

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: TRADING RELATED ARRANGEMENTS FOR SPECIAL PURPOSE ACQUISITION COMPANIES (SPAC)

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

Reference is made to the [announcement](#), [consultation conclusions](#) and Exchange circular (Ref. No.: [LSD/091/2021](#)) regarding the implementation of a new listing regime for SPAC² in Hong Kong.

Introduction of SPAC Shares and SPAC Warrants

Exchange Participants (EPs) are requested to note that SPAC Shares and SPAC Warrants are traded separately from the date of a SPAC's initial listing until a De-SPAC Transaction.

The stock short name (with description and naming convention) and stock code range for SPAC Shares and SPAC Warrants are available on the [HKEX website](#). Other trading arrangements are also further detailed in this circular for reference.

Requirements on Investor Suitability and SPAC Exchange Participants

It should be noted that only professional investors are allowed to subscribe to and/or buy SPAC Shares and SPAC Warrants listed on the Main Board.

In addition, **ONLY** SPAC Exchange Participants (SPAC EPs) which are registered with the Exchange are allowed to conduct trading of SPAC Shares and SPAC Warrants. EPs interested to register as a SPAC EP may refer to the application form and explanatory notes for registration / resignation as SPAC EPs that are now available on the [HKEX website](#). It should be noted that the registration process by the Exchange will take time and therefore interested EPs should submit their application documents as early as possible.

Inclusion under Volatility Control Mechanism (VCM)

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

² A SPAC is a type of company that has no operating business and is established for the sole purpose of conducting a transaction (De-SPAC Transaction) in respect of an acquisition of, or a business combination with, a target, within a pre-defined time period, to achieve the listing of the target (Successor Company).

In order to mitigate the risk of price volatility in SPAC Shares and SPAC Warrants, they will also be included as VCM securities with the following triggering thresholds during and after the first month of listing:

VCM triggering thresholds by product	Triggering threshold	Price Band within cooling-off period
SPAC Shares		
- During the first month of listing	±15%	±15%
- After the first month of listing	±30%	±30%
SPAC Warrants		
- During the first month of listing	±25%	±25%
- After the first month of listing	±50%	±50%

The Exchange will review the above VCM triggering thresholds at an appropriate time after launch of the SPAC regime to determine their effectiveness. Such thresholds may be re-calibrated and updated from time to time.

Other features of VCM in the securities market will remain the same and will apply to SPAC Shares and SPAC Warrants accordingly.

The list of [VCM securities](#) showing the respective triggering threshold of each VCM security, will be updated in due course.

Participant Readiness

In order to allow all EPs to get ready and further familiarize themselves with the introduction of SPAC Shares and SPAC Warrants and their inclusion as VCM securities, an End-to-End (E2E) Test Session for all EPs will be arranged from **8 February 2022 (Tuesday) to 18 February 2022 (Friday)** and a Practice Session for all EPs will be arranged on **19 February 2022 (Saturday)**. Participation is optional for both E2E Test Session and Practice Session and no prior enrolment is required.

Further details of the E2E Test Session will be provided separately by email.

For the Practice Session, EPs are advised to follow the [activity rundown](#). All production OCG-C sessions will be turned on during the session. For EPs who will turn on NSTD during the optional Practice Session, please separately contact ET Trade Limited at 2880-8601 to make pre-arrangement and a fee may be chargeable by ET Trade Limited.

Sally Kwok
Acting Co-Head
Trading Department
Operations Division

Trading Arrangements of SPAC Shares and SPAC Warrants

	SPAC Shares	SPAC Warrants
Stock Code	07800-07999	04800-04999
Stock Short Name	<p>QQQQQQQQQQQQQQQ-Z</p> <p>Where: Q = Name of the listed SPAC (up to 13 characters) Z = SPAC Indicator</p>	<p>QQQQQQQQQQQQZYMM or QQQQQQQQQQQQQZY</p> <p>Where: Q = Name of the underlying SPAC Shares (up to 12 characters) Z = SPAC Indicator YY = Expiry year MM = Expiry month</p>
Trading Platform	Orion Trading Platform – Securities Market (OTP-C)	
Trading Sessions	Pre-opening session, continuous trading session and closing auction session	Continuous trading session
Board Lot Value In Dollar Notional	<p>At least HK\$1,000,000 upon listing as per HKEX's Listing Rules for SPAC shares.</p> <p>After listing, the Board Lot value may move along with share price movement and so it may go above and below HK\$1,000,000. The existing trading rules in relation to board/ odd lot trading will apply.</p>	No specific requirement
VCM Securities	Included	
VCM Triggering Threshold And Price Band Within Cooling-off Period	<p>During the first month of listing: $\pm 15\%$</p> <p>After the first month of listing: $\pm 30\%$</p>	<p>During the first month of listing: $\pm 25\%$</p> <p>After the first month of listing: $\pm 50\%$</p>
Spread	Same as other equity securities, based on the Spread Table (Part A) in	

	the Second Schedule to the Rules of the Exchange
Fees and Levies:	Same as all other equity securities:
FRC Transaction Levy	0.00015% per side (rounded to nearest cent)
SFC Transaction Levy	0.0027% per side (rounded to nearest cent)
Investor Compensation Levy	Currently suspended unless a termination notice is issued by the SFC
Trading Fee	0.005% per side (rounded to nearest cent)
Trading Tariff	HK\$0.50 per side per transaction
Stamp Duty	0.13% per side (rounded up to the nearest dollar)