

香港期貨交易所有限公司

(香港交易及結算所有限公司全資附屬公司)

HONG KONG FUTURES EXCHANGE LIMITED

(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: Trading and Clearing Operational Arrangements Relating to the Capital Adjustment of HSBC Holdings plc Stock Futures Contracts – Special Dividend

Enquiry: HKATS Hotline¹ Tel: 2211-6360

DCASS Hotline Tel: 2979-7222

Participants are requested to note that capital adjustment to the Stock Futures contracts below will be made on the ex-date based on the corporate action announced:

Underlying Stock Name of the Stock Futures Contracts (Stock Code)	HSBC Holdings plc ("HSBC HOLDINGS") (00005)
HKATS Code	HKB
Corporate Action	Special Dividend of USD 0.21 per share ²
Ex-date	9 May 2024

For details of the announcements made by HSBC HOLDINGS on 30 Apr 2024, please refer to the hyperlinks below:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0430/2024043000593.pdf>

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0430/2024043000601.pdf>

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0430/2024043000609.pdf>

¹ All calls to the HKATS hotline would be recorded. Please refer to the following link for HKEX privacy policy statement: https://www.hkex.com.hk/Global/Exchange/Privacy-Notice?sc_lang=en

² Please note that an ordinary dividend of USD 0.10 per share is also announced by HSBC HOLDINGS, which will be taken into account of the Adjustment Ratio (AR) calculation.

Trading Arrangements

The trading arrangements for the existing HSBC HOLDINGS Stock Futures under trading symbol HKB will be as follows:

1. Adjustment and Transfer of Outstanding Positions

Open positions of HSBC HOLDINGS Stock Futures series under trading symbol HKB which exist after the market close on the business day immediately before the ex-date will be adjusted and transferred to Stock Futures series under trading symbol HKC.

2. Introduction of New Stock Futures Series for Trading

On the ex-date, new HSBC HOLDINGS Stock Futures series based on the standard contract multiplier will be introduced for trading under the standard trading symbol HKB.

Details of the adjustment procedures for HSBC HOLDINGS Stock Futures series under trading symbol HKB are as follows:

Adjustment Term	Formula	Remarks
Adjustment Ratio (AR)	$(\text{Underlying stock closing price} - \text{Ordinary Dividend} - \text{Special Dividend}) / (\text{Underlying stock closing price} - \text{Ordinary Dividend})$	Rounded to the nearest 4 decimal places
Adjusted Contracted Price (ACP)	Contracted price of outstanding Stock Futures series x AR	Rounded to the nearest 2 decimal places
Adjusted Contract Multiplier (ACM)	Contracted price of outstanding Stock Futures series x (400 shares / ACP)	Rounded to the nearest 4 decimal places

Contract	Trading Symbol	Contract Multiplier (Shares)	Availability for Trading	Addition of New Stock Futures Series on and after the Ex-date
Adjusted	HKC	ACM	From ex-date to 30 Dec 2024	No
Standard	HKB	400	From ex-date onwards	Yes

For Stock Futures of HSBC HOLDINGS under trading symbols HKB and HKC, the trading fee level shall be Tier 2.

The adjusted and standard Stock Futures series are distinct contracts and are represented by different trading symbols in HKATS/DCASS. Particulars of all existing and adjusted Stock Futures series will be shown in DCASS report TP011 after the DCASS batch processing on the business day immediately before the ex-date.

Capital adjustments, once made, are conclusive and binding on all relevant Stock Futures contracts. The capital adjustments made will not be reversed even if the proposed corporate action is subsequently disapproved by relevant authorities, including but not limited to regulatory authorities and the court.

Participants should pay particular attention that the settlement amount of adjusted and standard Stock Futures series on the expiry day will be calculated using their respective contract multipliers. There will not be any changes to the number of open positions and other contract terms after the transfer of positions.

Clearing and Settlement Arrangements

Position offset between the standard HKB and the adjusted HKC Stock Futures series is not allowed.

Inform Your Staff and Clients

Participants should notify all clients holding positions in the captioned Stock Futures contracts the details of trading and clearing operational arrangements and the associated risk. Please ensure that your back office systems are ready for a smooth operation in handling this capital adjustment. In addition, all your staff should be fully aware of the trading and clearing arrangements, and should exercise caution when dealing with the standard and adjusted Stock Futures contracts and when advising your clients.

Matthew Cheong
Co-Head
Trading Department
Operations Division

This circular has been issued in the English language with a separate Chinese language translation. If there is any conflict in the circulars between the meaning of Chinese words or terms in the Chinese language version and English words in the English language version, the meaning of the English words shall prevail.