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**MARKET NOTICE**Johannesburg  
Stock ExchangeTel: +27 11 520 7000  
[www.jse.co.za](http://www.jse.co.za)**Number:** 494/2022

Relates to:

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

**Date:** 7 October 2022**SUBJECT:** TREATMENT OF REMGRO LIMITED (REM) CORPORATE ACTION – UNBUNDLING 12 OCTOBER 2022 (EX. DATE)**Name and Surname:** Matthias Kempgen**Designation:** Chief Operating Officer – JSE Clear

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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.

### Unbundling

**Remgro Limited (REM)** shareholders will receive 30.70841 Grindrod Limited (**GND**) shares for every 100 **Remgro Limited (REM)** shares held.

With regards to this corporate action, the following adjustments will be made to all contracts with the underlying of REM on Wednesday, **12 October 2022 (Ex-date)**. The adjustments will be made to positions as at close of business on Tuesday, **11 October 2022 (LDT)**.

**Please note:**

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

<b>Contract Code</b>	<b>JSE Instrument Type</b>
15DEC22 REM PHY DN	Dividend Neutral
20OCT22 REM CSH	Single Stock
20OCT22 REM PHY	Single Stock
17NOV22 REM PHY	Single Stock
17NOV22 REM CSH	Single Stock
15DEC22 REM CSH	Single Stock
15DEC22 REM PHY	Single Stock
19JAN23 REM CSH	Single Stock
19JAN23 REM PHY	Single Stock
16MAR23 REM PHY DN	Dividend Neutral
15DEC22 REM CSH DN	Dividend Neutral
16FEB23 REM CSH	Single Stock
16FEB23 REM PHY	Single Stock
16MAR23 REM CSH	Single Stock
16MAR23 REM PHY	Single Stock
20APR23 REM CSH	Single Stock
20APR23 REM PHY	Single Stock
16MAR23 REM CSH CFD RODI	CFD
16MAR23 REM CSH CFD SABOR	CFD
15JUN23 REM PHY DN	Dividend Neutral
16MAR23 REM CSH DN	Dividend Neutral
18MAY23 REM CSH	Single Stock
18MAY23 REM PHY	Single Stock
15JUN23 REM CSH	Single Stock
15JUN23 REM PHY	Single Stock
20JUL23 REM CSH	Single Stock
20JUL23 REM PHY	Single Stock
21SEP23 REM PHY DN	Dividend Neutral

15JUN23 REM CSH DN	Dividend Neutral
17AUG23 REM CSH	Single Stock
17AUG23 REM PHY	Single Stock
21SEP23 REM CSH	Single Stock
21SEP23 REM PHY	Single Stock
19OCT23 REM CSH	Single Stock
19OCT23 REM PHY	Single Stock
21DEC23 REM PHY DN	Dividend Neutral
21SEP23 REM CSH DN	Dividend Neutral
16NOV23 REM CSH	Single Stock
16NOV23 REM PHY	Single Stock

**Please note:**

The new basket future contract **BSK124** will be created during the EOD batch process on LDT 11 October 2022 and will be available for trading on Ex-date 12 October 2022.

**1. Futures positions.**

- The JSE will list the new basket future contract **BSK124** which will contain the following constituents:
  - Remgro Limited (REM)
  - Grindrod Limited (GND)
- Positions in Remgro Limited (REM) as held on close of business on Tuesday, 11 October 2022 (LDT) will be closed out at a value of zero and new positions will be created in the new basket future contract at a value of zero on 12 October 2022 (Ex-date).

**E.g.** If you had 10 futures contracts in Remgro Limited (REM), the JSE will close out this position at a value of zero and open a new position of 10 futures contracts in the new basket created.

- The new basket futures contract will comprise of REM and GND shares in the following ratio: -

1 New Basket Future Contract = (1 REM Contracts + 30.70841 GND contract) x Nominal (100)
- The MTM price of the new basket future contract will be determined by calculating the fair value of: -

A notional basket containing 1 REM contracts + 30.70841 GND contract
- At expiry date the future will be physically settled according to the following ratio: -

1 New Basket Futures Contract = (1 REM shares + 30.70841 GND share)
- The final settlement price of the new basket futures contract at expiry will be determined as follows: -

(1 \* REM share price) + (30.70841 \* GND share price).

**2. Option positions.**

- The JSE will make the same adjustments to option positions as made to futures positions above.
- Strike prices will remain unaffected.

**3. ECFD Contracts**

- For every 100 Remgro Limited (REM) ECFD you will receive 30.70841 Grindrod Limited (GND) ECFD.

**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://clientportal.jse.co.za/content/guidance%20notes/itac%20guidance%20note%20on%20corporate%20actions.pdf>

Should you have any queries regarding this notice, please contact [clearops@jse.co.za](mailto:clearops@jse.co.za)

This Market Notice is available on the website at <https://clientportal.jse.co.za/communication/jse-market-notices>