

INLINE WARRANTS

Investing in range-bound markets



More information is available on our website hk.warrants.com/inline



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GÉNÉRALE**

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LEADERSHIP IN INLINE WARRANTS

Societe Generale (SG) is well known to investors as a leader in global equity derivatives, delivering pioneering solutions to the Hong Kong market for more than 20 years. SG was the first issuer to launch Inline Warrants in Europe (Germany 2009), and the only issuer in Asia to have Inline Warrants experience in Europe*.

No.1 Issuer of Inline Warrants in Europe

- Long established expertise and franchise in Inline Warrants (more than 10 years track-record)
- Leading market share in terms of turnover and number of products#
- A well diversified range of underlyings (equity indices, single stocks, commodities, FX)

*as of June 2019

Based on number of products in France, Germany, Italy and Spain

AWARDS & RECOGNITION IN ASIA PACIFIC



STRUCTURED PRODUCTS
HOUSE OF THE YEAR



EXCELLENT BRAND OF INNOVATIVE
DERIVATIVES WEBSITE



1 OVERALL EQUITY PRODUCTS



ASIA STRUCTURED PRODUCTS
HOUSE OF THE YEAR



BEST STRUCTURED PRODUCTS HOUSE, ASIA
DERIVATIVES HOUSE OF THE YEAR, ASIA
BEST EQUITY DERIVATIVES HOUSE, ASIA

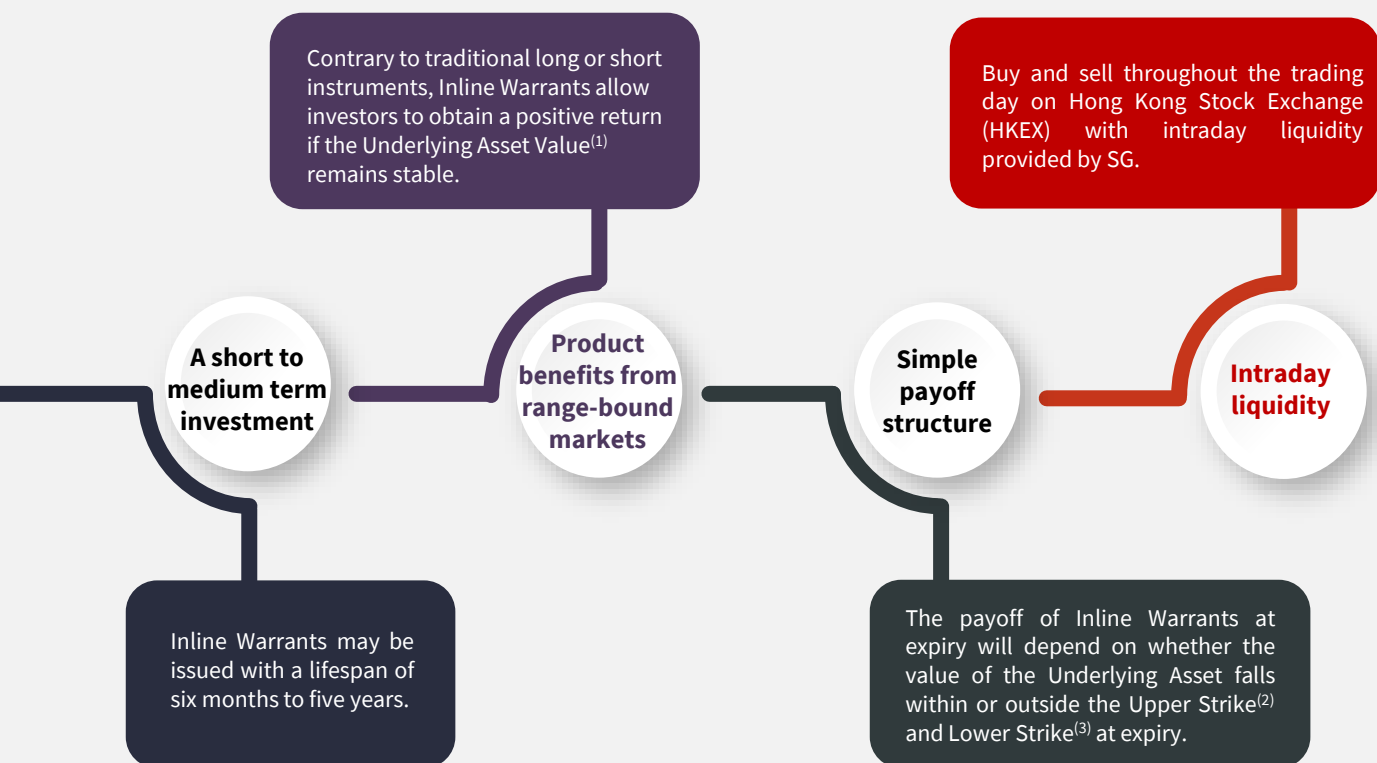


BEST HOUSE, ASIA PACIFIC
BEST HOUSE, HONG KONG
BEST HOUSE, TAIWAN



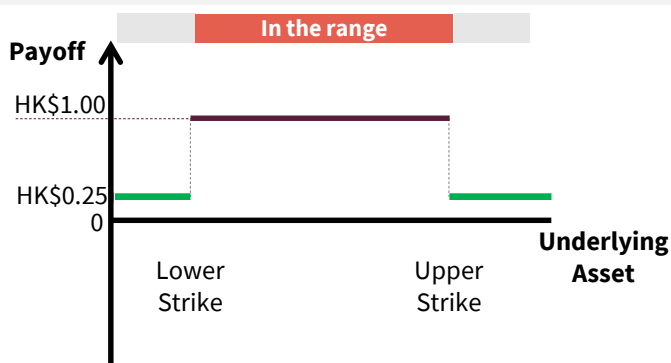
KEY FEATURES

Investing in a range-bound market



If Underlying Asset Value⁽¹⁾ remains “inline” within the range between the Upper Strike⁽²⁾ and the Lower Strike⁽³⁾ (both inclusive), the investor receives HK\$1.00 at expiry.

