

## **ADDENDUM I**

to the Derivative Programme of EFG Financial Products AG  
dated 5 October 2012 (the “Programme”) regarding  
the **Initial Public Offering (“IPO”) of EFG Financial Products Holding AG**

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### **REASON FOR THIS ADDENDUM:**

The Issuer’s mother company EFG Financial Products Holding AG has gone public; first trading day at the SIX Swiss Exchange was on 19 October 2012. In addition, EFG International AG’s stake in EFG Financial Products Holding AG decreased from 57% to 20.3% through the sale of shares in the Initial Public Offering (IPO) and the exercise of the over-allotment option.

### **CHANGES IN THE PROGRAMME:**

Chapter “IV Organisational Chart of EFG Group” is amended as shown in Annex A.

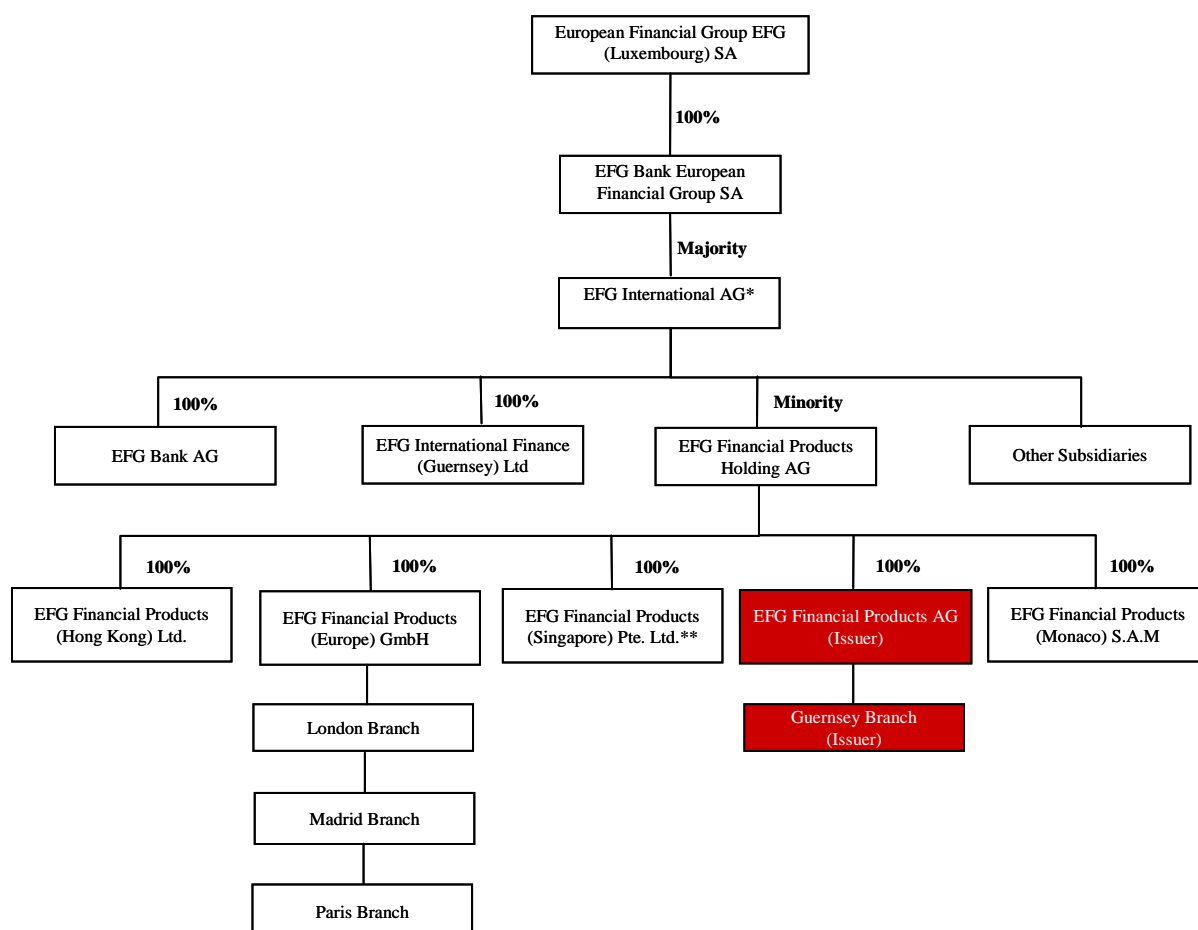
Chapter “V EFG Financial Products AG” is amended as shown in Annex B.

#### IV ORGANISATIONAL CHART OF EFG GROUP

The Issuer, EFG Financial Products AG ("EFGFP AG") which may also be acting through its Guernsey branch EFG Financial Products AG, Guernsey Branch, together with the below depicted group companies, is a fully owned subsidiary of EFG Financial Products Holding AG (collectively the "EFGFP Group"), which is minority owned by EFG International AG ("EFGI"). While EFG International AG is only a minority shareholder of EFG Financial Products Holding AG, it is still in control of the company by means of a shareholders agreement. EFG International AG's principal shareholder is EFG Bank European Financial Group SA, a Swiss-registered bank, which is wholly owned by European Financial Group EFG (Luxembourg) SA (European Financial Group EFG (Luxembourg) SA together with its subsidiaries the, "EFG Group"), whose ultimate beneficiaries are Latsis family interests.

