

香港聯合交易所有限公司
(香港交易及結算所有限公司全資附屬公司)

THE STOCK EXCHANGE OF HONG KONG LIMITED
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: **INVESTOR ELIGIBILITY REQUIREMENT FOR TRADING CHINEXT SHARES
UNDER SHENZHEN CONNECT**

Enquiry: **Participant General Enquiry Hotline¹ (Tel : 2840 3626 E-mail : trd@hkex.com.hk)**

Pursuant to the Rules of the Exchange 14B06(16) and after consultation with the Securities and Futures Commission, China Connect Exchange Participants (“CCEPs”) and Trade-through Exchange Participants (“TTEPs”) are requested to note that a clarification of the investor eligibility for trading ChiNext shares under Shenzhen Connect has been provided. The relevant [FAQ](#) available at the Mutual Market website has been updated and is extracted below:

Stock Connect FAQ 1.52

Trading of ChiNext shares is initially permitted for institutional professional investors only. How can this investor eligibility requirement be satisfied?

*Before accepting any instruction to trade ChiNext shares from a client, a CCEP should conduct appropriate Know-Your-Client procedures to ensure that such client is an Institutional Professional Investor (“IPI”) in accordance with the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission. If such client is an intermediary placing orders to the CCEP as agent on behalf of its underlying customers, the CCEP should ensure that those underlying customers who trade ChiNext shares through an intermediate broker are also IPIs. In the event the intermediary is not an intermediate broker but a corporation licensed for Type 9 regulated activity **or any other person carrying on the business of the provision of asset management services and regulated under the law of any place outside Hong Kong**, only the intermediary (but not its underlying funds, accounts or customers) must be an IPI. For example, where the CCEP’s direct client is a Type 9 licensed asset manager of an*

¹ All calls to and from the Participant General Enquiry Hotline may be recorded. HKEX Privacy Policy Statement is available [here](#).

endowment fund, the CCEP may accept the asset manager's instructions to trade ChiNext shares for the endowment fund if the asset manager is an IPI even though the endowment fund does not qualify as an IPI.

Notwithstanding the above, a CCEP may accept instructions to sell ChiNext stocks from non-IPI client if the relevant ChiNext stocks are received by such non-IPI client as a result of any distribution of rights (including the right to subscribe for rights issues open offers) or entitlements, conversion, takeover, other corporate actions or special circumstances.

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