



PRESS RELEASE

FOR IMMEDIATE RELEASE

Haitong International becomes a market maker of HKEX's Offshore Renminbi (CNH) and US dollar (US\$) Gold Futures

Hong Kong, 10 July 2017 – Haitong International Securities Group (“Haitong International”; Stock Code: 665.HK) has officially become a market maker of the Offshore Renminbi (CNH) and US dollar (US\$) Gold Futures launched by the Hong Kong Exchanges and Clearing Limited (HKEX).

“The services are the first pair of commodity futures that can be physically delivered in the market. As the only financial institution with Mainland background, we are very honored to become a market maker to participate in this.” Mr Wesley Kong, the Head of the Fixed Income, Currency and Commodities Department of Haitong International and a member of the Executive Committee said.

“The Renminbi’s status as an international reserve currency can be strengthened after the launch of Offshore Renminbi (CNH) Gold Futures. The offshore Renminbi can be linked with gold, which creates a more powerful anchor for the stability of the currency,” Mr Kong added.

Fixed Income, Currency and Commodities business is one of the core business that Haitong International builds for its international investment banking business. In the past two years, the Company placed emphasis on offshore Asia credit bonds in a bid to boost its sale and trading capabilities. In 2016, it has built up business relationship with over 350 institutional clients for bond transactions around the world of which the turnover amounted to more than HKD100 billion, posting a year-on-year increase of almost 50%. The Company has become an important price maker in the Asia-Pacific region. In the Currency business, the Company was granted licenses to conduct market making business for futures in USD/CNH by the HKEX and SGX, being the only international financial institution with a Mainland background among the market-makers approved by both exchanges. The average monthly transaction volume grew steadily with annual transaction volume reached approximately USD100 million.

The Company aims to further develop the Currency and Commodities business by introducing gold-related structured products to meet the diversified needs of the market and by actively participating in the development of a complementary system



covering exchange and Hong Kong Over-the-Counter market. Given that Hong Kong is the world's leading gold trading hub and has its unique advantages, the Company is optimistic about the business outlook.

HKEX announced on 23 June 2017 to launch the Offshore Renminbi (CNH) and US dollar (US\$) Gold Futures which is ideal for Asia. The services will be helpful to gold users, from refiners and fabricators to jewelers, who need to hedge gold price risk, and will be attractive to banks, fund managers and traders in the precious metals market.

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About Haitong International Securities Group Limited

Haitong International Securities Group Limited ("Haitong International"; Stock Code: 665.HK) is an international financial institution with established presence in Hong Kong and a rapidly expanding network across the globe. It strives to serve as a bridge linking up the Chinese and overseas capital markets. The parent company of Haitong International is Haitong Securities Co. Ltd ("Haitong Securities", Stock Code: 600837.SH; 6837.HK).

To date, Haitong International has well positioned to serve more than 200,000 corporate, institutional and retail clients worldwide. Its well established financial services business platform provides corporate finance, brokerage, asset management, fixed income, currency and commodities (FICC), institutional equities and a full spectrum of financial products and services. Haitong International possesses a sound risk management system that is in line with international standards. It is the first Chinese financial institution in Hong Kong to have been assigned a "BBB" long-term credit rating by Standard and Poor's. In December 2016 the company completed the acquisition of Haitong India (a subsidiary of Haitong Bank), with which a financial servicing network has been set up to cover the world's major capital markets including Hong Kong, Singapore, New York, London, Tokyo and Mumbai, thereby making us to be a leading boutique financial services provider in Asia-Pacific region.

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