

AMENDMENTS TO THE GEM LISTING RULES

Chapter 2

Disclaimer and GEM characteristics statements

2.19 Any listing document, circular, announcement or notice issued by an issuer pursuant to the GEM Listing Rules must contain on its front cover or inside front cover, or as a heading, a prominent and legible disclaimer statement as follows:—

“Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.”

...

2.26 Where a transaction or arrangement of an issuer is subject to shareholders' approval under the provisions of the GEM Listing Rules, any shareholder that has a material interest in the transaction or arrangement shall abstain from voting on the resolution(s) approving the transaction or arrangement at the general meeting. ~~Issuers must comply with the requirements set out in rules 17.47(4) and 17.47(5).~~

...

Chapter 3

Disciplinary procedures

...

3.11 The sanctions in rule 3.10 may be imposed or issued against any of the following:—

...

- (f) any professional adviser of a listed issuer or any of its subsidiaries;
- ~~(g) the person fulfilling the role of the listed issuer's qualified accountant (as such role is prescribed in rule 5.15);~~
- ~~(hg)~~ any authorised representative of a listed issuer;
- ~~(ih)~~ any supervisor of a PRC issuer; and
- ~~(ji)~~ the guarantor of an issuer in the case of a guaranteed issue of debt securities.

...

Chapter 5

5.09 In assessing the independence of a non-executive director, the Exchange will take into account the following factors, none of which is necessarily conclusive. Independence is more likely to be

questioned if the director:—

...

An independent non-executive director shall submit to the Exchange a written confirmation ~~in respect of the above~~ which must state:

- (a) his independence as regards each of the factors concerning his independence referred to in rule 5.09(1) to (8);
- (b) his past or present financial or other interest in the business of the issuer or its subsidiaries or any connection with any connected person (as such term is defined in the GEM Listing Rules) of the issuer, if any; and
- (c) that there are no other factors that may affect his independence at the same time as the submission of his declaration, undertaking and acknowledgement in the relevant form set out in Appendix 6.

Each independent non-executive director ~~and~~ shall inform the Exchange as soon as practicable if there is any subsequent change of circumstances which may affect his independence and. ~~Each independent non-executive director~~ must provide an annual confirmation of his independence to the issuer. The issuer must confirm in each of its annual reports whether it has received such confirmation and whether it still considers the independent non-executive director to be independent.

...

5.12A By no later than 31 March 2009, a director who was appointed by a listed issuer before 1 January 2009 and who continues to hold office shall execute and submit to the Exchange a new Undertaking in the form set out in Part 2 of Form A or B in Appendix 6 (as the case may be) save for the omission of the declaration set out in paragraph (i) thereof.

...

Qualified accountant

~~5.15 Every issuer must ensure that, at all times, it employs an individual on a full time basis. The responsibility of such individual must include oversight of the issuer and its subsidiaries in connection with its financial reporting procedures and internal controls and compliance with the requirements under the GEM Listing Rules with regard to financial reporting and other accounting-related issues. The individual must be a member of the senior management of the issuer (preferably an executive director) and must be a qualified accountant and a certified public accountant registered with the Hong Kong Institute of Certified Public Accountants or a similar body of accountants recognised by that Institute for the purpose of granting exemptions from the examination requirement for membership of that Institute. [Repealed 1 January 2009]~~

Note: This rule and rule 5.18 do not apply to an issuer of debt securities, the equity securities of which are not listed on GEM.

~~5.16 The qualified accountant's responsibilities must include, as a minimum, the following matters:—~~

- ~~(1) advising on and assisting the board of directors of the issuer in developing and implementing financial reporting, internal control and other procedures to provide the board with a reasonable basis for making proper judgments as to the financial position and prospects of the group; and~~
- ~~(2) unless he is otherwise a member of the audit committee of the issuer, liaising with the audit committee to assist it in monitoring the development and implementation of such~~

procedures.~~[Repealed 1 January 2009]~~

5.17 ~~The person appointed as the qualified accountant should only terminate his appointment after first notifying the Exchange of such proposed termination and the reasons therefor; and except in exceptional circumstances the issuer should not terminate the appointment of any person as the qualified accountant until it has appointed a replacement. Where a person's appointment as qualified accountant is terminated, both the issuer and the individual concerned should immediately notify the Exchange, in each case stating the reason why such appointment was terminated.~~~~[Repealed 1 January 2009]~~

5.18 ~~If, at any time, the issuer fails to retain an individual to take on the role of the qualified accountant, the issuer must immediately announce this matter in accordance with the publication requirements set out in Chapter 16, failing which the Exchange reserves the right to announce the same.~~~~[Repealed 1 January 2009]~~

...