Otherwise, if the value of the Underlying Asset exceeds the Upper Strike or goes below the Lower Strike at expiry, HK\$0.25 will be paid to the investors. This will result in a loss of part of the invested capital.



- (1) In this brochure, Underlying Asset Value has the meaning ascribed to Underlying Level for Inline Warrants over Index and Underlying Price for Inline Warrants over Single Equities.
- (2) In this brochure, Upper Strike has the meaning ascribed to Upper Strike Level for Inline Warrants over Index and Upper Strike Price for Inline Warrants over Single Equities.
- (3) In this brochure, Lower Strike has the meaning ascribed to Lower Strike Level for Inline Warrants over Index and Lower Strike Price for Inline Warrants over Single Equities.



BENEFITS

- Maximum payoff amount equals HK\$1.00 if the Underlying Asset Value stays within the range between the Upper Strike and the Lower Strike (both inclusive) at expiry. Otherwise, minimum payoff amount equals to HK\$0.25 if the Underlying Asset Value falls outside the range between the Upper Strike and Lower Strike at expiry.
- Unlike traditional investment products, which create positive returns when the Underlying Asset Value moves either up or down, Inline Warrants offer a positive return if the Underlying Asset Value remains within a predefined interval.

Fixed payoff

Flexibility

- Traded like a share during normal market hours through your stockbroker account.
- Depending on the purchase price of the product, investors can resell the product on the secondary market before it expires and may record a gain or loss.

