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## **Non-collateralised Structured Products**

issued by

**J.P. Morgan Structured Products B.V. (“Issuer”)**

*(incorporated with limited liability in The Netherlands)*

and unconditionally and irrevocably guaranteed by

**JPMorgan Chase Bank, National Association**

*(a national banking association organized under the laws of United States of America)*

**Announcement in relation to Early Termination Amount of Derivative  
Warrants and Inline Warrants**

**Linked to**

**each of Hang Seng Index and Hang Seng China Enterprises Index**

Reference is made to our announcement dated 10 January 2021 (the “**Announcement**”) regarding early termination of the Affected Structured Products. Capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement unless the context requires otherwise.

Investors should note that:

- (a) trading in the Affected Structured Products has been suspended from 9:00 a.m. (Hong Kong time) on 25 January 2021;
- (b) the Affected Structured Products were early terminated on 28 January 2021; and
- (c) the valuation methodologies applicable to different listed structured products vary according to the actual terms of the relevant product and the relevant valuation model applied by us based on our actual underlying hedging arrangements as of the relevant time. Our current intended approach for the valuation methodology applicable to the Early Termination Amount of the Affected Structured Products only applies to such products, and must not be construed as applicable to, or the benchmark for, other similar listed structured products (whether or not linked to the same underlying index) issued under the Programme.

### ***Early Termination Amount***

Pursuant to the Announcement, we have determined the Early Termination Amount in respect of the Affected Structured Products as set out in the schedule attached to this announcement.

### ***In respect of Warrants only***

In determining the Early Termination Amount for a series of the Affected Structured Products (which are derivative warrants), we have used our existing pricing model for the relevant series of the Affected Structured Products. The key market factor inputs of such pricing model are:

- (a) the Closing Level of the underlying index fixed on the Valuation Date against the Strike Level applicable to the relevant series,

Where:

the **Closing Level** is set by reference to the average of the underlying index level during the five-minute interval on the Valuation Date<sup>1</sup> (i.e. 28 January 2021) as specified in the schedule attached to this announcement;

the **Valuation Date** for the Affected Structured Products is the Early Termination Date (i.e. 28 January 2021);

- (b) the average of the implied volatility applicable to the relevant series by reference to the middle of our bid price quoted for the Warrants in the market and the theoretical ask price of the Warrants using our pricing model as at or immediately before market close in Hong Kong on the two trading days immediately preceding the trading suspension date (i.e. 21 and 22 January 2021); and
- (c) the time value between the Early Termination Date (i.e. 28 January 2021) and the original scheduled expiry date of the relevant series.

No cost of unwinding any related hedging arrangements or other costs would be deducted from the Early Termination Amount of the Affected Structured Products.

The Early Termination Amount per Warrant is calculated by applying each of the relevant market data to our existing pricing model for the Affected Structured Products.

The Early Termination Amount per Board Lot is calculated by multiplying the Early Termination Amount per Warrant with the Board Lot of the Affected Structured Product.

We confirm the Early Termination Amount is determined by us in good faith and in a commercially reasonable manner and represents the fair market value of the Affected Structured Products immediately prior to the early termination.

**In case of Inline Warrants only**

In determining the Early Termination Amount for a series of the Affected Structured Products (which are inline warrants), we have used our existing pricing model for the relevant series of the Affected Structured Products. The key market factor inputs of such pricing model are:

- (a) comparison of the Closing Level of the underlying index fixed on the Valuation Date against the Upper Strike Level and Lower Strike Level applicable to the relevant series,

Where:

the **Closing Level** is set by reference to the average of the underlying index level during the five-minute interval on the Valuation Date<sup>2</sup> (i.e. 28 January 2021) as specified in the schedule attached to this announcement;

the **Valuation Date** for the Affected Structured Products is the Early Termination Date (i.e. 28 January 2021);

- (b) the implied volatility applicable to the relevant series by reference to the middle of our bid price quoted for the Inline Warrants in the market and the theoretical ask price of the Inline Warrants

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<sup>1</sup> This is the final settlement price for settling the relevant index futures contracts that are scheduled to expire during the month in which the Early Termination Date of the Affected Structured Products is scheduled to fall.

