

Additional Product Information

for

15,00% p.a. Worst-of Reverse Convertible with Barrier on BMW, Daimler, Volkswagen

This document contains additional information about the product. This document does not constitute a recommendation to buy or sell the product and is not a substitute for an individual consultation with your bank or advisor. The respective Key Information Document (KID), the Base Prospectus, any supplements thereto and the Final Terms are available on the website certificate.vontobel.com. To obtain, more detailed, information particularly regarding the structure and risks associated with an investment in the product, you should read those documents.

1. Product details

1.1. General product information

Product name:	15,00% p.a. Worst-of Reverse Convertible with Barrier on BMW, Daimler, Volkswagen
ISIN / WKN / CH-Valor:	DE000VP3UVF2 / VP3UVF / 54749174
Issuer:	Vontobel Financial Products GmbH, Frankfurt am Main
Guarantor:	Vontobel Holding AG, Zurich, Switzerland
Trading venue:	Börse Frankfurt Zertifikate Premium and Börse Stuttgart (Euwax)
Pricing:	Percentage (clean)
First Exchange Trading Date:	27 May 2020
Settlement Currency:	EUR
Nominal Amount:	EUR 1,000.00
Issue Price:	100.00% of the Nominal Amount
Distribution Fees:	up to 1.00% of the higher of the Issue Price or the purchase price of the Securities in the secondary market.
Fixing Date:	25 May 2020
Issue Date:	25 May 2020
Value Date:	28 May 2020
Valuation Date:	18 June 2021
Repayment Date:	25 June 2021
Settlement type:	(physical) delivery

1.2. Underlying information

Underlying (ISIN):	Bayerische Motoren Werke AG (DE0005190003) / Daimler AG (DE0007100000) / Volkswagen AG (DE0007664039)	
Currency:	EUR (Bayerische Motoren Werke AG) / EUR (Daimler AG) / EUR (Volkswagen AG)	
Initial Reference Price:	Bayerische Motoren Werke AG:	EUR 50.29
	Daimler AG:	EUR 31.875
	Volkswagen AG:	EUR 133.96
Ratio:	Bayerische Motoren Werke AG:	19.88467
	Daimler AG:	31.37255
	Volkswagen AG:	7.46491
Strike:	Bayerische Motoren Werke AG:	EUR 50.29
	Daimler AG:	EUR 31.875
	Volkswagen AG:	EUR 133.96
Barrier:	Bayerische Motoren Werke AG:	EUR 30.174
	Daimler AG:	EUR 19.125
	Volkswagen AG:	EUR 80.38

Barrier Observation:	25 May 2020 to 18 June 2021 (each inclusive), continuous observation
Reference Price:	Closing price of the reference agent (XETRA (Bayerische Motoren Werke AG) / XETRA (Daimler AG) / XETRA (Volkswagen AG))

1.3. Interest

Interest Rate:	15.00000% p.a.
Interest Commencement Date:	28 May 2020
Interest Payment Date(s):	25 June 2021
Day Count Fraction:	30/360
Business Day Convention:	modified following, unadjusted

2. Risks

Correlation risk

As redemption of the securities is based on the performance of several underlyings, the degree of correlation in their performance is key to assessing the risk of at least one underlying breaching its relevant price threshold. A low correlation between the individual underlyings additionally raises the risk to investors, since the underlyings cannot be expected to produce a uniform performance. If, for example, all underlyings come from the same sector and country, a high, positive correlation can be assumed. A high, positive correlation means that the performances of the underlyings concord with one another. A strongly negative correlation means the underlyings are moving in opposite directions.

Increased risk of loss of the invested capital due to the worst-of structure

You are about to acquire a structured financial product with a so-called worst-of-structure. For these products type and amount of redemption are determined by the performance of the underlying with the worst performance. Compared with products without a worst-of-structure, there is an increased risk of loss of the capital you invested. This risk is dependent on the Underlying with the worst performance (worst-of) of all underlyings. Even if all underlyings perform in sum or in few positively, the determination of the redemption amount depends solely on the underlying with the worst performance.

Risks at the end of the term

If the price of at least one Underlying has been at or below the Barrier at any time during the Barrier Observation and the Reference Price of at least one Underlying is below the Strike on the Valuation Date, the Underlying with the worst performance will be delivered in accordance with the ratio. The value of the delivered Underlying may be significantly lower than the purchase price (including costs) of the product. Investors should note that they may still incur price losses between the Valuation Date and the transfer of the Underlying to their securities accounts. Investors will suffer a loss if the cash value of the delivery plus interest payment is below the purchase price for the product plus transaction cost. Most unfavourable scenario: Apart from the interest payment, total loss of the invested capital if the Underlying with the worst performance is worthless by the time of delivery.

Issuer risk / Credit risk

You are exposed to the risk that the Issuer and the Guarantor might be unable to fulfil their obligations in respect of the product and the guarantee – e.g. in the event of insolvency (inability to pay / over-indebtedness) or an administrative order of resolution measures. In case of a crisis of the Guarantor such an order can also be issued by a resolution authority in the run-up of an insolvency proceeding. Thereby the resolution authority has extensive intervention powers. Among other things, it can reduce rights of the investors to zero, terminate the guarantee or convert it into shares of the Guarantor and suspend rights of the investors. A total loss of your capital invested is possible. The product is a debt instrument and as such is not covered by any deposit protection scheme.

Cancellation / reinvestment risk

The issuer may, with immediate effect, extraordinary terminate the product if a defined event occurs. Examples of extraordinary events include the cessation of calculation of the Underlying or the index by the calculation agent. In this case, the redemption amount may possibly also be significantly below the purchase price. Apart from the payment of interests accrued until termination, even a total loss of investment is possible. Investors also bear the risk that the product will be terminated at a time unfavourable to them, and they may only be able to reinvest the redemption amount on less favourable terms. The investor bears this reinvestment risk also in case of an early redemption of the product.

Price risk

The investor bears the risk that the value of this product may be negatively influenced during the term of the product and might even fall significantly below the purchase price, in particular due to market price-determining factors mentioned below:

- the price of an Underlying decreases;
- the general level of interest rates rises;
- expectations with regard to future dividend distributions of the Underlyings increases;
- the correlation between the Underlyings decreases;
- volatility (key figure for frequency and intensity of expected price fluctuations of the Underlyings) increases; and
- a deterioration in the issuer's or guarantor's credit rating.

These factors can conversely increase the value of the product. Single factors can cancel each other out or amplify each other.

Risks in case of missing price quotations by the Market Maker

The product can usually be bought or sold on or off exchange from the date of listing. Under normal market conditions, Bank Vontobel Europe AG, Munich, (Market Maker) will post indicative (non-binding) bid and ask prices on a continuous basis (Market Making). However, there is no legal obligation on the Market Maker to do so. The Market Maker determines the bid and ask prices using standard pricing models while taking into account market price-determining factors. Thus unlike in stock-exchange trading, e.g. equities, the price is not directly derived from supply and demand. In extraordinary market situations or in the event of technical faults, it may temporarily become more difficult or impossible to purchase or sell the product. If the Market Maker does not quote any purchase prices, the product may not be sold or be sold at a large discount.

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