Key Benefits

Transparency

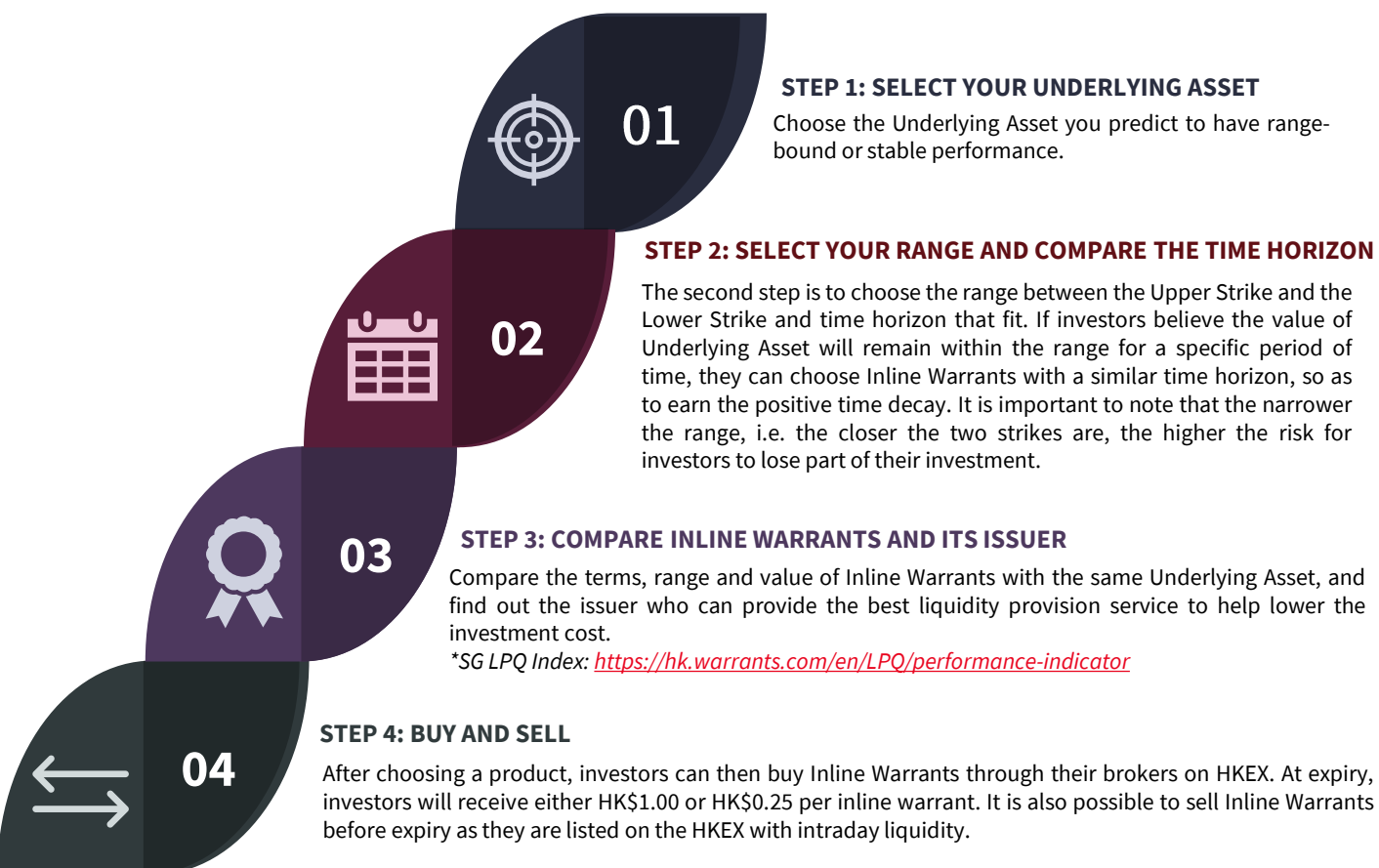
- Listed on HKEX, real time quotes will be continuously provided to ensure the liquidity in the market under conditions normal market.
- Prices of Inline Warrants are available on our website: hk.warrants.com

Limited loss

- Investors will not lose more than their invested capital minus the minimum payoff amount. Even if the Underlying Asset Value falls outside the range between the Upper Strike and Lower Strike at expiry, Investors will receive a minimum payoff equal to HK\$0.25.
- Before expiry, even if the Underlying Asset Value falls outside the range between the Upper Strike and the Lower Strike, there is still a chance the Underlying Asset Value will move back in to the range at expiry.



