Mini-Future Long
Linked to Alibaba
Issued by UBS AG, London Branch

Cash settled
SVSP/EUSIPA Product Type: Mini Future (2210)
Valor: 56633235 / SIX Symbol: MBAB5U

Final Termsheet

This Product does not represent a participation in any of the collective investment schemes pursuant to Art. 7 ff of the Swiss Federal Act on Collective Investment Schemes (CISA) and thus does not require an authorisation of the Swiss Financial Market Supervisory Authority (FINMA). Therefore, Investors in this Product are not eligible for the specific investor protection under the CISA. Moreover, Investors in this Product bear the issuer risk.

This document (Final Termsheet) constitutes the Simplified Prospectus for the Product described herein; it can be obtained free of charge from UBS AG, P.O. Box, CH-8098 Zurich (Switzerland), via telephone (+41-(0)44-239 47 03), fax (+41-(0)44-239 69 14) or via e-mail (swiss-prospectus@ubs.com). The relevant version of this document is stated in English; any translations are for convenience only. For further information please refer to paragraph «Product Documentation» under section 4 of this document.

1. Description of the Product

Information on Underlying

<table>
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<th>Underlying(s)</th>
<th>Reference Level</th>
<th>Initial Financing Level</th>
<th>Initial Stop Loss Level</th>
<th>Conversion Ratio</th>
</tr>
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<tbody>
<tr>
<td>Alibaba Group Holding Limited (ADR)</td>
<td>USD 286.00</td>
<td>USD 245.00</td>
<td>USD 252.35</td>
<td>50:1</td>
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<tr>
<td>Bloomberg: BABA UN / Valor: 24409862</td>
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Product Details

Security Numbers
Valor: 56633235 / ISIN: CH0566332356 / WKN: UE089T

SIX Symbol
MBAB5U

Issue Size
Up to 13,000,000 units (with reopening clause)

Issue Price
CHF 0.75 (unit quotation) (Based on FX rate USD / CHF 0.9095)

Redemption Currency
CHF

Initial Leverage
6.98

Dates

Launch Date
26 August 2020

Fixing Date
26 August 2020

First SIX Trading Date (anticipated)
27 August 2020

Initial Payment Date (Issue Date)
02 September 2020

Expiration Date ("Expiry")
Open End

Valuation Date
means the day when either the Investor's Exercise Right or the Issuer's Call Right becomes effective.

Redemption Date / Maturity Date
means the 3rd Business Day following the Valuation Date. In case this date is not a Business Day the next following Business Day will apply.

Redemption

Redemption Amount (in case of Issuer Call or Investor Exercise)
max [0, (Settlement Price - Current Financing Level) / Conversion Ratio]*(USD/CHF exchange rate)
Settlement Price

Official closing value of the Underlying on the Relevant Exchange on the Valuation Date, as determined by the Calculation Agent.

Current Financing Level

The Current Financing Level will be determined by the Calculation Agent on a daily basis commencing from the Initial Financing Level in accordance with below formula, and rounded to USD 0.0001; it will be adjusted before market opening on a daily basis.

\[
FL_{\text{new}} = FL_{\text{old}} + \frac{(R + FS) \cdot FL_{\text{old}} \cdot n}{360} - \text{Dividend} \cdot \text{DivFactor}
\]

- \(FL_{\text{new}}\): Current Financing Level after the adjustment.
- \(FL_{\text{old}}\): Current Financing Level before the adjustment.
- Financing Spread \((FS)\): Will be set between 1% and 10%, as determined by the Calculation Agent. The Initial Financing Spread is 3.5%.
- Rate \((R)\): The prevailing rate for deposits (LIBOR) in the Financing Level Currency as determined by the Calculation Agent on the relevant adjustment date.
- Dividend: Dividend or similar payments, as determined by the Calculation Agent at its reasonable discretion, distributed to the holders of the Underlying, whereby the ex-date of such payment on the Related Exchange is between the current and the next following Business Day.
- DivFactor: The DivFactor may reflect any taxation applied on Dividends. The DivFactor is between 0 and 1 and is determined at the Calculation Agent’s reasonable discretion.
- \(n\): Number of calendar days between the current adjustment date (exclusive) and the next adjustment date (inclusive).

Current Stop Loss Level

The Current Stop Loss Level will be determined at the sole discretion of the Calculation Agent. It will be readjusted before market opening on each trading day of the Mini-Futures.

The Level is determined by the Calculation Agent as follows and rounded to USD 0.0001: (Current Financing Level) \(\times (1 + \text{Stop Loss Premium})\).

The Current Stop Loss Level will be available on www.ubs.com/keyinvest or any successor page.

