

Key Information Document



MEDIOBANCA
INTERNATIONAL (LUXEMBOURG) SA

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product: KNOCK-IN REVERSE CONVERTIBLE SECURITIES LINKED TO EURO STOXX 50 AND S&P 500 DUE 6 NOVEMBER 2023

ISIN: XS2252299610

Issuer: Mediobanca International (Luxembourg) S.A.

Competent Authority: CSSF (Issuer) / Consob (Manufacturer)

For more information call: +39 02 8829.1.

Website: www.mediobancainet.lu (Issuer) / www.mediobanca.com (Manufacturer)

Manufacturer and guarantor: Mediobanca - Banca di Credito Finanziario S.p.A.

KID production date: 02/03/2021

(on the basis of the market data at 01/03/2021)

You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

- **Type:** Knock-in Reverse Convertible Certificate in Dollars.
- **Objectives:** The product offers the total protection of the Notional Amount per Securities under the occurrence of certain conditions, therefore the investor might incur in a capital loss of 100 per cent. of the Notional Amount.

This product is linked to the performance of the Reference Underlying and is designed to correspond, to the occurrence of certain conditions: i) at maturity date, a cash settlement amount equal to 100 per cent. of the Notional Amount per Securities and, ii) on specific dates, a conditional remuneration with a memory effect, unless automatic early redemption Event occurs.

In particular, the product will provide, on the Settlement Date, a redemption amount, determined on the Settlement Valuation Date as follows:

- a) if the worst Performance of the Underlying Reference is greater than or equal to the Barrier Level, investors will receive a cash settlement amount equal to 100 per cent. of the Notional Amount per Securities;
- b) if the worst Performance of the Underlying Reference is less than the Barrier Level, investors will receive a cash settlement amount equal to 100 per cent. of the Notional Amount per Security multiplied by the worst Performance of the Underlying Reference. In this case, investors would incur in a partial or total loss of the amount invested.

The product pays, in addition, a Conditional Remuneration on the relevant Conditional Remuneration Payment Date, if the worst Performance of the Underlying Reference is greater than or equal to the Conditional Remuneration Payment Level on the relevant Conditional Remuneration Valuation Date. If this condition occurs, the product pays an amount equal to the sum of the Conditional Remunerations not paid on the preceding Conditional Remuneration Payment Dates (memory effect). Otherwise, investors will not receive any Conditional Remuneration.

If an Automatic Early Settlement Event occurs, the product will be early redeemed and investors will receive, the fifth business day following the relevant Automatic Early Settlement Valuation Date, a redemption amount equal to 100 per cent of Notional Amount per Security. If an Automatic Early Settlement Event occurs, the product early redeems and no other payments will be provided to the investors.

Key definitions

Product: certificate (securities)	Trading Market: Multilateral Trading System – EuroTLX®
Notional Amount per security: USD 1,000	Issue Price: USD 1,000
Issue Date: 11/11/2020	Maturity Date: 06/11/2023
Business Day Convention: Following. All dates are under the Business Day Convention. The Business Day Convention is the convention which is applied in order to determine the payment dates, if they should coincide with a no business day	Record Date: 3° Business day preceding the relevant Conditional Remuneration Payment Date. The Record Date is the day on which the investor is entitled to receive the relative periodic payment.
Minimum subscription lot: is the minimum subscription lot, equal to 1 Product	
Underlying References: Indice EURO STOXX 50, Indice S&P 500	Settlement Date: 06/11/2023
Initial Reference Value: closing values of the Underlying References on the Initial Valuation Date	Final Reference Level: closing values of the Underlying References on the Settlement Valuation Date, on the relevant Conditional Remuneration Valuation Date and on the relevant Automatic Early Settlement Valuation Date
Initial Valuation Date: 28/10/2020	Settlement Valuation Date: 30/10/2023
Performance: is calculated as the percentage of the ratio of the Final Reference Level to Initial Reference Level	Barrier Level: 60%
Conditional Remuneration: 1.56%	Conditional Remuneration Payment Level: 60%
Conditional Remuneration Valuation Date: quarterly frequency from 28/01/2021 (included) until 30/10/2023 (included)	Conditional Remuneration Payment Dates: 5° business day following the relevant Conditional Remuneration Valuation Date. The last payment date is equal to the Settlement Date.
Automatic Early Settlement Event: occurs in case of the worst Performance of the Underlying References is greater than or equal to the Automatic Early Settlement Level on the relevant Automatic Early Settlement Valuation Date	Automatic Early Settlement Valuation Date: quarterly frequency from 28/04/2021 (included) until 28/07/2023 (included)
Automatic Early Settlement Level: 100%	

- In comparing the product with other similar instruments, account should be taken of the recommended holding period of each instrument, which is determined based on their individual characteristics.
- **Intended retail investor:** This product is addressed to retail clients with the following characteristics: (i) informed knowledge of financial markets, related risks and reference market of Underlying Instrument; (ii) accepts capital loss up to the Notional Amount of each Security; (iii) has a tolerance to risk which is equal or superior to that expressed by the Risk Indicator; (iv) has a short period investment time horizon; (v) wishes to invest in a product which pursues the objectives of possibly distributing a periodical return.

- **Maturity Date:** 06/11/2023

What are the risks and what could I get in return?

Risk Indicator



The risk indicator assumes you keep the product until 06/11/2023.

- The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.
- We have classified this product as 1 out of 7, which is the lowest risk class.
- This rates the potential losses from future performance at a very low level, and poor market conditions are very unlikely to impact the capacity of issuer to pay you.
- **Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.**
- This product does not include any protection from future market performance so you could lose some or all of your investment.
- If the issuer is not able to pay you what is owed, you could lose your entire investment.

