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香港交易及結算所有限公司
HONG KONG EXCHANGES AND CLEARING LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 388)

SHENZHEN-HONG KONG STOCK CONNECT

Reference is made to the joint announcement of the China Securities Regulatory Commission and the Securities and Futures Commission dated 16 August 2016 (“Joint Announcement”) and the announcement of Hong Kong Exchanges and Clearing Limited (“HKEX”) of the same date in relation to the establishment of Shenzhen-Hong Kong Stock Connect.

On 11 October 2016, The Stock Exchange of Hong Kong Limited (“SEHK”) and Hong Kong Securities Clearing Company Limited (“HKSCC”), both wholly-owned subsidiaries of HKEX, entered into an agreement with the Shenzhen Stock Exchange (“SZSE”) and China Securities Depository and Clearing Corporation Limited (“ChinaClear”) to establish Shenzhen-Hong Kong Stock Connect (“Agreement”). The key features of Shenzhen-Hong Kong Stock Connect as agreed by the parties, including the establishment of the order-routing arrangements and the shares eligible to be traded under Shenzhen-Hong Kong Stock Connect, reflect the principles laid down in the Joint Announcement.

According to the Agreement, the trading and clearing fees arising from Shenzhen-Hong Kong Stock Connect will be shared equally between SZSE and SEHK and between ChinaClear and HKSCC respectively in the same way as currently shared between the relevant parties under Shanghai-Hong Kong Stock Connect. Implementation of the arrangements contemplated under the Agreement is subject to the satisfaction of conditions including all necessary approvals having been granted, all applicable laws necessary for the implementation of such arrangements having been made or amended and all relevant documentation having been executed and becoming effective.

SEHK and HKSCC have published and will continue to publish circulars, information booklets and other materials on the HKEX website to provide information and guidance to market participants and Hong Kong and overseas investors regarding the implementation of Shenzhen-Hong Kong Stock Connect.

As mentioned in the Joint Announcement, the formal launch of Shenzhen-Hong Kong Stock Connect will only take place after preparation for the relevant trading and clearing rules and systems has been finalised, all regulatory approvals have been granted, market participants have sufficiently adapted their operational and technical systems, and all necessary arrangements for cross-boundary regulatory and enforcement cooperation, as well as investor education, have been in place. A further announcement will be made with respect to the official launch date as soon as it is approved.

By Order of the Board
Hong Kong Exchanges and Clearing Limited
Joseph Mau
Company Secretary

Hong Kong, 11 October 2016

As at the date of this announcement, the Board comprises 12 Independent Non-executive Directors, namely Mr CHOW Chung Kong (Chairman), Mr Apurv BAGRI, Mr CHAN Tze Ching, Ignatius, Mr Timothy George FRESHWATER, Ms FUNG Yuen Mei, Anita, Mr Rafael GIL-TIENDA, Mr John Barrie HARRISON, Dr HU Zuli, Fred, Dr KWOK Chi Piu, Bill, Mr LEE Kwan Ho, Vincent Marshall, Mrs LEUNG KO May Yee, Margaret, and Mr John Mackay McCulloch WILLIAMSON, and one Executive Director, Mr LI Xiaojia, Charles, who is also HKEX's Chief Executive.