Stop Loss Premium

The Stop Loss Premium will be set between 0.5% and 15%, as determined by the Calculation Agent. The initial Stop Loss Premium is 3%.

Stop Loss Event

If the level of the Underlying quoted by the Relevant Exchange, at any time, starting on the Launch Date, lies at or below the Current Stop Loss Level, the Mini-Future Long will be automatically redeemed at market price with value 3 Business Days. A Stop Loss Event will override both the Issuer Call Right and the Investor Exercise Right.

Financing Level Currency

USD

Product Structure

A Mini-Future Long allows investors to profit from the upward (bullish) trend of an Underlying. The Mini-Future Long moves approximately 1 unit up, if the Underlying moves 1 unit up and vice versa taking into account the conversion ratio, the adjustments of the Financing Level and, as the case may be, the FX Exchange rate. The risk of loss is limited to the invested capital.

If the value of the Underlying at any time during the product life time lies at or below the Current Stop Loss Level, the Mini-Future Long expires immediately and is redeemed at market price.

General Information

Issuer

UBS AG, Zurich and Basel, Switzerland, acting through its London Branch

Issuer Rating

Aa3 Moody’s / A+ S&P’s / AA- Fitch

Issuer Supervisory Authority

Lead Manager
UBS AG, Zurich (UBS Investment Bank)

Calculation Agent
UBS AG, London Branch

Paying Agent
UBS Switzerland AG

Relevant Exchange
New York Stock Exchange

Listing
SIX Swiss Exchange, will be applied for

Status
Unsecured / Unsubordinated

Secondary Market
The Issuer or the Lead Manager, as applicable, intends, under normal market conditions, to provide bid and/or offer prices for this Product on a regular basis. However, the Issuer or the Lead Manager, as applicable, makes no firm commitment to provide liquidity by means of bid and/or offer prices for this Product, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices. Daily price indications, if any, will be available on Reuters/Bloomberg, www.ubs.com/keyinvest and SIX Financial Information from 09:15 - 17:15 (CET).

Issuer Call Right
The Issuer has the right to call the Mini-Future Long every 3 months, for the first time on 01 December 2020 ("Notice Date"), for early redemption for a value equal to the Redemption Amount (as described herein), effective 3 months after the Notice Date. In case that any of the dates is not an Exchange Business Day, the next following Exchange Business Day applies.

Investor Exercise Right
In addition to the possibility to sell the Mini-Future Long in the Secondary Market (subject to the respective provisions herein), each Investor has the right to exercise the Mini-Future Long every 3 months, for the first time on 01 December 2020 ("Investors Notice Date") for a value equal to the Redemption Amount (as described herein) at the Investors Notice Date. The notice has to be received no later than 10.00 am CET on the relevant Investors Notice Date, otherwise the notice will be effective as per the next following Investor Notice Date.

Minimum Investment
1 Unit(s) (subject to Selling Restrictions)

Minimum Trading Lot
1 Unit(s)

Minimum Exercise
1 Mini-Future(s); Mini-Futures may only be exercised in integral multiples of 1.

Clearing
SIX SIS, Euroclear, Clearstream (registered as intermediated securities with SIX SIS AG, in Switzerland)

Form of Deed
Uncertificated Securities

Governing Law / Jurisdiction
Swiss / Zurich

Adjustments
The terms of the Product may be subject to adjustments during its lifetime. For clients outside of the United Kingdom, any changes with regard to the terms of this Product shall be published on the internet at www.ubs.com/keyinvest. Detailed information on such adjustments is to be found in the Product Documentation.

Public Offering
Switzerland

Distribution Fee
None

Tax Treatment Switzerland

Swiss Transfer Stamp Duty
The product does not qualify as a taxable security. Transactions are not subject to Swiss Stamp Duty.

Swiss Income Tax
For private investors resident in Switzerland, an investment in this product is not subject to income tax.

Swiss Withholding Tax
This product is not subject to the Swiss Issuer Withholding Tax. It depends on the jurisdiction of the issuer whether a foreign issuer withholding tax applies.

The tax information only provides a general overview over the Swiss tax consequences linked to this product based on the tax laws and the practice of the tax administration at the time of issue. Tax laws and the practice of tax administrations may change, possibly with retroactive effect.
Classification

This Product does not represent a participation in any of the collective investment schemes pursuant to Art. 7 ff of the Swiss Federal Act on Collective Investment Schemes (CISA) and thus does not require an authorisation of the Swiss Financial Market Supervisory Authority (FINMA). Therefore, Investors in this Product are not eligible for the specific investor protection under the CISA. Moreover, Investors in this Product bear the issuer risk.

Furthermore, this Product does not benefit from any depositor protection under Art. 37a under the Swiss Federal Law on Banks and Savings Banks (Banking Act) or other forms of deposit insurance under any other law as might be applicable to this Product.

