

香港聯合交易所期權結算所有限公司
(香港交易及結算所有限公司全資附屬公司)

THE SEHK OPTIONS CLEARING HOUSE LIMITED
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

Subject: Reminder on the Last Trading Day Arrangements Relating to Potential Capital Adjustment of Haidilao International Holding Ltd. (“Haidilao”) Stock Option Contracts – Conditional Distribution in Specie and Spin-off (the “Proposed Distribution”)

Enquiry: DCASS Hotline: 2979 7222 / Email: clearingpsd@hkex.com.hk

Reference is made to the circular dated 15 December 2022 (Ref. No: [MO/DT/343/22](#)). The Last Trading Day of December 2022 Stock Options Contracts of Haidilao will be expired on 29 December 2022.

Haidilao have been trading ex-entitlement since 16 December 2022. Participants are reminded to exercise cautions in the related exercise/ assignment of the adjusted stock options class HDA.

Participants please note that the **automatic exercise arrangement will NOT be applied for spot month HDA option series on 29 December 2022.**

Clearing, Settlement and Risk Management arrangements:

Participants should note the following arrangements relating to the exercise and assignment of the HDA stock option series:

- (a) Settlement Amount: payment/receipt of the full settlement amount (according to the exercise price of the HDA stock option series) via CCASS;
- (b) Haidilao shares portion: delivery/receipt of ex-entitlement Haidilao shares via CCASS. Results of exercise and assignment of the HDA stock option series and the resulted settlement obligation of the full settlement amount and Haidilao shares portion would be shown in the DCASS report “Exercise and Assign Summary” (TP009); and

- (c) Entitlement portion (Super Hi shares): settlement in cash according to the Entitlement Ratio and Super Hi value (i.e. the volume weighted average price on its first trading day after spin-off). The cash settlement would be pending until Super Hi's value is determined and would be settled on the first business day after the listing day of Super Hi. Participants are advised to check TP009 daily so as to project the share quantity of Super Hi upon exercise and assignment to be settled in cash. Remarks (including share quantity and unit price) of the aggregate total cash settlement amount relating to Super Hi shares would be provided to Participant via manual posting in CCMS

The difference¹ of the opening price of Haidilao shares on the ex-date (i.e. 16 December 2022) and the closing price on the trading day prior to the ex-date (i.e. 15 December 2022) would be used as an estimate² of the value of Entitlement for the purpose of daily settlement price determination and margin calculation of the HDA stock option series. Participants should also note that the positions of HDA stock option contracts would be margined separately from the standard HDO stock option series since they would no longer be sharing the same underlying³

For Participants with pending delivery obligations of Super Hi shares to be settled in cash (i.e. exercised put or assigned call) after exercise/assignment of the HDA stock option positions, SEOCH would collect special margin on such pending delivery obligations based on the above-mentioned price difference of Haidilao shares from the date of exercise/assignment + 1 business day to the date of Entitlement settlement (i.e. the first business day after the listing day of Super Hi). Such special margin would be recorded under a CCMS special collateral account and concerned Participants would be notified by SEOCH individually for the collection/release of such special margin.

¹ Would be set to zero should the opening price on ex-date is higher than the closing price on the trading day prior to ex-date.

² SEOCH may, in its discretion, adjust the value of such estimation.

³ The underlying of the HDA stock option series would be Haidilao and the Entitlement (i.e. Super Hi), while that of the HDO stock option series would be Haidilao only.

For any enquiries, please contact the DCASS hotline at 2979 7222 or email to clearingpsd@hkex.com.hk.

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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.