<sup>2</sup> This is the final settlement price for settling the relevant index futures contracts that are scheduled to expire during the month in which the Early Termination Date of the Affected Structured Products is scheduled to fall.

using our pricing model as at or immediately before market close in Hong Kong on 22 January 2021; and

- (c) the time value between the Early Termination Date (i.e. 28 January 2021) and the original scheduled expiry date of the relevant series.

No cost of unwinding any related hedging arrangements or other costs would be deducted from the Early Termination Amount of the Affected Structured Products.

The Early Termination Amount per Inline Warrant is calculated by applying each of the relevant market data to our existing pricing model for the Affected Structured Products.

The Early Termination Amount per Board Lot is calculated by multiplying the Early Termination Amount per Inline Warrant with the Board Lot of the Affected Structured Product.

We confirm the Early Termination Amount is determined by us in good faith and in a commercially reasonable manner and represents the fair market value of the Affected Structured Products immediately prior to the early termination.

#### ***Settlement process***

The Early Termination Amount will be paid by transfer to the CCASS account through which the relevant Affected Structured Products are held on the Settlement Date (currently scheduled to be 2 February 2021). Payment of the Early Termination Amount to such account will be a complete discharge of our obligation to pay such Early Termination Amount. Investors should note that if you are not a CCASS investor participant and do not have a CCASS account, you will have to rely on your broker to ensure that the Early Termination Amount is credited to your account maintained with your broker (and if applicable, its custodian).

Any payment of the Early Termination Amount shall be made net of any taxes, duties, fees, levies and other charges incurred in respect of such payment or otherwise in connection with such early termination. Investors should also check with their brokers (if any) as to whether there are any charges payable to their brokers. We are not responsible for any tax, duties or charges imposed by any tax authority in respect of the payment of the Early Termination Amount or otherwise in connection with such early termination. Investors should obtain independent tax advice if they are in any doubt.

#### ***Contact details for investors' enquiries***

Investors in the Affected Structured Products may obtain further information as follows:

- (a) visit our designated website at <http://www.jpmmwarrants.com.hk>; or
- (b) call our hotline at +852 2800 7878.

**J.P. Morgan Structured Products B.V.**  
Hong Kong, 29 January 2021

## Schedule: Early Termination Amount for Affected Structured Products

### 1. Warrants

#### (a) Hang Seng Index

	Stock Code of Affected Structured Products	Type	Strike Level	Closing Level	Board Lot	Early Termination Amount per Warrant (HK\$)	Early Termination Amount per Board Lot (HK\$)
1	11203	Call Warrants	26200	28748	10,000 Warrants	0.455249	4552.490
2	11219	Put Warrants	24600	28748	10,000 Warrants	0.032242	322.420
3	16186	Put Warrants	24800	28748	10,000 Warrants	0.000000 <sup>Note 1</sup>	0.000
4	16188	Put Warrants	22800	28748	10,000 Warrants	0.006251	62.510
5	16350	Put Warrants	23000	28748	10,000 Warrants	0.036172	361.720
6	16577	Call Warrants	29900	28748	10,000 Warrants	0.124125	1241.250
7	16864	Put Warrants	25200	28748	10,000 Warrants	0.054180	541.800
8	16865	Put Warrants	26000	28748	10,000 Warrants	0.051226	512.260
9	17212	Call Warrants	28000	28748	10,000 Warrants	0.115077 <sup>Note 1</sup>	1150.770
10	17214	Call Warrants	27000	28748	10,000 Warrants	0.218500 <sup>Note 1</sup>	2185.000
11	17473	Put Warrants	23800	28748	10,000 Warrants	0.059174	591.740
12	17503	Put Warrants	24000	28748	10,000 Warrants	0.045267	452.670
13	19096	Put Warrants	23600	28748	10,000 Warrants	0.000000 <sup>Note 1</sup>	0.000
14	19127	Put Warrants	26800	28748	10,000 Warrants	0.094539	945.390
15	19132	Put Warrants	25600	28748	10,000 Warrants	0.077549	775.490
16	19156	Call Warrants	29000	28748	10,000 Warrants	0.194819	1948.190

