
GLOSSARY OF TECHNICAL TERMS

“AUM”	the amount of assets under management
“B shares”	foreign invested shares that are traded on the Shanghai Stock Exchange or Shenzhen Stock Exchange in US dollars or Hong Kong dollars
“CAGR”	compound annual growth rate
“CBBC”	callable bull/bear contract
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“DCASS”	the Derivatives Clearing and Settlement System, the clearing and settlement system for the derivatives products of the HKEX
“ETF”	exchange-traded fund
“Exchange Participant”	corporation licensed to carry out Type 1 (dealing in securities) regulated activity under the SFO who, in accordance with the rules of the Stock Exchange, may trade on or through the Stock Exchange and whose name is entered in a list, register or roll kept by the Stock Exchange as a person who may trade on or through the Stock Exchange
“FATCA”	the Foreign Account Tax Compliance Act
“FFI”	foreign financial institution
“high net worth client”	client with investment portfolio exceeding HK\$1 million
“HKATS”	the Hong Kong Futures Automated Trading System
“HKCC”	the HKFE Clearing Corporation Limited
“HKEX”	the Hong Kong Exchanges and Clearing Limited
“IGA”	the intergovernmental agreement signed between Hong Kong and the U.S. for implementation of FATCA
“IPO”	initial public offering
“IRS”	the U.S. Internal Revenue Service

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“Licensed Representative(s)”	an individual who is granted a licence under section 120(1) or 121(1) of the SFO to carry on one or more than one regulated activity
“loans and financing”	a segment of our business transaction in which a securities firm provides financing to qualified clients who pledge their securities and/or other acceptable security as collateral
“M&A”	mergers and acquisitions
“MPF”	the Mandatory Provident Fund
“NAV”	Net Asset Value
“Prime Rate”	the rate of interest that banks charge their creditworthy customers for borrowing money
“QDII”	Qualified Domestic Institutional Investor (合格境內機構投資者)
“QFII”	Qualified Foreign Institutional Investor (合格境外機構投資者)
“Responsible Officer(s)”	a Licensed Representative who is also approved as a responsible officer under section 126 of the SFO to supervise one or more than one regulated activity of the licensed corporation to which he/she is accredited
“RQFII”	Renminbi Qualified Foreign Institutional Investor (人民幣合格境外機構投資者), a pilot program launched in the PRC which allows Hong Kong subsidiaries of the PRC brokerage companies and fund houses to facilitate investments of offshore Renminbi into the PRC capital markets
“SAC”	the Securities Association of China (中國證券業協會)
“SEOCH”	The SEHK Options Clearing House Limited
“Stock Exchange Trading Right”	a right to be eligible to trade on or through the Stock Exchange as an Exchange Participant and entered as such a right in a list, register or roll kept by the Stock Exchange
“T+2”	two trading days from the relevant transaction day