

ICBC (Asia) was Granted the Cross-Border Capital Settlement Business Qualifications in the Southbound Trading Link of the Shanghai-Hong Kong Stock Connect And Provides Various Services in the Northbound Trading Link

10 November 2014, Hong Kong – ICBC (Asia) (“The Bank”) welcomes today’s announcement of the launch of Shanghai-Hong Kong Stock Connect on 17 November 2014. The Bank will take advantage and make efforts to play a pivotal role in the new era of RMB internationalization, as well as develop relevant products and services that would best serve the needs of the clients.

Earlier, ICBC (Asia) was granted the cross-border capital settlement business qualifications in the Southbound Trading Link of the Shanghai-Hong Kong Stock Connect and designated to handle the clearing and settlement swap business in the Southbound Trading Link by China Securities Depository and Clearing Corporation Limited (“China Clear”).

Under the Shanghai-Hong Kong Stock Connect programme, investors in Hong Kong and Mainland China can trade and settle shares listed on the other market via the exchange and clearing house in their home market, thereby helping to promote and strengthen the connection between Hong Kong and the Mainland capital markets. Shanghai-Hong Kong Stock Connect comprises a Southbound Trading Link and a Northbound Trading Link.

In regard to the Southbound Trading Link business, ICBC (Asia) will cooperate with Industrial and Commercial Bank of China Limited (“ICBC”) Shanghai Municipal Branch to provide services of cross-border settlement, currency exchange and intraday overdrafts limit, etc to China Clear.

In regard to the Northbound Trading Link business, ICBC (Asia) will provide customers high quality Shanghai–Hong Kong Stock Connect Northbound Securities Services (for local and foreign investors investing in Shanghai A-shares), enabling the customers to easily grasp the opportunity to invest China domestic market. To invest in Shanghai A-share market through Shanghai–Hong Kong Stock Connect Northbound Securities Services, customers just need to simply open a

securities account and a register CNY settlement account to make eligible investment in Shanghai A-shares under the principle.

ICBC(ASIA) will provide the following **Privileged Offers** and **Quality Services**:

1. Privileged commission rate as low as 0.1%

Commission of 0.1% will be offered for every transaction trade over RMB 1M

2. Designated telephone hotline for Shanghai-Hong Kong Connect Northbound

Special trading express 3471-8856, with manned and quick trading services

3. Provide transactions services in designated branches

Flexible and convenient to handle securities transaction by visiting the Bank's securities trading center and branch network.

4. Provide Shanghai stock quote and market information through internet banking

ICBC(ASIA) homepage will provide Shanghai A-share stock quote and market information. Release date will be determined.

*Remarks: Hong Kong SFC and China Securities Regulatory Commission jointly announced that Shanghai-Hong Kong Stock Connect Northbound has been approved and starts on November 17, 2014.
The privilege is subject to the relevant Terms and Conditions.*

As the largest RMB banking group in the world, ICBC tops the world in RMB total assets and settlement turnover amount. ICBC (Asia) is the overseas flagship of ICBC, as well as a major market participant of the offshore Renminbi market in Hong Kong, especially a market maker in various Renminbi financial market aspects. Moreover, ICBC (Asia) was earlier designated as the Primary Liquidity Provider for the Offshore Reminbi Market in Hong Kong by the Hong Kong Monetary Authority.

By taking advantage of the opportunity of the launch of the Shanghai-Hong Kong Stock Connect, ICBC (Asia) will fully leverage the strong advantages of the ICBC's Renminbi business, further reinforce the strengths of the cross-border services by providing high quality and tailored cross-border products and services to customers, so as to assist to activate the market and facilitate the development of the offshore Renminbi market.

