

UBS AG, London Branch
("UBS AG" or the "Company")
(Incorporated and domiciled in Switzerland)
(Registration number: CHE-101.329.561)

Ad hoc announcement pursuant to UBS AG's issuance of notes listed on the JSE under the Structured Note Programme as described in the Information Memorandum dated 16 September 2019

This is a copy of the ad hoc announcement pursuant to Article 53 of the SIX Exchange Regulation Listing Rules released on 19 March 2023.

UBS TO ACQUIRE CREDIT SUISSE

- **Creates leading global wealth manager with USD 5 trillion of invested assets across the Group**
- **Extends UBS lead in Swiss home market**
- **UBS strategy unchanged, including focus on growth in Americas and APAC**
- **Attractive financial terms which include downside protection**
- **Annual run-rate of cost reduction of more than USD 8 billion expected by 2027**
- **UBS remains strongly capitalized well above our target of 13% and committed to progressive cash dividend policy**
- **A focused Investment Bank, remaining committed to UBS's model; strategic Global Banking businesses to be retained, majority of Credit Suisse markets positions moved to non-core**

UBS plans to acquire Credit Suisse. The combination is expected to create a business with more than USD 5 trillion in total invested assets and sustainable value opportunities. It will further strengthen UBS's position as the leading Swiss-based global wealth manager with more than USD 3.4 trillion in invested assets on a combined basis, operating in the most attractive growth markets.

The transaction reinforces UBS's position as the leading universal bank in Switzerland. The combined businesses will be a leading asset manager in Europe, with invested assets of more than USD 1.5 trillion.

UBS Chairman Colm Kelleher said: "This acquisition is attractive for UBS shareholders but, let us be clear, as far as Credit Suisse is concerned, this is an emergency rescue. We have structured a transaction which will preserve the value left in the business while limiting our downside exposure. Acquiring Credit Suisse's capabilities in wealth, asset management and Swiss universal banking will augment UBS's strategy of growing its capital-light businesses. The transaction will bring benefits to clients and create long-term sustainable value for our investors."

UBS Chief Executive Officer Ralph Hamers said: "Bringing UBS and Credit Suisse together will build on UBS's strengths and further enhance our ability to serve our clients globally and deepen our best-in-class capabilities. The combination supports our growth ambitions in the Americas and Asia while adding scale to our business in Europe, and we look forward to welcoming our new clients and colleagues across the world in the coming weeks."

The discussions were initiated jointly by the Swiss Federal Department of Finance, FINMA and the Swiss National Bank and the acquisition has their full support.

Under the terms of the all-share transaction, Credit Suisse shareholders will receive 1 UBS share for every 22.48 Credit Suisse shares held, equivalent to CHF 0.76/share for a total consideration of CHF 3 billion. UBS benefits from CHF 25 billion of downside protection from the transaction to support marks, purchase price adjustments and restructuring costs, and additional 50% downside protection on non-core assets. Both banks have unrestricted access to the Swiss National Bank existing facilities, through which they can obtain liquidity from the SNB in accordance with the guidelines on monetary policy instruments.

The combination of the two businesses is expected to generate annual run-rate of cost reductions of more than USD 8 billion by 2027.

UBS Investment Bank will reinforce its global competitive position with institutional, corporate and wealth management clients through the acceleration of strategic goals in Global Banking while managing down the rest of Credit Suisse's Investment Bank. The combined investment banking businesses accounts for approximately 25% of Group risk weighted assets.

UBS anticipates that the transaction is EPS accretive by 2027 and the bank remains capitalized well above its target of 13%.

Colm Kelleher will be Chairman and Ralph Hamers will be Group CEO of the combined entity.

The transaction is not subject to shareholder approval. UBS has obtained pre-agreement from FINMA, Swiss National Bank, Swiss Federal Department of Finance and other core regulators on the timely approval of the transaction.

UBS Group AG and UBS AG

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Cautionary statement regarding forward-looking statements

This document contains statements that constitute forward-looking statements. While these statements represent UBS's judgments and expectations concerning the matters described, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from UBS's expectations. Additional information about those factors is set forth in documents furnished and filings made by UBS with the US Securities and Exchange Commission, including the Annual Report on Form 20-F for the year ended 31 December 2022. UBS undertakes no obligation to update the information contained herein.

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