HOW TO CHOOSE INLINE WARRANTS



**This is only an example of how to choose Inline Warrants and is for the purposes of illustration only.*

HOW TO CALCULATE RISK AND RETURN ON INVESTMENT



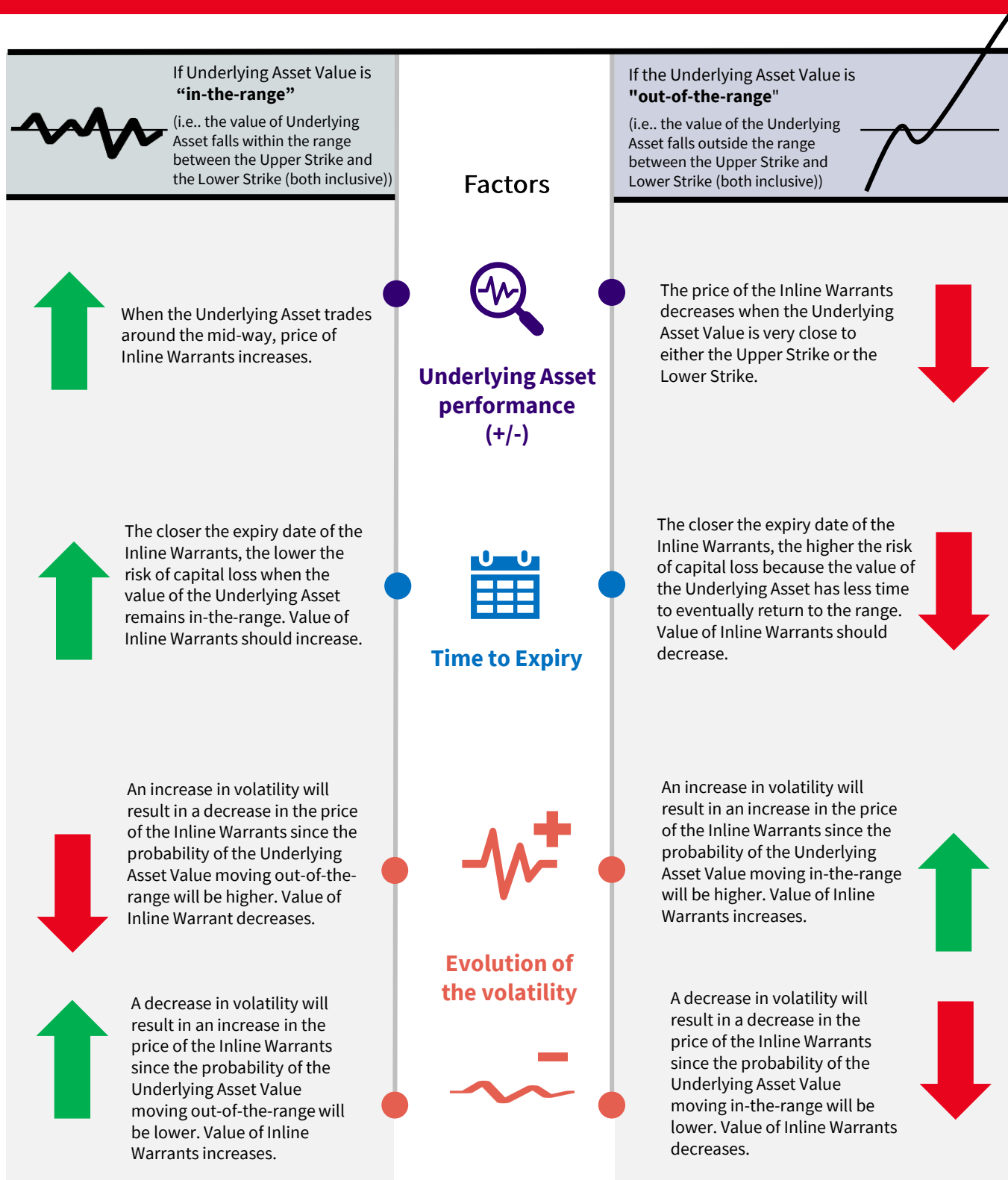
(Value of Inline Warrant at expiry ÷ Purchase price) x 100% -1

The expected price at expiry is fixed at either HK\$ 1.00 or HK\$ 0.25.

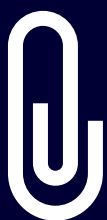


IMPACT ON THE VALUE OF INLINE WARRANTS

The value of the Inline Warrants will mainly depend on 3 factors*: **the performance of the Underlying Asset, the time to expiry and the evolution of volatility.**



*The information on this page is for illustrative purposes only, and is not indicative of future performance. Such information does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase, the Inline Warrants at the price shown.



SCENARIOS ANALYSIS

Assume an investor buy Inline Warrants with the following characteristics:

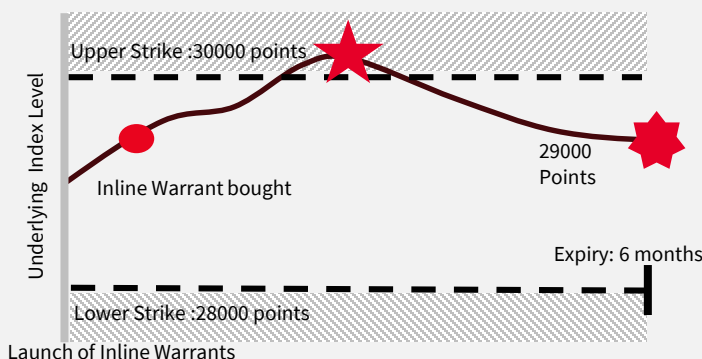


Scenario 1 – Inline Warrants over Index

Assume investor purchases an inline warrant at HK\$0.6 and holds till expiry, the value of the Underlying Asset remain within the range between the Upper Strike and the Lower Strike, investor will receive the maximum payment amount equals to HK\$1.00 per inline warrant and record a gain of 67% .