Risk Disclosure:**RMB Risk Disclosure:**

The value of RMB will be subject to the risk of exchange rate fluctuation. Such fluctuation may result in gain and loss in the event that the customers subsequently convert RMB to other currencies (including Hong Kong Dollar). RMB is currently not freely convertible and subject to regulatory restrictions. For personal customers, conversions conducted through RMB deposit accounts with banks in Hong Kong are subject to the limit of RMB20,000 per person per day. Customers who are Hong Kong residents should allow time for conversion of RMB from/to another currency of an amount exceeding the daily limit. Non-Hong Kong residents are not required to observe the corresponding limits and requirements regarding RMB conversions for Hong Kong residents. Non-Hong Kong residents (i.e. individuals who are not holders of Hong Kong Identity Card) that intend to conduct conversion of RMB through the banks may occasionally not be able to do so fully or immediately, for which it is subject to the RMB position of the banks and their commercial decisions at that moment.

Securities :

Investment involves risk and the prices of securities fluctuate. The prices of securities may move up or down, sometimes dramatically, and may become valueless. It is as likely that loss will be incurred rather than profit made as result of buying and selling investment. Past result should not be taken as indication of future performance. Before making investment decision, you should thoroughly study the offering documents; the financial reports and relevant risk disclose statements issued by the issuer of the investment product(s). Further you should consider your own circumstances and financial position to ensure the investment are suitable for your particular investment needs. You shall seek independent professional advice on legal, tax, financial and other issues in connection with the investment. This document does not constitute an offer for the purchase or sales of any investment products.

Main Risk Disclosures for Northbound Trading Link :

Not protected by Investor Compensation Fund - Investors should note that any Northbound trading under Shanghai-Hong Kong Stock Connect will not be covered by Hong Kong's Investor Compensation Fund. Therefore investors have to bear the risk in the Northbound trading under Shanghai-Hong Kong Stock Connect.

Quotas used up - When the respective aggregate quota balance for Northbound and Southbound trading is less than the daily quota, the corresponding buy orders will be suspended on the next trading day (sell orders will still be accepted) until the aggregate quota balance returns to the daily quota level.

Once the daily quota is used up, acceptance of the corresponding buy orders will also be immediately suspended and no further buy orders will be accepted for the remainder of the day. Buy orders which have been accepted will not be affected by the using up of the daily quota, while sell orders will be continued to be accepted. Depending on the aggregate quota balance situation, buying services will be resumed on the following trading day.

Trading day - Shanghai-Hong Kong Stock Connect will only operate on days (a) when both markets are open for trading and (b) when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the Mainland market but Hong Kong investors cannot carry out any A-share trading. Investors should take note of the days Shanghai-Hong Kong Stock Connect is open for business and decide according to their own risk tolerance capability whether or not to take on the risk of price fluctuations in A-shares during the time when Shanghai-Hong Kong Stock Connect is not trading.

The recalling of eligible stocks - When a stock is recalled from the scope of eligible stocks for trading via Shanghai-Hong Kong Stock Connect for above-mentioned reasons, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of investors. Investors should therefore pay close attention to the list of eligible stocks as provided and renewed from time to time by SSE and SEHK.

Important Notice :

The above risk disclosure statements cannot disclose all the risks involved. Before making investment decision, you should thoroughly study the offering documents; the financial reports and relevant risk disclosure statements issued by the issuer of the investment product(s). Further you should consider your own circumstances and financial position to ensure the investment are suitable for your particular investment needs. You should seek independent financial and professional advice before trading or investment. This document does not constitute and offer for the purchase or sales of any investment products.

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Industrial and Commercial Bank of China (Asia) Limited

Industrial and Commercial Bank of China (Asia) Limited (“ICBC (Asia)”) is a licensed bank incorporated in Hong Kong. It has 56 branches, 23 “Elite Club” Wealth Management Centres and 4 commercial business centres in Hong Kong. It is principally engaged in banking, financial and other finance-related services with a focus on retail and commercial banking as well as corporate banking business. The total assets of ICBC (Asia) amounted to HK\$601,784 million as at 30 June 2014, and its after-tax net profit reached HK\$3,000 million in the first half of 2014. Chinese Mercantile Bank and ICBC (Asia) Investment Management Company Limited, two wholly-owned subsidiaries of ICBC (Asia), are specialized in RMB services in Mainland China and the investment management businesses with a focus on Asia respectively. ICBC (Asia) is the flagship of Hong Kong banking business of Industrial and Commercial Bank of China Limited (“ICBC”) – currently the largest commercial bank in China.