The below table provides a summary group chart.

#### EFG Group: Organization Chart



\* Listed on the SIX Swiss Exchange (supervised on a consolidated basis by FINMA).

\*\* Capital Markets Service licence application filed with Monetary Authority Singapore

As announced, EFG Financial Products Holding AG has gone public; first trading day at the SIX Swiss Exchange was on 19 October 2012. In addition, EFG International AG's stake in EFG Financial Products Holding AG decreased from 57% to 20.3% through the sale of shares in the Initial Public Offering (IPO) and the exercise of the over-allotment option.

**V EFG FINANCIAL PRODUCTS AG****INCORPORATION AND DURATION**

EFGFP AG was incorporated and registered in Zurich, Switzerland on 24 September 2007 as a stock corporation (*Aktiengesellschaft* or *Société Anonyme*) under article 620 et seq. of the Swiss Code of Obligations for an unlimited duration. As from that day, EFGFP AG is registered in the Commercial Register of the Canton of Zurich, Switzerland, under the number CH-020.3.031.478-9.

The founders of EFGFP AG were EFGI and Messrs. Jan Schoch and Sandro Dorigo.

**REGISTERED OFFICE**

The registered office of EFGFP AG is at Brandschenkestrasse 90, 8002 Zurich, Switzerland, and the general telephone number is +41 58 800 1000. The registered office of the Branch is EFG House, St. Julian's Avenue, St. Peter Port, Guernsey GY1 1GZ, Channel Islands.

**STATUTORY AUDITORS**

PricewaterhouseCoopers SA, Avenue Giuseppe-Motta 50, CH-1211 Geneva. The Branch's auditors will be PricewaterhouseCoopers, Royal Bank Place, 1 Glatigny Esplanade, St. Peter Port, Guernsey GY1 4ND.

**PURPOSE**

According to Article 2 of the Articles of Association of EFGFP AG (unofficial translation from the German original):

*"The purpose of the company is the structuring, issuance, and distribution of financial products such as structured products and derivatives for own account and for the account of third parties and the market making for such financial products, and the commercial dealing in securities for its own account in connection therewith. The company may also commercially distribute collective investment schemes and act as a Swiss representative for foreign collective investment schemes. The company may provide asset management and investment advisory services for third parties, including collective investment schemes, in Switzerland and abroad as well as administrative services in this connection. The company may provide market making services for collective investment schemes. In addition, the company may commercially deal securities for the account of third parties with or without carrying of client accounts with itself or third parties for execution of the securities dealing. Further, the Company may provide all of the services in connection with the above mentioned activities.*

*The company may take interests in all types of businesses in Switzerland and abroad, in particular in the areas of banking, finance, asset management and insurance. The company has the power to establish new businesses, acquire a majority or minority interest in existing businesses and provide related financing.*

*The company has the power to acquire, mortgage and sell real estate properties, both in Switzerland and abroad."*

## **SHARE CAPITAL**

As at the date hereof, the share capital of EFGFP AG amounts to CHF 15'000'000 divided into 15'000 registered shares with a face value of CHF 1'000 each; the shares are fully paid-in.

The share capital is held in its entirety by EFG Financial Products Holding AG which belongs to the companies subsumed under EFG International AG. While EFG International AG is only a minority shareholder of EFG Financial Products Holding AG, it is still in control of the company by means of a shareholders agreement. Thus, from a regulatory perspective, EFG Financial Products Holding AG is still under EFG International AG's consolidated supervision.

## **REGULATORY STATUS**

EFGFP AG operates under a securities dealer license granted by the FINMA on December 12, 2007. The Branch is licensed under the Protection of Investors (Bailiwick of Guernsey) Law 1987 and supervised by the Guernsey Financial Services Commission.

## **BUSINESS**

The business activities of EFGFP AG include the development, structuring, distribution, hedging and settlement as well as the market-making and secondary market servicing of structured products, such as certificates, notes, bonds, warrants and other derivative instruments, the design and investment management of funds and certificates and the investment management in relation with variable annuity products.

EFGFP AG distributes its financial products either directly to institutional investors or indirectly to retail investors through third party financial intermediaries. EFGFP AG also provides structured asset management and pension solution services to third parties in Switzerland and abroad and provides brokerage services to third parties.

EFGFP AG started activities in December 2007 when EFGFP AG began issuing its own listed Products on the SIX Swiss Exchange. Since then EFGFP AG (and its former sister company EFG International Finance (Guernsey) Ltd ("**EFGIF LTD**")) has issued over 15'000 listed and non-listed products, including Structured Products and Warrants on a wide range of asset classes, such as Equities, FX, Commodities and Fixed Income.