Underlying Asset	HSI
Upper Strike	30000 points
Lower Strike	28000 points
Expiry	In 6 months
Price of Inline Warrant	HK\$0.6
Underlying level at expiry	29000 points
Price of Inline Warrant at expiry	HK\$1.0
Investment return	+67%

The average price of HSI Inline Warrants is calculated based on settlement price on the spot month.



- Before expiry, even the value of the Underlying Asset exceeds the Upper Strike (or goes below the Lower Strike), it would not trigger a mandatory call event for its Inline Warrants
- At expiry, the value of the Underlying Asset remain within the range between the Upper Strike and the Lower Strike, investors will receive the maximum payment amount equals to HK\$1.00 per inline warrant.

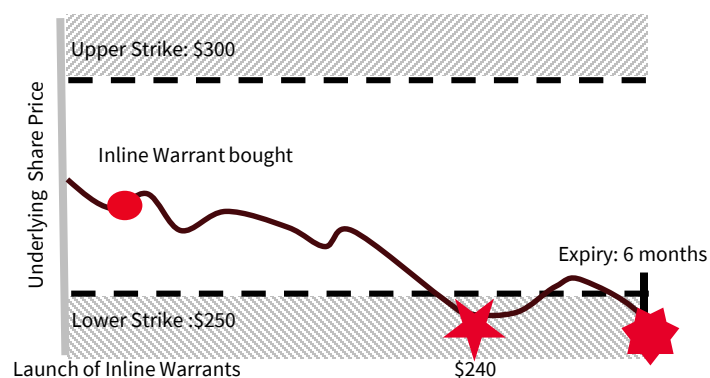


Scenario 2 – Inline Warrants over Single Equities

Assume investor purchases an inline warrant at HK\$0.6 and holds till expiry, the value of the Underlying Asset goes below the Lower Strike, investor will receive the minimum payment amount equals to HK\$0.25 per inline warrant and record a loss of 58% .

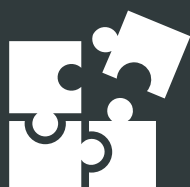
Underlying Asset	Stock A
Upper Strike	\$300
Lower Strike	\$250
Expiry	In 6 months
Price of Inline Warrant	HK\$0.6
Underlying price at expiry	\$240
Price of Inline Warrant at expiry	HK\$0.25
Investment return	-58%

The average price of Inline Warrants over Single Equities is calculated based on the average price of the Underlying Asset in past 5 days.



- Before expiry, even the value of the Underlying Asset falls below the Lower Strike (or exceeds the Upper Strike), it would not trigger a mandatory call event for its Inline Warrants
- At expiry, the value of the Underlying Asset falls below the Lower Strike, investors will receive the minimum payment amount equals to HK\$0.25 per inline warrant.

Ignoring interim interest rates, expected dividend payments and assuming all other factors remain constant. The information on this page is for illustrative purposes only, and is not indicative of future performance. Such information does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase, the Inline Warrants at the price shown.



