
MARKET NOTICEJohannesburg
Stock ExchangeTel: +27 11 520 7000
www.jse.co.za**Number:** 008/2022**Relates to:**
 Equity Market
 Equity Derivatives Market
 Commodity Derivatives Market
 Currency Derivatives Market
 Interest Rate Derivatives Market
 Bond Market
 Bond ETP Market**Date:** 13 January 2022**SUBJECT:** TREATMENT OF TENCENT HOLDINGS LTD (700I) CORPORATE ACTION – UNBUNDLING 20
JANUARY 2022 (EX. DATE)**Name and Surname:** Matthias Kempgen**Designation:** Chief Operating Officer – JSE Clear

Member's notice is drawn to section 13 of the JSE Derivatives Directives, Equity Derivatives Contract Specifications, 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, unbundling, capitalization issues and rights issues.

The implication of this is that anybody trading in Single Stock futures or options 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

Tencent Holdings Ltd (700I) shareholders will receive 1 **JD.com Inc (KYG8208B1014)** share for every 21 **Tencent Holdings Ltd (700I)** shares held.

With regards to this corporate action, the following adjustments will be made to all contracts with the underlying of 700I on Thursday, **20 January 2022 (Ex-date)**. The adjustments will be made to positions as at close of business on Wednesday, **19 January 2022 (LDT)**.

Affected Contracts:

Contract Code	JSE Instrument Type
14MAR22 700I CSH DN	International Dividend Neutral
14MAR22 700I CSH	INTERNATIONAL EQUITY
13JUN22 700I CSH	INTERNATIONAL EQUITY
13JUN22 700I CSH DN	International Dividend Neutral
19SEP22 700I CSH	INTERNATIONAL EQUITY
19SEP22 700I CSH DN	International Dividend Neutral
19DEC22 700I CSH	INTERNATIONAL EQUITY
19DEC22 700I CSH DN	International Dividend Neutral

Please note:

The JSE will not be creating a basket for processing of this event.

1. Futures positions

- Based on positions held in **Tencent Holdings Ltd (700I)** at close of business on Wednesday, 19 January 2022 (LDT), additional positions will be created in the resultant contract **JD.com Inc (KYG8208B1014)** on 20 January 2022 (Ex-date) using the below ratio.

E.g. If you had 21 futures contracts in **Tencent Holdings Ltd (700I)**, the JSE will open a new position of 1 futures contract in **JD.com Inc (KYG8208B1014)**.

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

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