	<b>Stock Code of Affected Structured Products</b>	<b>Type</b>	<b>Strike Level</b>	<b>Closing Level</b>	<b>Board Lot</b>	<b>Early Termination Amount per Warrant (HK\$)</b>	<b>Early Termination Amount per Board Lot (HK\$)</b>
17	19385	Call Warrants	28100	28748	10,000 Warrants	0.265088	2650.880
18	20168	Call Warrants	27600	28748	10,000 Warrants	0.245592	2455.920
19	23057	Call Warrants	25600	28748	10,000 Warrants	0.452692	4526.920
20	23223	Call Warrants	33000	28748	10,000 Warrants	0.093269	932.690
21	24893	Call Warrants	26400	28748	10,000 Warrants	0.388091	3880.910
22	25065	Call Warrants	29200	28748	10,000 Warrants	0.225867	2258.670
23	25465	Put Warrants	24200	28748	10,000 Warrants	0.003514	35.140
24	25468	Put Warrants	23200	28748	10,000 Warrants	0.002465	24.650
25	27107	Call Warrants	27100	28748	10,000 Warrants	0.264471	2644.710
26	27958	Call Warrants	26600	28748	10,000 Warrants	0.415349	4153.490
27	28153	Call Warrants	25000	28748	10,000 Warrants	0.516231	5162.310
28	28176	Put Warrants	21800	28748	10,000 Warrants	0.013793	137.930
29	28543	Put Warrants	24400	28748	10,000 Warrants	0.017972	179.720
30	28548	Put Warrants	23400	28748	10,000 Warrants	0.015653	156.530
31	28552	Put Warrants	21500	28748	10,000 Warrants	0.023591	235.910
32	28664	Put Warrants	22400	28748	10,000 Warrants	0.020186	201.860

(b) Hang Seng China Enterprises Index

	Stock Code of Affected Structured Products	Type	Strike Level	Closing Level	Board Lot	Early Termination Amount per Warrant (HK\$)	Early Termination Amount per Board Lot (HK\$)
1	16862	Put Warrants	10000	11437	10,000 Warrants	0.064580	645.800
2	17215	Call Warrants	11100	11437	10,000 Warrants	0.141085	1410.850
3	17315	Put Warrants	10500	11437	10,000 Warrants	0.066663	666.630
4	17355	Call Warrants	11600	11437	10,000 Warrants	0.197030	1970.300
5	23055	Call Warrants	10600	11437	10,000 Warrants	0.277604	2776.040
6	26999	Call Warrants	10400	11437	10,000 Warrants	0.366073	3660.730
7	27003	Put Warrants	9000	11437	10,000 Warrants	0.049946	499.460
8	28150	Call Warrants	9800	11437	10,000 Warrants	0.492129	4921.290
9	28177	Put Warrants	8600	11437	10,000 Warrants	0.024832	248.320

2. **Inline Warrants**

	Stock Code of Affected Structured Products	Type	Underlying Index	Upper Strike Level	Lower Strike Level	Closing Level	Board Lot	Early Termination Amount per Inline Warrant (HK\$)	Early Termination Amount per Board Lot (HK\$)
1	47062	Inline Warrants	Hang Seng Index	34000	22000	28748	10,000 Inline Warrants	1.000 <sup>Note 1</sup>	10,000
2	47888	Inline Warrants	Hang Seng Index	40000	30000	28748	10,000 Inline Warrants	0.250 <sup>Note 1</sup>	2,500
3	48533	Inline Warrants	Hang Seng Index	26000	24000	28748	10,000 Inline Warrants	0.315	3,150

<sup>Note 1</sup> The Early Termination Amount for this series of the Affected Structured Products is equal to the Cash Settlement Amount calculated in accordance with its terms and conditions.