HOW ARE INLINE WARRANTS DIFFERENT FROM STANDARD WARRANTS AND CBBCs

	Inline Warrants	CBBCs	Standard Warrants
Response to price movement in Underlying Asset	Depends on whether the Underlying Asset Value falls within or out of the upper and lower strikes at expiry. Investors will receive a fixed and capped amount equal to the Fixed Payoff Amount per Warrant at expiry.	Changes in value by approximately the same amount as the Underlying Asset, but still depends on various factors.	Price determined by formulas such as the Black Scholes Model. Prices depend on volatility, time to expiry, interest rate, dividends and liquidity of the Underlying Asset, supply and demand for the warrants.
Implied Volatility	The correlation between the movement of implied volatility to the value of Inline Warrants can be positive or negative.	Insignificant to trading value of CBBCs	Affects trading price of standard warrants
Tenor	6 months to 5 years.	3 months to 5 years.	6 months to 5 years.
Payoff at expiry	Fixed pre-determined amount per warrant, depending on the settlement price vs the upper and lower strikes <ul style="list-style-type: none"> In-the-range: HK\$1.00 Out-of-the-range: HK\$0.25 	Variable depending on the settlement price vs the strike <ul style="list-style-type: none"> Bull = $(\text{Spot} - \text{Strike}) \div \text{Conversion ratio}$ Bear = $(\text{Strike} - \text{Spot}) \div \text{Conversion ratio}$ 	Variable depending on the settlement price vs the strike <ul style="list-style-type: none"> Call = $(\text{Spot} - \text{Strike}) \div \text{Conversion ratio}$ Put = $(\text{Strike} - \text{Spot}) \div \text{Conversion ratio}$
Mandatory call	Inline Warrants do not have a mandatory call feature.	CBBCs have a mandatory call feature. A CBBC is terminated early when the price of the Underlying Asset hits the call price	Standard (i.e. non-exotic) warrants do not have a mandatory call feature.
Underlying Assets	Single stocks (First batch includes Top 5 most liquid stocks by turnover), Index (HSI)	Single stocks (Hong Kong & foreign markets), Index (Hong Kong)	Single stocks (Hong Kong & foreign markets), Index (Hong Kong & foreign markets), Currency, Commodities
Settlement	Cash	Cash	Cash
Investment Objective	Non-directional	Directional: Bull /Bear	Directional: Call/Put

*Above information is indicative only.



TRADING INFORMATION

Product Specifications:

	Inline Warrants over Index	Inline Warrants over Single Equities															
Underlying Assets	Hang Seng Index	Tencent (700) CCB (939) China mobile (941) AIA (1299) Ping An Insurance (2318)															
Strike Prices	Must have 2 strike prices : Lower Strike and Upper Strike																
Maximum Payoff amount per Inline Warrant	HK\$1.00																
Minimum Payoff amount per Inline Warrant	HK\$0.25																
Traded on	Hong Kong Exchanges and Clearing Limited (“HKEX”)																
Trading Hours	Morning session: 9:30am – 12:00nn Afternoon session: 1:00pm – 4:00pm																
Trading Currency	Hong Kong Dollars																
Board Lot	10000 per each board lot size	Depends on board lot size of each single stock															
Expiry Date	Inline Warrants have a finite lifespan and cease to exist on expiry date, as specified at launch																
Stock Short Name	<table border="1"><tr><td>Z</td><td>Z</td><td>Q</td><td>Q</td><td>Q</td><td>Q</td><td>Q</td><td>@</td><td>L</td><td></td><td>Y</td><td>Y</td><td>M</td><td>M</td><td>A</td></tr></table> <p>ZZ = Issuer’s short name Q = Underlying Asset (up to 5 characters) @ = Cash settlement L = Inline Warrant YYMM = Expiry year and month A = Serial number for additional issues by the same issuer on same underlying with same expiry year and month (A, B, C...)</p>		Z	Z	Q	Q	Q	Q	Q	@	L		Y	Y	M	M	A
Z	Z	Q	Q	Q	Q	Q	@	L		Y	Y	M	M	A			
Stock Code Range	47000-48999																

*Above information is indicative only.



INLINE WARRANTS SEARCH

For investors who are interested to know more about Inline Warrants, please visit our website : hk.warrants.com/inline.



SEARCH

Investors can look for suitable Inline Warrants based on criteria such as Underlying Asset, range, value, expiry date and so on!

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法興精選 界內證精選 認股證精選 牛熊證精選

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選擇相關資產 顯示所有相關資產

列印 分享 直接下載

編號	名稱	發行人	相關資產	下限價	上限價	溢價(%)	到期日 (年-月-日)	上市日期 (年-月-日)	每季買賣單位	發行價	發行份數 (百萬份)
47015	友邦法興零一界A	法興	友邦	58	96	不適用	2020-01-31	2019-07-18	200	0.82	20.00
47016	友邦法興零一界B	法興	友邦	70.8	83.3	不適用	2020-01-31	2019-07-18	200	0.51	25.00
47017	友邦法興零一界C	法興	友邦	83.35	95.85	不適用	2020-01-31	2019-07-18	200	0.5	25.00