## **BUSINESS OUTLOOK**

Subject to market conditions, EFGFP AG plans to further extend its product range and to focus on other product categories. In addition, EFGFP AG plans to take more asset classes into consideration and intends to strengthen its tailor-made business. EFGFP AG also plans to further extend its activities in structured asset management and pension solutions. Structured asset management designs and manages structured funds and certificates based on dynamic quantitative portfolio strategies. Pension solutions specializes in the management of variable annuity products for insurance companies. Moreover, EFGFP Group aims to expand its business via locally licensed offices into select European and Asian markets.

The EFGFP AG, Guernsey Branch, has entered into a white labelling agreement with EFGIF LTD pursuant to which EFGFP AG, Guernsey Branch (also acting with the assistance of its head office) services the existing portfolio of products issued by EFGIF LTD prior to its transfer to EFGI and shall be white labelling partner for the issuance of new products issued by EFGIF LTD.

EFGFP AG also intends to further expand its white labelling business to other white labelling partners.

## **RECENT DEVELOPMENTS**

In December 2011, EFG Financial Products (Singapore) Pte. Ltd. (“EFGFP Singapore”), a wholly owned subsidiary of EFG Financial Products Holding AG, based in Singapore, filed an application for a Capital Markets Services License for dealing in securities with The Monetary Authority of Singapore. EFGFP Singapore is however considering to start its operations under an exemption available under Singapore rules and within such framework. The principal business of EFGFP Singapore will be to offer structured products issued by EFGFP AG to certain investors in Singapore.

EFGFP AG’s former sister company EFGIF LTD was fully taken over by EFGI as of 4 October 2012. As of the same date it was renamed from EFG Financial Products (Guernsey) Ltd to EFG International Finance (Guernsey) Ltd.

EFGFP AG’s mother company EFG Financial Products Holding AG has gone public. First trading in the shares at the SIX Swiss Exchange was on 19 October 2012. In addition, EFG International AG’s stake in EFG Financial Products Holding AG decreased from 57% to 20.3% through the sale of shares in the Initial Public Offering (IPO) and the exercise of the over-allotment option.

The business description contained herein is accurate at the date of this Programme.

## **BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT**

### *Board of Directors*

The Board of Directors is responsible for the management of EFGFP AG's business.

Under Swiss company law, the board of directors has the following non-transferable and inalienable duties: (i) overall direction of the company and issuing the necessary directives; (ii) determining the way the company is organized; (iii) appointing and dismissing the persons entrusted with management and representation and determining the method of signature; (iv) ultimate supervision of the persons entrusted with company management; (v) organization of accounting, financial control and financial planning, to the extent that the latter is necessary for management of the company; (vi) drawing up the annual report (vii) preparing for the general meeting and executing its decisions and (viii) notifying the judiciary should the company become over-indebted.

The Board of Directors currently comprises nine members (including the Chairman) all of whom are non-executive directors.

The following table lists the Board of Directors of EFGFP AG.

<b>Name</b>	<b>Position held</b>
Prof. Dr. Peter Forstmoser	Chairman
John A. Williamson	Director
Frederick Link	Director
Lukas Ruffin	Director
Patrick De Figueiredo	Director
Vincent Arthur Chandler	Director

Dr. Jörg Behrens	Director
Piergiorgio Pradelli	Director
Hans Ludwig Isler	Director

#### *Executive Committee*

Subject to the organisational regulations of the board of directors and mandatory law, the Board of Directors of EFGFP AG has delegated EFGFP AG's operational management to the Executive Committee. The Executive Committee currently comprises five executive officers.

<b>Name</b>	<b>Position held</b>
Jan Urs Schoch	Chief Executive Officer (CEO)
Michael Hans Hartweg	Chief Financial Officer, Deputy Chief Executive Officer (Dep. CEO) and Head Structured Solutions
Sandro Fabio Dorigo	Head Pension Solutions & Regions
Ulrich Christian Sauter	Head of Risk, Legal & Compliance and Human Resources
Michael Hölzle	Chief Operating Officer

The business address of the directors and executive officers of EFGFP AG is Brandschenkestrasse 90, 8002 Zurich, Switzerland.

#### **MATERIAL CHANGES SINCE DECEMBER 2011**

There has been no material change in the financial position of EFGFP AG since the issuance of EFGFP AG's annual report for the period ending 31 December 2011.

#### **INCORPORATION BY REFERENCE**

For further information on the Issuer, reference is made to the following documents which have been filed with SIX Swiss Exchange:

- (i) the Annual Report 2010 of EFG Financial Products AG as of 31 December 2010
- (ii) the Annual Report 2011 of EFG Financial Products AG as of 31 December 2011

These documents shall also be maintained in printed format, for free distribution, at the offices of the Issuer for a period of twelve months after the publication of this document.

Zurich, 31 October 2012