

Key Information Document ("KID")

Leverage Shares plc
2x Alphabet ETP securities

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

| | |
|------------------------------|---|
| Product: | Leverage Shares 2x Alphabet ETP securities |
| Manufacturer (AIFM): | Leverage Shares Plc |
| Product ISIN: | IE00BF01VY89 |
| Website: | https://leverageshares.com/ |
| Telephone: | +1 646 716 3230 |
| Regulator: | Central Bank of Ireland |
| Document valid as at: | 31/01/2018 |

What is this product?

Type: Exchange Traded Asset Backed Securities.

Objective and key points: The objective of this product is to provide two times the value of the daily performance of Alphabet, Inc. stock. The ETP securities seek to track the NYSE Leveraged 2x GOOG Index (the **Index**) which provides exposure to two times the daily performance of Alphabet, Inc. stock (the **Component Security**). The ETP security exposure to the Component Security is managed to deliver two times the return (gain or loss) of the Component Security on a daily basis, net of fees and expenses.

For example, if the Component Security rises by 1% over a day, then the ETP (and the Index it seeks to track) is expected to rise by 2%. However, if the Component Security falls by 1% over a day, then the ETP (and the Index it seeks to track) is expected to fall by 2%. In both cases excluding fees and funding costs.

The Issuer's payment obligations in respect of each series of ETP securities will be funded by selling the component securities held in the margin account (the **margin account**), together with any cash received from time to time in respect of the Component Securities (for example by way of dividends). Each series of ETP securities is collateralised by an amount of the component security of the applicable Index to which the relevant series of ETP securities relates (the **collateral assets**).

Holding this product for more than one day is likely to result in a return which is different to two times the return of the Component Security over that holding period. This difference, called the "Compounding Effect", is caused by the product's daily leverage rebalancing, and is magnified by more leverage and longer holding periods. Compounding may have a positive or negative impact on the product's return, but tends to have a negative impact the higher the volatility of the Component Security.

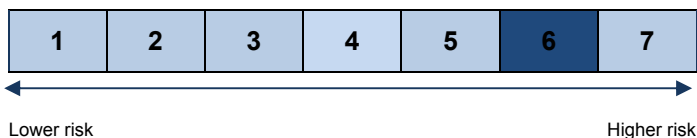
You may trade this product on the London Stock Exchange at your own discretion. You may choose to sell your ETP securities prior to their maturity in accordance with your investment objectives. You should be aware that ETP securities may not be readily sold and the value of the ETP securities may be substantially less than the price you paid for them. The ETP securities are non-interest bearing and are not principal protected and you may lose some or all of your investment.

This series of ETP securities has a scheduled maturity date of 5 December 2067.

The ETP securities may be redeemed prior to the scheduled maturity date, if: (1) the issuer redeems all of the ETC securities in the series following five calendar days written notice to you; (2) you elect to optionally redeem all or part of your holding in the ETP securities; (3) an event of default occurs; or (4) a mandatory redemption event occurs. A detailed description of early redemption events can be found in the prospectus in the Terms and Conditions of the ETP Securities.

Intended retail investor: The ETP securities are intended for sophisticated investors who (i) are able to monitor their investment in the ETP securities on a frequent (intra-day) basis; (ii) understand the risk of compounded daily returns and the increased risk of investment in leveraged products; and (iii) can afford to risk losing their investment.

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



Risk indicator

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.

We have classified this product as class 6 out of 7, which is a high risk class.

This classifies the potential volatility from future performance at a high level and poor market conditions are likely to impact the capacity for you to receive a positive return on your investment.



The risk indicator assumes you hold your investment for 1 day. The actual risk can vary significantly if you hold your investment for a longer timeframe you may lose your investment. You may not be able to sell your investment easily, or may have to sell at a price that significantly impacts on how much you get back.

The ETP security value depends on the equity price reacting to economic factors or falling for long periods.

This product does not include any protection from future market performance so you could lose some or all of your Investment.

Scenarios

| Scenarios | | One (1) day (recommended holding period) |
|-----------------------|-------------------------------------|---|
| Stress scenario | What might you get back after costs | \$ 9,297 |
| | Average return each year | -7.88% |
| Unfavourable scenario | What might you get back after costs | \$ 9,736 |
| | Average return each year | -2.64% |
| Moderate scenario | What might you get back after costs | \$ 10,014 |
| | Average return each year | 0.14% |
| Favourable scenario | What might you get back after costs | \$ 10,289 |
| | Average return each year | 2.89% |

This table shows the money you could get back over the recommended holding period, under different scenarios, assuming that you invest \$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.

The stress scenario shows what you might get back in extreme market circumstances.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your adviser 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 Leverage Shares plc is unable to pay out?

If we fail to make a payment when due, the trustee (Link Corporate Trustees (UK) Limited) can enforce the security over the collateral assets. Once the trustee has enforced the security it can then sell the collateral assets and use of the proceeds of this sale to pay the amount owed to you under the ETP securities. The proceeds of such sale may not be enough to cover all amounts owed to you under the ETP securities.

What are the costs?

Costs over time

The Reduction in Yield (RIY) illustrates the impact the total costs you pay may have on your investment return. 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 three different holding periods, and assume you invest \$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 | | If you cash in after 1 year |
|---------------------------------|--|-----------------------------|
| Total costs | | \$198 |
| Impact on return (RIY) per year | | 1.98% |

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.

| | | | |
|------------------|-----------------------------|-------|---|
| One-off costs | Entry costs | 0.00% | The impact of the costs you pay when entering your investment – e.g. Stamp Duty @ 0.50%. |
| | Exit costs | 0.00% | The impact of the costs of exiting your investment. |
| Ongoing costs | Portfolio transaction costs | 0.23% | The impact of the costs of the portfolio manager buying and selling underlying investments in the Company's portfolio. |
| | Other ongoing costs | 1.75% | The impact of the expenses necessarily incurred in the operation of the Company. This includes the annual management fee paid to the Arranger and the cost of gearing employed. |
| Incidental costs | Performance fee | 0.00% | There is no performance fee. |
| | Carried interests | 0.00% | There are no carried interests. |

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

Recommended minimum holding period: 1 day

Recommended holding period: One (1) day. Holding this product for more than one day is likely to result in a return which is different to two times the return of the Index over that holding period. The compounding effect may have a positive or negative impact on the product's return, but tends to have a negative impact the higher the volatility of the index.

How can I complain?

Please feel free to contact Leverage Shares plc:

Address:

Website: <https://leverageshares.com/>

E-mail: info@leverageshares.com

Other relevant information

For more detailed information on the issuer of the ETP securities, such as the prospectus as well as the latest annual and semi-annual report, can be obtained free of charge online at <https://leverageshares.com>. These documents are available in English. For more details about the ETP securities, please refer to the prospectus, which is available at <https://leverageshares.com>.