5.52 For the purpose of the required standard of dealings:

(4) notwithstanding the definition of "dealing" under rule 5.52(1), the following dealings are not subject to the required standard of dealings:

...

(d) exercise of share options or warrants or acceptance of an offer for shares pursuant to an agreement entered into ~~by the director and~~ with an issuer before a period during which ~~the director dealing~~ is prohibited from dealing under the required standard of dealings at the pre-determined exercise price, being a fixed monetary amount determined at the time of grant of the share option or warrant or acceptance of an offer for shares; ~~and~~

(e) an acquisition of qualification shares ~~by a director~~ where, under the issuer's constitutional documents, the final date for acquiring such shares falls within a period ~~during which the director~~ when dealing is prohibited from dealing under the required standard of dealings and ~~the director cannot acquire such shares~~ cannot be acquired at another time;

(f) dealing where the beneficial interest or interests in the relevant security of the listed issuer do not change;

(g) dealing where a shareholder places out his existing shares in a "top-up" placing where the number of new shares subscribed by him pursuant to an irrevocable, binding obligation equals the number of existing shares placed out and the subscription price (after expenses) is the same as the price at which the existing shares were placed out; and

(h) dealing where the beneficial ownership is transferred from another party by operation of law.

...

Absolute prohibitions

5.54 A director must not deal in any of the securities of the issuer at any time when he is in possession of unpublished price-sensitive information in relation to those securities, or where clearance to deal is not otherwise conferred upon him under rule 5.61.

Note: "Price sensitive information" means information described in rule 17.10 and the notes thereunder. In the context of this rule, rule 17.10(3) and its notes 11 and 13 are of particular

relevance.

...

5.56 During the period commencing ~~from 1 month immediately preceding the earlier of:~~

This rule amendment has since been modified. Please refer to the press release of 24 February 2009.

(1) ~~the date of the board meeting (as such date is first notified to the Exchange in accordance with rule 17.48) for the approval of the issuer's results for any the end of year, half-year or quarter-year period or any other interim period (whether or not required under the GEM Listing Rules); and~~

(2) ~~the deadline for the issuer to publish an announcement of its results for any year, half-year or quarter-year period under rules 18.49, 18.78 or 18.79 or any other interim period (whether or not required under the GEM Listing Rules);~~

and ending on the date of the results announcement (whether or not required under the GEM Listing Rules), a director must not deal in any securities of the issuer unless the circumstances are exceptional, for example, where a pressing financial commitment has to be met as described in rule 5.67. In any event, he must comply with the procedure in rules 5.61 and 5.62.

...

Notification

5.61 A director must not deal in any securities of the listed issuer without first notifying in writing the chairman or a director (other than himself) designated by the board for the specific purpose and receiving a dated written acknowledgement. In his own case, the chairman must first notify the board at a board meeting, or alternatively notify a director (other than himself) designated by the board for the purpose and receive a dated written acknowledgement before any such dealing. The designated director must not deal in any securities of the listed issuer without first notifying the chairman and receiving a dated written acknowledgement. In each case,

(1) a response to a request for clearance to deal must be given to the relevant director within five business days of the request being made; and

(2) the clearance to deal in accordance with (1) above must be valid for no longer than five business days of clearance being received.

Note: For the avoidance of doubt, the restriction under rule 5.54 applies in the event that price sensitive information develops following the grant of clearance.

...

Chapter 6A

6A.07 At least one Sponsor of a new applicant must be independent ~~from~~of the new applicant. A Sponsor is not independent if any of the following circumstances exist ~~as at the time of making the declaration pursuant to rule 6A.13~~ at any time from the date of submission to the Exchange of an application for listing on Form 5A in accordance with rule 12.13 up to the date of listing. The Sponsor is required to demonstrate to the Exchange its independence or lack of independence and shall submit to the Exchange a statement pursuant to rule 6A.08:

...

6A.15 Having made reasonable due diligence inquiries, each Sponsor must confirm that it has reasonable grounds to believe and does believe that:

- (1) ~~the answers provided by each director or proposed director of the new applicant in the director's declaration(s) in the form at Appendix [5B] are true and do not omit any material information; [Repealed 1 January 2009]~~

...

...