2. Prospects of Profits and Losses

Market Expectation
Investors expect the Underlying to increase in value over the life of the Product and accordingly expect to benefit from a leveraged performance relative to the Underlying.

In any case Investors expect that no Stop Loss Event will occur.

Effect of the performance of the Underlying on redemption amount or on delivery obligation:

- Positive performance
  In case the Underlying increases in value, the value of the Product increases with a leverage factor.
  In any case the financing costs of the Product have a negative effect on the performance of the Product if it is held more than a day.

- Sideways to slightly negative performance
  In case the Underlying value performs sideways to slightly negative, the value of the Product will remain constant or decreases in value according to the leverage factor.
  In any case the financing costs of the Product have a negative effect on the performance of the Product if it is held more than a day.

- Pronounced negative performance
  In case the Underlying decreases in value, the value of the Product decreases with a leverage factor.
  In any case the financing costs of the Product have a negative effect on the performance of the Product if it is held more than a day.

Maximum Return
The profit potential is unlimited.

Maximum Loss
In a worst case scenario, the Product becomes worthless and the Investor loses all of its initial investment.

3. Significant Risks for Investors

General risk warning
Potential Investors should understand the risks associated with an investment in the Product and shall only reach an investment decision after careful considerations with their legal, tax, financial and other advisors of (i) the suitability of an investment in the Product in the light of their own particular financial, fiscal and other circumstances; (ii) the information set out in this document and (iii) the Underlying(s). The following is a summary of the most significant risks. Further risks are set out in the Product Documentation.

Risk Tolerance
Investors bear a high risk of losing their entire investment in this Product.

Investors should be experienced and familiar with both leverage products and the underlying asset class of this Product.

Product specific risks

Loss Potential
The Investor loses in the worst case all of its initial investment.

Capital Protection (at Expiry)
None

Risk Potential in comparison to a direct investment in the Underlying
Due to the leverage factor, the value of the Product generally fluctuates more than the value of the Underlying. An investment in the Product therefore bears a higher risk than a direct investment in the Underlying. The Product may become worthless, while the Underlying still has a value.

Issuer Call right
Yes. Please refer to the respective definition in Section 1, «General Information».

Stop Loss Event
Yes. Please refer to the respective definition in Section 1, «Redemption».
Risk Factors relating to the Issuer

In addition to the market risk with regard to the development of the Underlying, each Investor bears the general risk that the financial situation of the Issuer could deteriorate. The Products constitute immediate, unsecured and unsubordinated obligations of the Issuer, which, particularly in case of insolvency of the Issuer, rank pari passu with each and all other current and future unsecured and unsubordinated obligations of the Issuer, with the exception of those that have priority due to mandatory statutory provisions. The general assessment of the Issuer’s creditworthiness may affect the value of the Products. This assessment generally depends on the ratings assigned to the Issuer or its affiliated companies by rating agencies such as Moody’s, Fitch and Standard & Poor’s.
4. Additional Information

Product Documentation

This document ("Final Termsheet") constitutes the Simplified Prospectus for the Product and contains the information required by Article 5 CISA (status as of 1 July 2016) and the corresponding Guidelines of the Swiss Bankers Association. The prospectus requirements of Article 652a/Article 1156 of the Swiss Code of Obligations are not applicable.

Reference is made to the Base Prospectus for the issue of Warrants, as amended from time to time, and the relevant Final Terms for this Product thereunder, which describe the only binding terms and conditions of the Product as well as other information, including risk factors, for this Product ("Product Documentation"). Accordingly, the Final Termsheet should always be read together with the Product Documentation. The Simplified Prospectus may be provided in various languages, however, only the English version will be relevant and any translations are for convenience only. Definitions used in the Final Termsheet, but not defined therein shall have the meaning given to them in the Product Documentation. In the event that the Product is listed (see above item ‘Listing’ under «General Information»), the Product Documentation will be amended in accordance with the listing requirements of the relevant exchange.

The Final Termsheet and the Product Documentation can be obtained free of charge from UBS AG, P.O. Box, CH-8098 Zurich (Switzerland), via telephone (+41-(0)44-239 47 03), fax (+41-(0)44-239 69 14) or via e-mail (swiss-prospectus@ubs.com). In addition, for clients outside of the United Kingdom, the Final Term sheet and the Product Documentation is available on the internet at www.ubs.com/keyinvest. Notices in connection with this Product shall be validly given as described in the Product Documentation. Furthermore, for clients outside of the United Kingdom, any changes with regard to the terms of this Product shall be published on the internet at www.ubs.com/keyinvest.

