

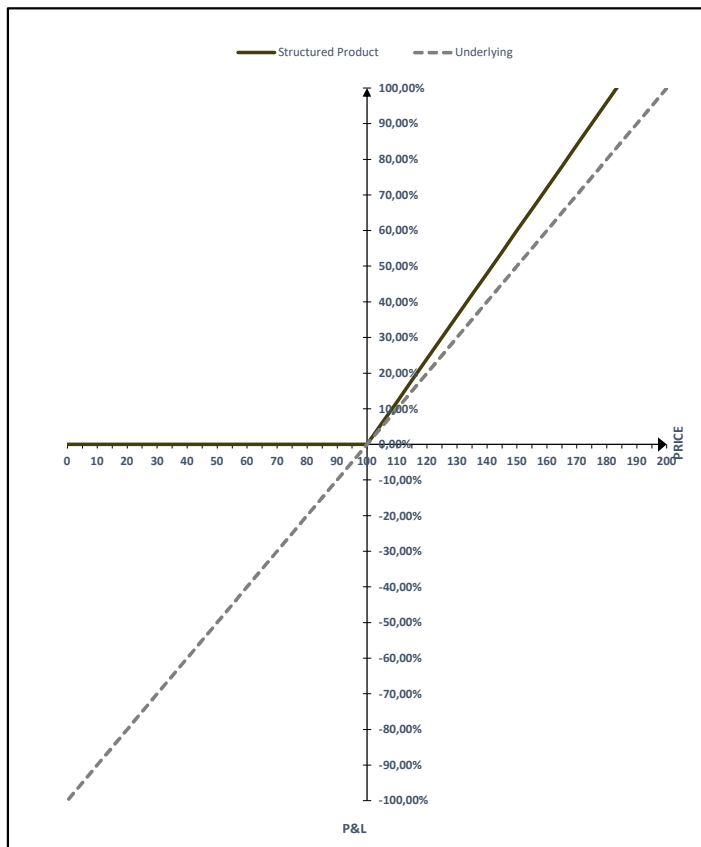
Achieve Superior Returns With These Outperforming Stocks

3 Years 100% KG Note with 120% Participation on WoF Basket of Outperforming Stocks

Product Overview

Issuer	BBB-
Maturity	3 Years
Currency	USD
Underlying	Fair Isaac Corp. (FICO) Cadence Design Systems (CDNS) Monolithic Power Systems (MPWR)
Capital Protection	100,00%
Participation	120,00%
Cap	Uncapped
Exposure	Worst Of
Observation	At Maturity
Format	EMTN (Euro Medium Term Note)

Underlying	Structured Product
100%	120,0%
90%	108,0%
80%	96,0%
70%	84,0%
60%	72,0%
50%	60,0%
40%	48,0%
30%	36,0%
20%	24,0%
10%	12,0%
0%	0,0%
-10%	0,0%
-20%	0,0%
-30%	0,0%
-40%	0,0%
-50%	0,0%
-60%	0,0%
-70%	0,0%
-80%	0,0%
-90%	0,0%
-100%	0,0%



Product Description

This is a capital protected product with the underlyings being Fair Isaac Corp. (FICO), Cadence Design Systems (CDNS) and Monolithic Power Systems (MPWR).

2 Scenarios Possible:

- 1) At maturity the investor will receive: 100% of the initial capital + 1,20x the performance of the worst performing underlying if all underlyings display a positive performance.
- 2) At maturity the investor will receive: 100% of the initial capital if one underlying or more have performed negatively.

Risk Analysis

Pros:

- 100% capital protection at maturity.
- Participation to the upside is leveraged.

Cons:

- The product only offers capital protection at maturity.
- The redemption value of the product may be lower than the amount of the initial investment during the lifetime of the product.
- The investor takes a credit risk on the issuer, i.e. the insolvency

WHY NOW ?

Increasing need for stock picking

The US market have performed remarkably well over the past few months due to better-than-expected economic data and subsequent hopes of achieving a soft landing. However, it seems that the second half of 2023 could prove more challenging for investors as stocks valuations are stretched and the US economy is starting to show some cracks (employment is cooling down, inflation is picking up...).

Cboe data shows that there are more short-sellers than buyers on the S&P 500 as the put/call ratio currently stands at 1.39. As a growing number of investors are expecting a broad market decline, it is increasingly important to invest in stocks that are fundamentally sound and possess the potential to perform well regardless of the broad market trend.

These stocks have regularly beaten the S&P 500

This worst-of basket is composed of stocks that have proven their capacity to beat the S&P 500 in the long run. Over the last 10 years, they outperformed the broad Index 9 times out of 10 (each) and all display a significantly higher cumulative performance.

Two of these companies operate in the semi-conductor industry, which is a highly strategic industry for the US government but also for almost any other nation. It is essential for the energy transition but also for many other industries such as consumer electronics, automotive, healthcare and aerospace. In an attempt to compete with Asia, the US government implemented the CHIPS and Science Act in 2022, which provides numerous benefits to semiconductor companies, including a total funding of USD 52.7 billion and a 25% tax credit for Capex.

The third stock is an analytics software company that produces the most used credit score in the US. Household debt has been continuously rising and shows no signs of stopping, which should benefit these kinds of companies since lenders increasingly require their services. High interest rates make credit rating firms even more relevant since there is an increased need to assess risks of default and repayment capabilities.

