

MARKET NOTICE

Number: 228/2024

Relates to:

- Equity Market
- Equity Derivatives Market
- Commodity Derivatives Market
- Currency Derivatives Market
- Interest Rate Derivatives Market
- Bond Market
- Bond ETP Market

Date: 12 August 2024

SUBJECT: TREATMENT OF OMNIA HOLDINGS LIMITED (OMN) CORPORATE ACTION - SPECIAL DIVIDEND AND CASH DIVIDEND - 14 AUGUST 2024 (EX-DATE)

Name and Surname: Matthias Kempgen

Designation: Chief Information & Operating Officer – JSE Clear

Members notice is drawn to section 13 of the contract specifications of Individual Equity Futures and options, which states:

“13. Corporate Events

The JSE reserves the right to adopt any procedure or to adjust any single stock future or option on a single stock future, in a manner it deems fit, to deal with any extraordinary corporate events that may occur from time to time in relation to a share that is the underlying instrument of the equity option and to notify position holders, derivatives members and any other interested parties, of such event and the procedure or adjustment adopted. Such events include, for example, mergers, take-overs, unbundlings, capitalisation issues and rights issues.

The implication of this is that anybody trading in Single Stock futures or options on Single Stock futures in which the underlying stock is the subject of an extraordinary corporate event should be aware that the JSE may make adjustments to the Single Stock futures and options.

Special and Cash Dividend

Omnia Holdings Limited (OMN) declared a special dividend of 325 cents per share and a cash dividend of 375 cents per share. With regards to this corporate action, the following adjustments will be made to OMN positions on 14 August 2024 (**Ex-date**). The adjustments will be made to positions held as at close of business on 13 August 2024 (**LDT**).

IMPORTANT NOTE for position holders:

Certain types of corporate actions require futures and options positions to be adjusted. This is done by applying the relevant position factor (determined as per published methodologies). The application of the position factor often results in decimal values, as a result rounding is a key part of the corporate action processing.

Therefore, current positions multiplied with the factor are rounded up or down to the nearest whole contract which determines the adjusted position. Smaller positions (depending on the factor) may as a result not receive additional contracts.

Please refer to the published guidance note for details:

<https://www.jse.co.za/content/Guidance%20Notes/ITaC%20Guidance%20Note%20on%20Corporate%20Actions.pdf>

Adjusted positions will be created at an initial value of zero.

Please note:

Adjustments will be made to all contracts where OMN is the underlying share. These contracts include:

Contract Code	JSE Instrument Type
19SEP24 OMN PHY	Single Stock
19SEP24 OMN PHY DN	Dividend Neutral
19SEP24 OMN PHY CA1	Single Stock
19SEP24 OMN PHY DN CA1	Dividend Neutral
19SEP24 OMN CSH	Single Stock
19SEP24 OMN CSH DN	Dividend Neutral
19DEC24 OMN PHY	Single Stock
19DEC24 OMN PHY DN	Dividend Neutral
19DEC24 OMN PHY CA1	Single Stock
19DEC24 OMN PHY DN CA1	Dividend Neutral
19DEC24 OMN CSH	Single Stock
19DEC24 OMN CSH DN	Dividend Neutral
20MAR25 OMN PHY	Single Stock
20MAR25 OMN PHY DN	Dividend Neutral
20MAR25 OMN CSH CFD RODI	CFD
20MAR25 OMN CSH CFD SABOR	CFD
20MAR25 OMN PHY CA1	Single Stock
20MAR25 OMN PHY DN CA1	Dividend Neutral
20MAR25 OMN CSH	Single Stock
20MAR25 OMN CSH DN	Dividend Neutral
19JUN25 OMN PHY	Single Stock
19JUN25 OMN PHY DN	Dividend Neutral
19JUN25 OMN PHY CA1	Single Stock

19JUN25 OMN PHY DN CA1	Dividend Neutral
19JUN25 OMN CSH	Single Stock
19JUN25 OMN CSH DN	Dividend Neutral

1. POSITION FACTOR

The futures position will be adjusted using the following position factor:

Calculation of position factor:

Spot price / adjusted price

Where:

Spot price = the official closing price of the underlying share on **13 August 2024 (LDT) – 3.75 (Cash Dividend)**

Adjusted price = Spot price – **3.25 (Special Dividend)**.

Example: If the official closing price of the underlying shares on 13 August 2024 (**LDT**) is 64.90 the following would apply:

Spot price = 64.90 – 3.75 = **61.15**

Adjusted price = 61.15 – 3.25 = **57.90**
= 57.90

Position factor = 61.15 / 57.90
= 1.056131

I.e. Current positions*position factor (rounded to nearest whole contract) = the number of total contracts. Adjusted contracts will be created at an initial value of zero.

2. OPTION CONTRACTS

a. The option positions will be adjusted by the same factor as the futures positions.

b. The option strikes will be adjusted using the options factor

Calculation of options factor

Adjusted price / spot price.

Options factor = 57.90 / 61.15
= **0.946852**

E.g. if the old strike is 64.89, the following would apply: -

New strike = Old strike * options factor
= 64.89* 0.946852
= **61.44**

Existing positions will be closed out at a 0 value and new positions opened at the new strike with a 0 value.

3. CFD CONTRACTS

Current positions*Factor (rounded to nearest whole contract) = the number of total contracts. Adjusted contracts will be created at an initial value of zero.

TREATMENT FOR ALLOCATION ON ADDITIONAL CONTRACTS

With the implementation of ITaC, the JSE has enhanced the position adjustment process.

Please see link below to the Guidance Note issued on treatment of corporate actions as distributed in October 2018 and specifically refer to Section 8 for details of the position adjustment process:

<https://www.jse.co.za/content/Guidance%20Notes/ITaC%20Guidance%20Note%20on%20Corporate%20Actions.pdf>

Should you have any queries regarding this Market Notice, please e-mail: clearops@jse.co.za

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