

## **HKD-RMB Dual Counter Model (FAQ)**

### **1. What is HKD-RMB Dual Counter Model?**

The HKD-RMB Dual Counter Model allows offering and listing two tranches of shares by the same issuer in different trading currencies (i.e. HKD and RMB). Under the Dual Counter model, all shares in the RMB counter and the HKD counter must be of the same class with the same shareholders' rights and entitlements. A stockholder who holds shares in one counter can transfer the shares to the other counter, and trade in HKD and RMB counters respectively.

### **2. When would the HKD-RMB Dual Counter Model launch?**

HKD-RMB Dual Counter Model to be officially launched on 19 June 2023.

### **3. Under the HKD-RMB Dual Counter Model, how can the two counters of shares of the same company be distinguished? Is there any difference between their stock codes?**

The HKD counter shares use a 5-digit stock code starting with "0". There is no specific marking in the stock short name.

The RMB counter shares use a 5-digit stock code starting with "8". The stock short name ends with "-R".

\* The last four digits of the two stock codes will be the same.

### **4. How can I trade HKD-traded shares and RMB-traded shares under the HKD-RMB Dual Counter Model?**

Trading in the same currency and the same counter	Trading in different currencies and another counter
Follow the existing buy/sell process with the respective stock codes.	For instance, a customer would like to sell HKD-counter shares in the RMB counter. The HKD counter shares are required to be transferred to RMB counter prior to trading, vice versa.

**5. Will the quantity of stock be changed when exchanging from one currency to another?**

When customers transfer stocks from one currency to another, the quantity of stocks would not change. For example, 1000 shares of HKD-traded securities will be transferred to 1000 shares of RMB-traded securities, while the stock value across different currencies would be determined by the market price prevailing at the respective counters.

**6. Can I buy HKD counter shares and then sell them in the RMB counter immediately or vice versa?**

We only accept counter transfer instruction for securities completed settlement. We do not support cross-counter trading at the moment.

**7. What are the charges for transferring HKD-traded shares to RMB-traded shares or vice versa?**

A Stock Exchange Fee HKD 50 per stock per effected transfer will be charged.

**8. How can I submit the “HKD – RMB Dual Counter Securities Exchange Form”? [Effective from 19 June 2023]**

Customer can download and submit the filled form through Haitong International APP.

Ways of Form download:

Login “Haitong International APP” → On the page of “Trade” → Click “Service” → Enter “HKD-RMB Dual Counter Securities Exchange”

Or Visit “Haitong International Official Website” → “Our Business” → “Wealth Management” → “Customer Services” → “Form Download”

**9. How do I know if the Dual Counter Securities Exchange instruction has submitted successfully or not? What should I do if the instruction submitted failed?**

There would be pop up message after instruction submitted, indicating whether submit successfully or failure. If submit failure, please re-submit again later.

**10. How can the HKD-traded shares be transferred to RMB-traded shares of the same listed company for trading, or vice versa? How long does it take?**

Customers required to submit the “HKD-RMB Dual Counter Securities Exchange Form”. The transferring securities have to be completed settlement.

Submission Time of Counter Transfer Instruction	Expected Completion Time
<b><u>Before 12 noon</u></b> of working day	During the day the instruction received*
<b><u>At or after 12 noon</u></b> of working day or during <b><u>non-working day</u></b>	During the next working day the instruction received*

\* There is no guarantee on the settlement to be completed on the same day due to but not limited to the following reasons e.g. incomplete document and incorrect signature etc.

You can trade the stock at your desired counter after transfer completed. The shareholdings page can show if the Dual Counter Securities Exchange instruction has been completed.

**11. How to check the status of stock conversion instruction? When can I trade the counter transferred stock?**

Customers can check the shareholding page of Haitong International account. When you saw the stock is located at the desired counter, you may trade according to your own decision.

**12. How to cancel or modify the stock conversion instruction after submission?**

Customers should ensure instructions are correct before submission. You can try to apply for cancellation or modification by contact us at (852) 3583 3388 or (755) 8266 3232.