

November 24, 2022

Exchange Notice

Derivatives – Product Information 280/22

Anticipated adjustment due to share distribution in SBB

The following information is based on a press release from Samhällsbyggnadsbolaget i Norden AB (SBB) published on October 27, 2022 and may be subject to change.

The Board of Directors of SBB proposed the intention to carry out a share distribution of Residential Property Company, creating a new, independent publicly traded company. The conditions and detailed time plan are yet to be determined. Provided that the Extraordinary General Meeting approves the proposed share distribution, and regulatory conditions are fulfilled, NASDAQ Derivatives Markets will carry out a re-calculation of options, regular and gross return forwards and futures in SBB (SBBB), according to one of the below alternatives.

Alt. 1 Re-calculation of stock options, regular and gross return forwards and futures (applicable if Residential Property Company is listed or will be listed in the near future of the Ex-date)

Conditions	TBD
Ex-date	TBD
Re-calculation method	Basket Method, the new Contract shall consist of SBB shares as well as the Residential Property Company shares in accordance with the conditions of the share distribution. The Settlement value of the Basket contract will be the combined value of the underlying shares.
New exercise and forward/futures price	The exercise price and forward/future price will not be affected at the time the Contract is re-calculated to a Basket Contract.
New contract size	TBD
Date of re-calculation	TBD

Rules and Regulations of NASDAQ Derivatives Markets	A.3.4.6, A.3.3.4
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Alt. 2 Re-calculation of stock options, regular and gross return forwards and futures (applicable if Residential Property Company is not listed in the near future of the Ex-date)

Alternative 2.1. Adjustment factor	$A = (VWAP_{cum} - R^1) / VWAP_{cum}$
Alternative 2.2. Adjustment factor	$A = VWAP_{ex}^2 / VWAP_{cum}$
New exercise and forward/futures price	Old exercise and forward/futures price * A
New contract size	Old contract size / A
Date of re-calculation	TBD

Rules and Regulations of NASDAQ Derivatives Markets	A.3.4.6, A.3.3.3, A.3.2.12
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$VWAP_{cum}$ = volume weighted average price at the day prior to the ex-day (8 decimals are used)

R^1 = Value of the right to participate per contract share based on valuation from at least 5 market participants

$VWAP_{ex}^2$ = volume weighted average price on the ex-day

Exercise and trading ban

If the Residential Property Company is not listed on the Ex-date or in the near future of the Ex-date or if less than five valuations from market participants are received, the options, forwards and futures contracts in SBB will be suspended for trading and exercise from the Ex-date to the re-calculation date.

Further information regarding the re-calculation of the options, regular and gross return forwards and futures contracts will be published as soon as further information is available.

Members are encouraged to ensure that clients are aware of the above-mentioned adjustment.

For further information concerning this exchange notice please contact Zita Pakstaityte or Indre Kucinske, telephone + 46 8 405 69 70.



NASDAQ Derivatives Markets

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