Chapter 7

- 7.27 In the cases referred to in rule 7.01(3) concerning a circular in connection with a major transaction, the pro forma financial information required under rules ~~19.67(6)(a)(ii)~~~~19.67(4)(a)(ii)~~ or ~~19.67(6)(b)(ii)~~~~19.67(4)(b)(ii)~~ on the enlarged group (i.e. the issuer, its subsidiaries and any business or subsidiary or, where applicable, assets acquired or proposed to be acquired since the date to which the latest audited accounts of the issuer have been made up (including but not limited to any business, company or companies being acquired)) must include all the information referred to in rule 7.31 in respect of such enlarged group.

...

Chapter 8

- 8.02 In the case of an acquisition or disposal of any property, or a company whose assets consist solely or mainly of property, where any of the percentage ratios (as defined in rule 19.04(9)) of the transaction exceeds 25%, then a valuation of and information on such property must be included in the circular issued to shareholders in connection with the acquisition or disposal (see rules 19.66(~~12~~)(~~3~~) and 19.69(3)), unless, in the case of an acquisition, the interest in the property is acquired from the Hong Kong Government (or, at the discretion of the Exchange, a body related to the Hong Kong Government), in any such case, at a public auction or by sealed tender.

...

...

Chapter 9

- 9.11 In the case of a suspension pending an announcement of any matter which is or may be of a price sensitive nature, the issuer shall use its reasonable endeavours to issue the announcement before commencement of the next half-day trading session on GEM. In circumstances where it is not possible, for whatever reason, to issue the announcement within this time scale, the issuer shall, if requested to do so by the Exchange:—
- (1) issue a “holding” announcement on the GEM website, before commencement of the next half-day trading session on GEM; and
 - (2) request a resumption of dealings in its securities with effect from commencement of the next half-day trading session on GEM.

Notes: 1 Any holding announcement required for the purpose of this rule, should be in substantially the following form:—

“This announcement is made at the request of The Stock Exchange of Hong Kong Limited. Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

...”

...

9.22 In relation to any withdrawal of listing under rule 9.20, the issuer must comply with the requirements under rules 17.47(~~46~~) and ~~17.47(7)~~ and rules 17.47A, 17.47B and 17.47C.

...

Chapter 10

10.29B Where shareholders’ approval is required under rule 10.29, the issuer must comply with the requirements under rules 17.47(~~46~~) and ~~17.47(7)~~ and rules 17.47A, 17.47B and 17.47C.

...

10.31 (1) In every rights issue, the issuer may make arrangements to:—

...

The offer of such securities and the basis of allocation of the securities available for excess applications must be fully disclosed in the rights issue announcement, listing document and any circular.

(2) If no arrangements or arrangements other than those described in rule 10.31(1) are made for the disposal of securities not subscribed by the allottees under provisional letters of allotment or their renounees and the rights issue is wholly or partly underwritten or sub-underwritten by a director, chief executive or substantial shareholder of the issuer (or an associate of any of them), then the absence of such arrangements or the making of such other arrangements must be specifically approved by shareholders. Those persons who have a material interest in such other arrangements must abstain from voting on the matter at the meeting and the circular to shareholders must contain full details of the terms and conditions of that underwriting and / or sub-underwriting. ~~Where any shareholder is required to abstain from voting at the general meeting, the issuer must comply with the requirements under rules 17.47(4) and 17.47(5).~~ The issuer must disclose the information required under rule 2.28 in the circular to shareholders.

...

10.39B Where shareholders’ approval is required under rule 10.39, the issuer must comply with the requirements under rules 17.47(~~46~~) and ~~17.47(7)~~ and rules 17.47A, 17.47B and 17.47C.

...

10.42 (1) In every open offer the issuer may make arrangements to dispose of securities not validly

applied for by shareholders in excess of their assured allotments, in which case such securities must be available for subscription by all shareholders and allocated on a fair basis. The offer of such securities and the basis of allocation of the securities available for excess applications must be fully disclosed in the open offer announcement, listing document and any circular.

- (2) If no arrangements or arrangements other than those described in rule 10.42(1) are made for the disposal of securities not validly applied for and the open offer is wholly or partly underwritten or sub-underwritten by a director, chief executive or substantial shareholder of the issuer (or an associate of any of them), then the absence of such arrangements or the making of such other arrangements must be specifically approved by shareholders. Those persons who have a material interest in such other arrangements must abstain from voting on the matter at the meeting and the circular to shareholders must contain full details of the terms and conditions of that underwriting and/or sub-underwriting. ~~Where any shareholder is required to abstain from voting at the general meeting, the issuer must comply with the requirements under rules 17.47(4) and 17.47(5).~~ The issuer must disclose the information required under rule 2.28 in the circular to shareholders.

...

