

NEWS RELEASE

7 November 2017

Arrangements of Wharf Holdings Structured Products, Futures and Options Need to be Adjusted

The Wharf (Holdings) Ltd. (Wharf Holdings) has announced that resolutions are expected to be presented to the Board on or around Tuesday, 14 November 2017 for the purpose of, inter alia, its approval of the Proposed Spin-off of the Wharf Real Estate Investment Company Limited (Wharf REIC Group) and declaration of a conditional special interim dividend to be satisfied by way of the distribution of Wharf REIC Group shares. Hong Kong Exchanges and Clearing Limited (HKEX) today (Tuesday) announced arrangements for adjustments to Wharf Holdings options, futures and structured products if Wharf Holdings' board decides to spin off Wharf REIC Group and list it on the Stock Exchange's Main Board.

Overview

Company (Stock Code)	Wharf Holdings (4)
Corporate Action	Spin-off and separate listing of Wharf REIC Group on the SEHK by way of the Distribution by Wharf Holdings of the Wharf REIC Shares to the Qualifying Wharf Holdings Shareholders (Entitlement)
Entitlement Ratio	1 (one Wharf REIC Group Share for every one Wharf Holdings Share)
Ex-date	16 November 2017
Listing Day of Wharf REIC Group	To be announced

For details of the announcement made by Wharf Holdings on 4 September 2017 and 2 November 2017, please refer to the hyperlinks below:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0904/LTN201709041758.pdf>

<http://www.hkexnews.hk/listedco/listconews/SEHK/2017/1102/LTN201711021463.pdf>

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Structured products with shares of Wharf Holdings as underlying asset

The listing documents for structured products with the shares of Wharf Holdings as underlying assets contain provisions that deal with corporate actions of the company. For the spin-off of Wharf REIC Group, terms of Wharf Holdings structured products, including entitlement and exercise price will be adjusted on the day following the listing of Wharf REIC Group.

Trading of structured products with shares of Wharf Holdings as underlying assets will be suspended from 16 November 2017 to the listing date of Wharf REIC Group (both dates inclusive).

Structured product issuers are required to make announcements regarding the above adjustments and trading suspensions, and investors should read the contents of such announcements carefully.

Wharf Holdings Futures

Trading Arrangements

The trading arrangements for the existing Wharf Holdings stock futures under trading symbol WHL will be as follows:

1. Transfer of Outstanding Positions

Outstanding positions of Wharf Holdings stock futures class which exist after the market close on the business day immediately before the ex-date will be **transferred** on a **one-to-one** basis to a temporary trading symbol WHA.

2. Suspension of Trading

Since the value of the Entitlement is not available until the value of Wharf REIC Group is determined, trading of outstanding positions under temporary trading symbol WHA will be suspended from the ex-date (ie 16 November 2017) to the listing day of Wharf REIC Group (both dates inclusive).

3. Introduction of New Series for Trading

On the ex-date, new series of Wharf Holdings stock futures series based on the standard contract multiplier will be introduced for trading under the standard trading symbol WHL.

4. Adjustment to Outstanding Positions upon the Determination of Wharf REIC Group's Value

The value of Wharf REIC Group will be determined by the volume weighted average price (VWAP) of those auto-matched trades of Wharf REIC Group on its listing day on the SEHK. When the value of the Entitlement has been determined, adjustment will be made to outstanding positions under trading symbol WHA. The adjusted positions will be transferred to trading symbol WHB. Positions under trading symbol WHB will commence trading from the business day immediately after the listing day of Wharf REIC Group.