Performance Scenarios

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

Investment \$ 10,000 Scenarios		1 year	2 years and 8 months
Stress Scenario	What might get back after costs	[*] \$ 10,189.85	[*] \$ 10,189.85
	Average return each year	1.90%	0.70%
Unfavourable scenario	What might get back after costs	[*] \$ 10,189.85	[*] \$ 10,189.85
	Average return each year	1.90%	0.70%
Moderate scenario	What might get back after costs	[*] \$ 10,189.85	[*] \$ 10,189.85
	Average return each year	1.90%	0.70%
Favourable scenario	What might get back after costs	[*] \$ 10,189.85	[*] \$ 10,189.85
	Average return each year	1.90%	0.70%

[*] Indicates a scenario in which the product has been called.

- This table shows the money you could get back over the next 2 years and 8 months, under different scenarios, assuming that you invest USD 10,000.
- The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.
- The scenarios presented are an estimate of future performance based on evidence from the past, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/product.
- The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.
- The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if the issuer is unable to pay out?

Should Mediobanca International (Luxembourg) S.A. default or file for bankruptcy, investors have the right to seek payment from Mediobanca – Banca di Credito Finanziario S.p.A. of all amount due pursuant to a direct, unconditional, unsubordinated and unsecured guarantee. The product is not covered by any statutory investor compensation or guarantee scheme. Should Mediobanca – Banca di Credito Finanziario S.p.A. default or file for bankruptcy, the investors may then lose all their investment. The product is not covered by the guarantee of the Italian Bank Deposit Protection Fund (Fondo Interbancario di Tutela dei Depositi). Both Mediobanca International (Luxembourg) S.A., the Issuer, and Mediobanca – Banca di Credito Finanziario S.p.A., the Guarantor, are licensed as credit institution respectively in Luxembourg and in Italy and, as such, are subject to the resolution regime introduced by the EU Bank Recovery and Resolution Directive n. 59 of 15 May 2014 as implemented in Luxembourg and in Italy (the “BRRD”). As a result of the implementation of BRRD, investors may be subject to write-down, with the possibility of the nominal value of the financial instruments and the guarantee being cancelled, or conversion into equity on any application of the bail-in tool. Therefore, through the exercise of any power under the BRRD, investors may suffer the write-down, cancellation or conversion into equity, on a permanent basis, of their investment, even if there is no formal declaration of insolvency by the Issuer and/or the Guarantor.

What are the costs?

Cost over time

The product costs are calculated as the result of the issue price less the fair value.

The fair value of the instrument is deductible from its market values or, if not available, from the value of financial instrument having similar characteristics, or alternatively by estimation using mathematical models. After the Issue Date, costs are equal to the mid price between the bid price and ask price.

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for 2 different holding periods. They include potential early exit penalties. The figures assume you invest USD 10,000. The figures are estimates and may change in the future.

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

Investment \$ 10,000 Scenarios	If you cash in after 1 year	(Recommended Holding Period)
Total costs	\$ 49.50	\$ 49.50
Impact on return (RIY) per year	0.51%	0.19%

Composition of costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period.
- What the different cost categories mean.

This table shows the impact on return per year			
One-off costs	Entry costs	0.19%	The impact of the costs already included in the price.
	Exit costs	0.00%	The impact of the costs of exiting your investment.
Ongoing costs	Portfolio transaction costs	0.00%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.00%	The impact of the costs that we take each year for managing your investments.

How long should I hold it and can I take money out early?

Recommended holding period: 2 years and 8 months

The recommended holding period coincides with the Maturity Date. In normal market conditions, you could sell this product on the secondary market, at a price which depends on the parameters prevailing on the markets at the time and which could be lower than the capital invested.

Mediobanca International (Luxembourg) S.A. does not charge penalties in the event of disinvestment before expiry. If you decide to sell the product, a spread of 0.50% would be charged to the sale price which could increase in particular market conditions. In this case, Mediobanca - Banca di Credito Finanziario S.p.A. is not obliged to ensure a secondary market and you could not be able to negotiate the product.

How can I complain?

The investor may submit a complaint about the product or the conduct of Mediobanca International (Luxembourg) S.A., as issuer of the product, by sending (i) a registered letter with return receipt to the bank's address at 4 Boulevard Joseph II, L - 1840 Luxembourg; or (ii) by sending an email to mblux.compliance@mediobancainet.lu.

Mediobanca International (Luxembourg) S.A. shall respond within one month from the receipt of the complaint. If Mediobanca International (Luxembourg) S.A. is not able to respond within this period, it must communicate to the client in writing the date by which it commits to do so. In the event that Mediobanca International (Luxembourg) S.A. considers the complaint unfounded, Mediobanca International (Luxembourg) S.A. shall provide a clear and exhaustive explanation of the reasons for rejection.

If within one year of the submission of the complaint, the client (i) has not received a reply from Mediobanca International (Luxembourg) S.A. within one month or (ii) believes the response is unsatisfactory, the client, prior to take any legal action, may file a formal complaint to the CSSF - Commission de Surveillance du Secteur Financier. Further information is available on Mediobanca International (Luxembourg) S.A. website: <https://www.mediobancainet.lu/en/complaints.html/>

If the investor wishes to submit a complaint about the conduct of the product distributor or the investment advisor, the investor shall ask to the aforesaid subjects how to lodge a complaint.

Other relevant information

The information contained in this document does not supersede and shall not replace the information contained in the Base Prospects and Final Terms is to be read in conjunction with these documents and those made available by Mediobanca International (Luxembourg) S.A. and Mediobanca - Banca di Credito Finanziario S.p.A., on their relevant websites (www.mediobancainet.lu and www.mediobanca.com), in compliance with the regulations applicable and in force from time to time.