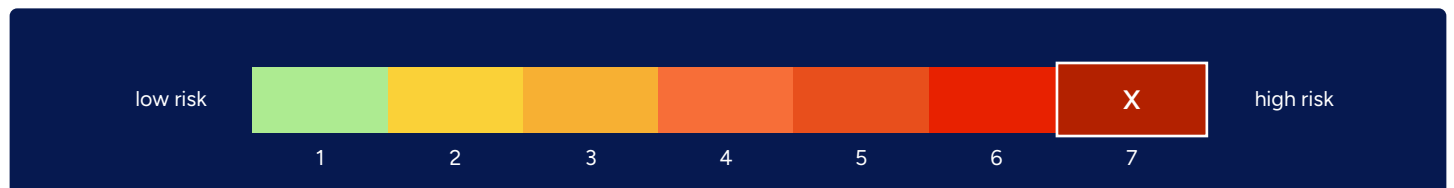
A currency option is a financial instrument for hedging against the risk arising from a possible negative development of a specific currency pair. At the same time, it provides clients with the opportunity to profit from the opposite development in the foreign exchange market. When purchasing a currency option, the client has the right, but not the obligation, to buy or sell a given currency at a pre-agreed exchange rate at a specified date in the future. In return for acquiring this right, the buyer of the option pays the selling party what is known as an option premium. The option can be negotiated as a so-called European or American option. A European option means that the client has the right to exercise the option on a specific maturity date, while an American option gives the client the option to exercise this right at any time during the life of the trade until the maturity date. There is no limit on the number of such trades or their maximum amount. A trade is binding at the time the transaction is agreed. When purchasing a currency option, the client is not required to post financial collateral, the buyer only pays a non-refundable option premium. When selling a currency option, the client is required to post financial collateral and collects the premium in this case.

Objectives

This product is suitable for customers who want to hedge their funds against adverse movements in exchange rates as in the case of forward trading. Unlike a forward, however, the customer has the option, in the event of a positive market development from his point of view, not to exercise the option and to execute the trade on a given day at a more favourable spot rate than the hedged rate would have been. Customers can thus participate in a favourable exchange rate development.

Intended customer

This product is only suitable for corporate customers who have sufficient experience in hedging against currency risks. As the market exchange rate may develop differently from customers' expectations, it is essential that customers are aware of this risk and are able to bear any financial loss from



a negative development. It is assumed that customers have a high tolerance for risk and understand the consequences and risks associated with trading these products.

II. What risks am I taking and what return could I achieve?

Risk indicator:

The risk indicator assumes that you will keep the product for the entire maturity period. The actual risk may vary significantly if the customer makes an early disposal. This product is high risk. The prices of the underlying assets can fluctuate considerably in a short period of time and the customer may suffer a significant unlimited loss.

All derivative contracts are legally classified as 7, which is the highest risk class. The product has been classified in this category based on its nature. Its performance for the customer is dependent on the future development of market exchange rates.

Performance scenarios

The sample currency option example is based on realistic grounds. The example may not exactly match the specific terms of your contract.

Example purchase (buy) put option (right to sell) for 1 year, amount 100 000 EUR, option premium 150 000 CZK (client pays to Akcenta)

Scenario	Opening odds position	Exchange rate change in %	Reference fixing at maturity	Gain/loss [CZK] on exchange rate difference	Profit / loss [CZK] incl. option premium expense
Stress	24,000	8%	25,920	-192 000,00	-342 000,00
Adverse	24,000	3%	24,720	-72 000,00	-222 000,00
Moderate	24,000	-2%	23,520	48 000,00	-102 000,00
Favorable	24,000	-7%	22,320	168 000,00	18 000,00

The scenarios presented are estimates of future performance based on past facts regarding exchange rate movements and are not an accurate indicator. The stress scenario shows what you may get back or what you may have to pay in extreme cases. The figures include all costs of the product itself. The figures do not take into account your personal tax situation, in particular the tax regulations of your home country, which may also affect the success of your investment.

III. What happens if AKCENTA is unable to make a payment?

If AKCENTA fails to meet its obligations under this product or is unable to make a payment, you may lose all or part of your payment or suffer an unlimited loss. This product is not protected by any deposit insurance scheme, statutory or otherwise.

IV. What costs are associated with the investment

The costs shown below are based on a hypothetical trade reflecting current market prices. The actual costs you may incur in purchasing such a product may vary and will depend on market prices at the time of purchase. The amounts shown represent the cumulative cost of the product itself for the recommended holding period (assumed to be 365 days). The table below shows the impact of each cost on the return on investment.

One-off costs	Fee charged at the opening of the transaction - option premium.	
For the specific scenario given	150 000 CZK/the amount of the option premium depends on the intrinsic and time value of the option.	
Ongoing costs	Ongoing fees associated with holding product positions/fees in the underlying asset market	0%
Ancillary costs	Performance fees/Capital appreciation fees	0%

The person selling or advising you about the product may charge you different costs. If so, this person will provide you with information about these costs and explain the impact that any costs will have on your investment over time.

V. How long should I hold the investment? Can I withdraw the money early?

The recommended holding period is the same as the agreed maturity date. In general, the European option must be held to maturity, the American option can be exercised at any time during the trade. Depending on the market value of the product, the customer may experience a gain or loss on termination.

VI. How can I lodge a complaint?

All the necessary information for the handling of complaints and claims is provided on the website: <https://www.akcenta.com/claims-form>. The details are contained in the Complaints Procedure, which is also on the website. Under the conditions set out in the legislation, you can contact the Czech National Bank (www.cnb.cz) or the Financial Arbitrator (www.finarbitr.cz).

VII. Other relevant information

For more information on this product, please visit the <https://www.akcenta.com/derivative-transactions> section of our website or contact the relevant AKCENTA CZ expert at +420 498 777 777.