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即將上市界內證 即將上市界內證

主頁 / 界內證 / 即將上市界內證

界內證是全新的上市衍生產品，目前香港交易所沒有其他結構類似的衍生產品可與之作比較。

相關資產 所有 發行人 法興 上市日期 所有

搜尋 重設

搜尋結果: 合共 20 個界內證產品符合搜尋條件

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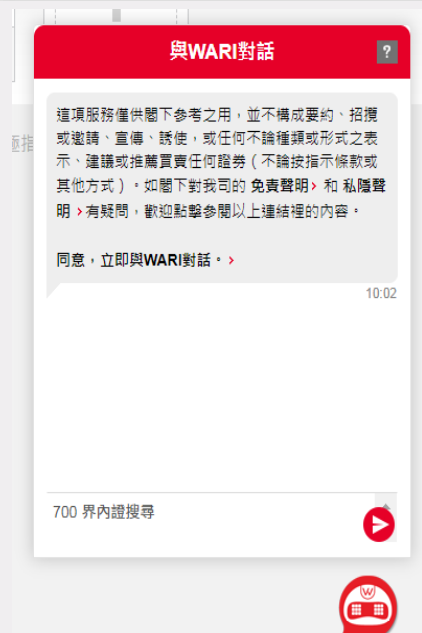
編號	名稱	發行人	相關資產	下限價	上限價	溢價(%)	到期日 (年-月-日)	上市日期 (年-月-日)	每季買賣單位	發行價	發行份數 (百萬份)
47015	友邦法興零一界A	法興	友邦	58	96	不適用	2020-01-31	2019-07-18	200	0.82	20.00
47016	友邦法興零一界B	法興	友邦	70.8	83.3	不適用	2020-01-31	2019-07-18	200	0.51	25.00
47017	友邦法興零一界C	法興	友邦	83.35	95.85	不適用	2020-01-31	2019-07-18	200	0.5	25.00
47018	建行法興零一界A	法興	建行	5.21	6.14	不適用	2020-01-31	2019-07-18	1,000	0.54	20.00
47019	建行法興零一界B	法興	建行	5.5	7.3	不適用	2020-01-31	2019-07-18	1,000	0.8	20.00
47020	建行法興零一界C	法興	建行	6.15	7.08	不適用	2020-01-31	2019-07-18	1,000	0.57	20.00
47021	中移法興零一界A	法興	中移	59.55	70.15	不適用	2020-01-31	2019-07-18	500	0.62	20.00
47022	中移法興零一界B	法興	中移	63	88	不適用	2020-01-31	2019-07-18	500	0.85	20.00

If you have followed the trend of a particular Underlying Asset, you can key in the stock code directly into the Inline Search field on the top corner of the website (Circled in green). You can then further examine the price, technical data and other basic information of the Inline Warrants.

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QUICK SEARCH



For sure our **WARI** can help on a Quick Search...

ASK WARI NOW!



EDUCATIONAL VIDEO SERIES



You can find video and audio presentations on certain features of Inline Warrants. Video clips and archived versions of live panel discussions and webinars are also available.



RISKS

- Non-collateralised structured products
- Credit risk
- Inline Warrants are not principal protected and may expire with loss of investment
- The Inline Warrants are exotic warrants and are not comparable to standard derivative warrants
- The Inline Warrants can be volatile
- Price movement of Inline Warrants may be disproportionate or opposite to the movement in the level of underlying Index/ underlying Share
- Time decay
- Maximum potential payoff is fixed and capped
- Non-recognition of trades executed at the price above HK\$1
- Possible limited secondary market
- Not the same as investing in the underlying Shares
- Change of calculation methodology or failure to publish the Index
- Publication of Index level when component shares are not trading
- Suspension of trading
- Adjustment related risk
- Possible early termination
- Time lag between exercise and settlement of the Inline Warrants
- Conflict of interest
- No direct contractual rights
- The Listing Documents should not be relied upon as the sole basis for your investment decision
- Prohibition on the sale of certain binary options in European retail markets
- Regulatory action(s) by the relevant resolution authorities in the event that the Issuer and/or the Guarantor is failing or likely to fail could materially affect the value of the Inline Warrants
- Consent to the exercise of Bail-In Power over the Issuer/ and/or the Guarantor with respect to its liabilities under the Inline Warrants and/or the Guarantee
- Financial Institutions (Resolution) Ordinance

Please refer to the section headed “Key Risk Factors” in the Supplemental Listing document together with the risk factors set out in our Base Listing Document for details.

DISCLAIMER

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THINK WARRANTS

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