DESCRIPTION AND FINANCIAL INFORMATION

FAIR ISAAC CORPORATION (FICO US)


Founded in 1956, Fair Isaac Corporation is a leading applied analytics company. It is primarily known for its FICO credit scores, which is a widely used industry benchmark to determine the creditworthiness of an individual consumer. The firm's credit scores business accounts for most of the firm's profits and consists of business-to-business and business-to-consumer offerings. Over the last 5 years, its revenue grew by 47% and its net profit more than tripled while its Total Debt to EBITDA decreased and its interest coverage increased.

CADENCE DESIGN SYSTEMS (CDNS US)

Cadence Design Systems is a provider of electronic design automation (EDA) software, intellectual property, and system design and analysis products. EDA software automates the chip design process, enhancing design accuracy, productivity, and complexity in a full-flow end-to-end solution. Over the last 5 years, its revenue grew by 78% and its net profit jumped by 157% while its Total Debt to EBITDA decreased and its interest coverage nearly tripled to reach a remarkable figure of 47.

MONOLITHIC POWER SYSTEMS (MPWR US)

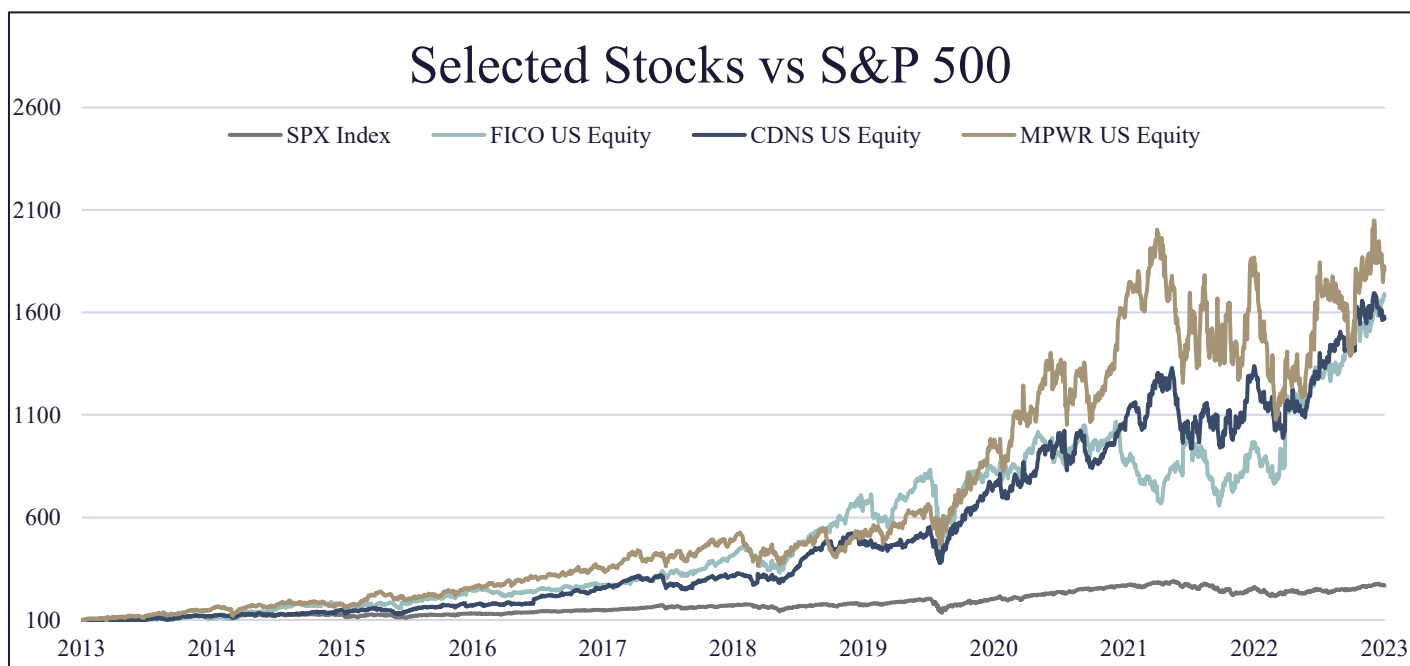
Monolithic Power Systems is an analog and mixed-signal chipmaker, specializing in power management solutions. The firm's mission is to reduce total energy consumption in end systems, and it serves the computing, automotive, industrial, communications, and consumer end markets. Over the last 5 years, its revenue more than tripled and its net profit more than quadrupled while the firm has more cash on its hand than total debt.



STOCKS PERFORMANCE

The table below indicates total returns of the selected stocks against the S&P 500 on a calendar year basis, while the graph below plots the compounded returns of all assets over the last 10 years. As it can be observed, the stocks outperform the S&P 500 Index almost every year and display a significantly better performance over time.

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
SPX INDEX	32,4%	13,7%	1,4%	11,9%	21,8%	-4,4%	31,5%	18,4%	28,7%	-18,1%	17,4%
FICO US	49,8%	15,2%	30,4%	26,7%	28,5%	22,1%	100,4%	36,4%	-15,1%	38,0%	43,7%
CDNS US	3,8%	35,3%	9,7%	21,2%	65,8%	4,0%	59,5%	96,7%	36,6%	-13,8%	40,7%
MPWR US	55,6%	44,9%	30,0%	30,0%	38,2%	4,5%	54,8%	107,5%	35,5%	-27,8%	42,6%



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