Details of the adjustment procedures are as follows:

Adjustment Term	Formula	Remarks
Adjustment Ratio (AR)	(Underlying stock closing price before the ex-date minus Entitlement) / Underlying stock closing price before the ex-date	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 (1,000 shares / ACP)	Rounded to the nearest 4 decimal places

Remark: Entitlement is Wharf REIC Group's value times the Entitlement Ratio for each Wharf share

Below is a summary of the trading arrangement for all Wharf Holdings stock futures contracts:

Contract	Trading Symbol	Underlying Stock	Contract Size (Shares)	Introduction Date	Availability For Trading	Addition of New Stock Futures Series on and after Ex-date
Standard	WHL	Wharf Holdings (ex-entitlement)	1,000	Ex-date	From the ex-date onwards	Yes
Adjusted	WHA	Wharf Holdings & Entitlement	1,000	Ex-date	Nil	No
Adjusted	WHB	Wharf Holdings (ex-entitlement)	ACM	The 1 st business day after the listing day of Wharf REIC Group	From introduction date to 28 June 2018	No

For detailed trading and clearing arrangements, please refer to the circular.

(http://www.hkex.com.hk/-/media/HKEX-Market/Services/Circulars-and-Notices/Participant-and-Members-Circulars/HKFE/2017/MO_DT_169_17_e.pdf)

Investors should note that the adjusted and standard stock futures series have different contract multipliers. There will not be any changes to the number of open positions and other contract terms after the transfer of positions.

Wharf Holdings Options

Trading Arrangements

The trading arrangements for the existing Wharf Holdings stock option under trading symbol WHL will be as follows:

1. Transfer of Outstanding Positions

Outstanding positions of Wharf Holdings stock options class which exist after the market close on the business day immediately before the ex-date will be **transferred** on a **one-to-one** basis to a temporary trading symbol WHA.

2. Suspension of Trading

Since the value of the Entitlement is not available until the value of Wharf REIC Group is determined, trading of outstanding positions under temporary trading symbol WHA will be suspended from the ex-date (ie 16 November 2017) to the listing day of Wharf REIC Group (both dates inclusive).

3. Introduction of New Series for Trading

On the ex-date, new series of Wharf Holdings stock options based on the standard contract size will be introduced for trading under the standard trading symbol WHL.

4. Adjustment to Outstanding Positions upon the Determination of Wharf REIC Group's Value

The value of Wharf REIC Group will be determined by the volume weighted average price (VWAP) of those auto-matched trades of Wharf REIC Group on its listing day on the SEHK. When the value of the Entitlement has been determined, adjustment will be made to outstanding positions under trading symbol WHA. The adjusted positions will be transferred to trading symbol WHB. Positions under trading symbol WHB will commence trading from the business day immediately after the listing day of Wharf REIC Group.

Details of the adjustment procedures are as follows:

Adjustment Term	Formula	Remarks
Adjustment Ratio (AR)	(Underlying stock closing price before the ex-date minus Entitlement) / Underlying stock closing price before the ex-date	Rounded to the nearest 4 decimal places
Adjusted Exercise Price (AEP)	Exercise price of outstanding stock option series x AR	Rounded to the nearest 2 decimal places
Adjusted Contract Size (ACS)	Exercise price of outstanding stock option series x (1,000 shares / AEP)	Rounded to the nearest 4 decimal places

Remark: Entitlement is Wharf REIC Group's value times the Entitlement Ratio for each Wharf Holdings share

Below is a summary of the trading arrangement for all Wharf Holdings stock option contracts:

Contract	Trading Symbol	Underlying Stock	Contract Size (Shares)	Introduction Date	Availability For Trading	Addition of New Option Series on and after Ex-date
Standard	WHL	Wharf Holdings (Ex-entitlement)	1,000	Ex-date	From the ex-date onwards	Yes
Adjusted	WHA	Wharf Holdings & Entitlement	1,000	Ex-date	Nil	No
	WHB	Wharf Holdings (Ex-entitlement)	ACS	The 1 st business day after the listing day of Wharf REIC Group	From introduction date to 27 September 2018	

For detailed trading and clearing arrangements, please refer to the circular.

(http://www.hkex.com.hk/-/media/HKEX-Market/Services/Circulars-and-Notices/Participant-and-Members-Circulars/SEHK/2017/MO_DT_170_17_e.pdf)

Investors should note that the adjusted and standard stock options have different contract sizes. There will not be any changes to the number of open positions and other contract terms after the transfer of positions.