Important Information

The information herein is communicated by UBS AG and/or its affiliates ("UBS"). UBS may from time to time, as principal or agent, have positions in, or may buy or sell, or make a market in any securities, currencies, financial instruments or other assets underlying the Product to which this document relates. UBS may provide investment banking and/or other services to and/or have officers who serve as directors of the companies referred to in this document. UBS’ trading and/or hedging activities related to this Product may have an impact on the price of the underlying asset(s) and may affect the likelihood that any relevant barrier(s) is/are crossed. UBS has policies and procedures designed to minimise the risk that officers and employees are influenced by any conflicting interest or duty and that confidential information is improperly disclosed or made available.

In certain circumstances UBS sells this Product to dealers and other financial institutions at a discount to the issue price or rebates to them for their account some proportion of the issue price (“Distribution Fees”). Distribution Fees, if any, are disclosed in section 1 of this document and reflect the maximum amount a dealer or financial institution may receive from UBS; the actual amount may be lower.

Structured transactions are complex and may involve a high risk of loss. Prior to entering into a transaction you should consult with your own legal, regulatory, tax, financial and accounting advisors to the extent you consider it necessary, and make your own investment, hedging and trading decisions (including decisions regarding the suitability of this transaction) based upon your own judgement and advice from those advisers you consider necessary. Save as otherwise expressly agreed in writing, UBS is not acting as your financial adviser or fiduciary in any transaction.

This document should not be construed as an offer, personal recommendation or solicitation to conclude a transaction and should not be treated as giving investment advice. The terms of any investment in the Product to which this document relates will be exclusively subject to the detailed provisions, including risk considerations, contained in the Product Documentation.

UBS makes no representation or warranty relating to any information herein which is derived from independent sources. This document shall not be copied or reproduced without UBS’ prior written permission.

No action has been or will be taken in any jurisdiction that would permit a public offering of the Products described herein, save where explicitly stated in the Product Documentation. The Products must be sold in accordance with all applicable selling restrictions in the jurisdictions in which they are sold.

There is a possibility that costs, including taxes, related to transactions in connection with this Product may arise for Investors that are not paid by UBS or imposed by it. Please refer to the Product Documentation for further information.

Contact: UBS AG, P.O. Box, 8098 Zurich
Internet: www.ubs.com/keyinvest
Private Investors: Please contact your client advisor or send an email to keyinvest@ubs.com
Product Hotline: +41-44-239 76 76*
Selling Restrictions

Any Products purchased by any person for resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further documentation relating to this Product in such jurisdiction.

The restrictions listed below must not be taken as definitive guidance as to whether this Product can be sold in a jurisdiction. Additional restrictions on offering, selling or holding of this Product may apply in other jurisdictions. Investors in this Product should seek specific advice before on-selling this Product.

European Economic Area - In relation to each Member State of the European Economic Area (each, a “Member State”), an offer of the Products to the public in a Member State may only be made in accordance with the following exemptions as set out in the Regulation (EU) 2017/1129 (as may be amended or replaced from time to time) (the “Prospectus Regulation”):

(a) Qualified investors: at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
(b) Fewer than 150 offerees: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation);
(c) An offer of Products addressed to investors who acquire Products for a total consideration of at least EUR 100,000 per investor, for each separate offer; and/or
(d) Other exempt offers: at any time in any other circumstances falling within Article 1 (4) of the Prospectus Regulation, provided that no such offer of Products referred to in (a) to (d) above shall require the publication of a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression “offer of Securities to the public” in relation to any Products in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Products to be offered so as to enable an investor to decide to purchase or subscribe the Products.

The aforementioned restrictions shall not apply for jurisdictions specified in the section “Public Offering” under “General Information” above.

Hong Kong - Each purchaser has represented and agreed that it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Products, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Products which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

This is a structured product which involves derivatives. Do not invest in it unless you fully understand and are willing to assume the risks associated with it. If you are in any doubt about the risks involved in the product, you may clarify with the intermediary or seek independent professional advice.

Singapore - This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Products may not be circulated or distributed, nor may the Products be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor;
(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor;

Where the Products are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor;

Where the Products are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(B) of the SFA;
(2) where no consideration is or will be given for the transfer;
(3) where the transfer is by operation of law;
(4) as specified in Section 276(7) of the SFA; or
(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Pursuant to section 3098(1)(c) of the SFA, the Issuer hereby notifies the relevant persons (as defined in the SFA) that the Products are classified as “capital markets products other than prescribed capital markets products” (as defined in the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018) and “Specified Investment Products” (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

UK - For the purpose of non-discretionary accounts, this Product should not be sold with a consideration of less than EUR 100,000 or equivalent.

USA - This Product may not be sold or offered within the United States or to U.S. persons.