



KEY INFORMATION DOCUMENT

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THE ZENE AG
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KEY INFORMATION DOCUMENT

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

Name of PRIIP	TZEN Token
Name of PRIIP manufacturer	THE ZENE AG, Hertensteinstrasse 51, 6004 Luzern; Switzerland UID CHE-493.907.970
Details of how to get in contact with PRIIP manufacturer	Email: contact@thezene.com
Date of production	08. November 2022

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

WHAT IS THIS PRODUCT?

Type

The TZEN Token is a derivative based contract. A derivative is a financial contract, which derives its value from the value of another underlying instrument. The TZEN Token represent a contractual claim against the issuer to participate pro-rata in the proceeds of an Exit Event and thus the price of the TZEN Token is derived from the price of the THE ZENE AG shares in such an Exit Event.

Objectives

The TZEN Token gives the buyer the right to participate in an Exit Event of The ZENE AG. The pay-out of the TZEN Token is a direct reflection of the payout to shareholders of the THE ZENE AG in such an EXIT Event. The Exit Event is defined as a sale or other disposition of the THE ZENE AG shares to a third-party buyer.

The buyer of TZEN Token therefore has a direct exposure to the underlying The ZENE AG shares. When buying TZEN Tokens, the buyer pays the seller (THE ZENE AG) the price of the TZEN Token. The buyer does not have any right to reclaim that price from the seller. The buyer realizes a gross profit if the value of the underlying has increased and while at the same time the underlying is sold to a third party buyer in an Exit Event. The gross profit of the buyer in an EXIT EVENT will be determined through the purchase price of THE ZENE AG shares.

No recommended holding period exists for TZEN Token and it has no pre-defined maturity date. The buyer's maximum potential gross loss is the whole purchase price of TZEN Token; the buyer's maximum potential gross profit is unlimited. The buyer's pay-off is zero if an EXIT Event does not occur.

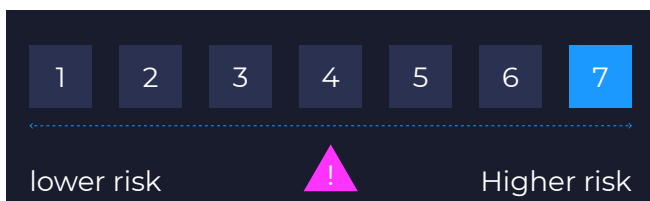


Intended retail investor

The product (TZEN Token) is aimed at retail clients in Switzerland, member states of the European Economic Area (“EEA”) and the United Kingdom who pursue the goal of asset accumulation / asset optimization and have a long-term investment horizon. This product is intended for investors with advanced knowledge and/or experience of financial products. The investor can bear financial losses up to the complete loss of the capital invested and has no capital protection.

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 the TZEN Token compared to other products. It shows how likely it is that a product will lose money because of movements in the markets or because THE ZENE AG is not able to pay you. THE ZENE AG has classified the product as 7 out of 7, which is the highest risk class. This rates the potential of losses from future performance at a very high level. You invest in the success of a start-up and the payout is dependent on a possible sale of this start-up in the future.

Be aware of currency risk. Depending on the chosen product, you will receive payments in a different currency, so the final return you will get will depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

Also be aware that the tax legislation of your residency state may have an impact on the actual payout.

Performance-Scenarios

In the pessimistic scenario, where either the underlying company goes bankrupt, or no EXIT EVENT is achieved you will lose all your invested capital. This is the case, for example, if the product developed by THE ZENE AG does not perform on the market and the company must file for insolvency because it lacks the income to further develop or operate the product. It is also possible, for example, that the exit scenario, which is a condition for the payout, will not occur. In an optimistic scenario, THE ZENE AG’s product performs in the market and the company can be sold. The associated payout to the investor is difficult to quantify, as it depends to a large extent on the market environment and the performance of THE ZENE AG’s product at that time. Both factors that are not yet known.



WHAT HAPPENS IF THE ZENE AG IS UNABLE TO PAY OUT?

You are exposed to the risk that the issuer may not be able to meet its obligations arising from the product - for example in the event of insolvency (insolvency / over indebtedness) or an official order for liquidation measures. A total loss of the capital in-vested is possible. The product is not subject to any capital protection.

WHAT ARE THE COSTS?

According to the terms and conditions, all fees and commissions charged by any intermediary involved in making payments will have to be borne by you, the buyer. Your costs will consist of the purchase price and those fees. If you pay a lump-sum, the number of Tokens allocated to the buyer will be reduced accordingly.

HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?

No recommended holding period is prescribed for these products. Once you buy TZEN Token, there is no possibility to take your money out early other than to sell the product over the counter. Should you sell the product before an EXIT EVENT, the amount you then receive may be less than the amount you would otherwise have received in an EXIT EVENT.

HOW CAN I COMPLAIN?

In case of complaints about the product covered by this KID or about the conduct of the PRIIP manufacturer, please contact contact@thezene.com or THE ZENE AG, Hertensteinstrasse 51, 6004 Switzerland.

OTHER RELEVANT INFORMATION

The Offering Memorandum will be available on the website of the issuer (www.thezene.com). In order to obtain further detailed information, in particular on the structure and the risks associated with an investment in the Product, you should read this document.