Chapter 11

- 11.07 The issuer must have persons appointed to the following offices and, or to perform the following roles and the issuer must ensure that such persons have satisfied the following rules prior to appointment:—
- (1) directors – rules 5.02, 5.05 and 5.13;
 - (2) company secretary – rule 5.14;
 - ~~(3) qualified accountant – rule 5.15;~~
 - ~~(4)~~ compliance officer – rule 5.19;
 - ~~(5)~~ authorised representatives – rule 5.24; and
 - ~~(6)~~ members of the audit committee – rules 5.28 and 5.29.
- 11.23 There must be an open market in the securities for which listing is sought. This will normally mean that:-
- (1) [Repealed 1 July 2008]
- ...
- (3) with regard to options, warrants or similar rights to subscribe or purchase shares (“warrants”) for which a listing is sought:-
- ...
- (b) in the case of a listed issuer:-

- (i) the market capitalisation of such warrants (determined as at the time of listing) must be at least HK\$6,000,000; and
- (ii) save where: (a) such warrants are offered to existing holders of the issuer's securities shares by way of bonus issue; and (b) in the 5 years preceding the date of the announcement on the proposed bonus issue, there are no circumstances to indicate that the shares of the issuer may be concentrated in the hands of a few shareholders, there must, as at the time of listing be an adequate spread of holders of such warrants. The number will depend on the size and nature of the issue but, as a guideline, the warrants in the hands of the public should, as at the time of listing, be held among at least 100 persons (including those whose warrants are held through CCASS);

...

- (8) not more than 50% of the securities in public hands at the time of listing can be beneficially owned by the three largest public shareholders, save where: (a) the securities to be listed are options, warrants or similar rights to subscribe or purchase shares; (b) such securities are offered to existing holders of a listed issuer's shares by way of bonus issue; and (c) in the 5 years preceding the date of the announcement on the proposed bonus issue, there are no circumstances to indicate that the shares of the issuer may be concentrated in the hands of a few shareholders;

...

Chapter 12

12.23 In addition to the documents required pursuant to rule 12.22, a new applicant must lodge the following documents with the Exchange at the time of submitting the application for listing:—

...

- (2) ~~a formal declaration undertaking and acknowledgement, in the relevant form set out in Appendix 6, duly signed by each director and proposed director (and, in the case of a PRC issuer, each supervisor and proposed supervisor), together with,~~ in respect of each sponsor to the application for listing, an undertaking pursuant to rule 6A.03 in the terms set out in rule 6A.04 and in the form in paragraph 21 of Appendix 5a and a statement pursuant to rule 6A.08 addressing the matters set out in rule 6A.07 and in the form of Form K of Appendix 7, both duly signed on the sponsor's behalf;
- (2a) a written confirmation and undertaking signed by each director/supervisor and proposed director/supervisor to the following effect:
 - (a) that the listing document referred to in rule 12.22(1) above contains all information about the biographical details of such director/supervisor or proposed director/supervisor as set out in rule 17.50(2) and that those details are true, accurate and complete;
 - (b) where, before dealings commence, there are any changes in the biographical details as set out in rule 12.23(2a)(a) above, to inform the Exchange as soon as practicable of such changes; and

- (c) to lodge with the Exchange in accordance with rule 12.26(9) a declaration, undertaking and acknowledgement, in the relevant form set out in Appendix 6, duly signed by each director/supervisor and proposed director/supervisor.

In the case of a listed issuer, the same written confirmation must be submitted if specifically requested by the Exchange.

If the director/supervisor or proposed director/supervisor is appointed after the submission of listing application form, then such director/supervisor or proposed director/supervisor must submit a duly signed written confirmation and undertaking referred to in this sub-rule as soon as he is appointed. The reference to the listing document referred to in rule 12.22(1) above in the confirmation and undertaking shall be read as a reference to the relevant draft listing document that contains the biographical details of such director/supervisor or proposed director/supervisor;

...

- 12.26 As soon as practicable after the issue of the listing document but before dealings commence, the following documents must be lodged with the Exchange in respect of both a new applicant and a listed issuer as a condition for granting listing approval:—

...

- (7) a declaration substantially in the form set out in Appendix 5E, duly signed by a director and the secretary of the issuer together with any fee which is payable and which has not previously been paid (see Appendix 9); ~~and~~
- (8) in the case of a new applicant only, a declaration substantially in the form set out in Appendix 7I duly signed by the Sponsor; and
- (9) in the case of a new applicant, a written declaration, undertaking and acknowledgement, in the relevant form set out in Appendix 6, duly signed by each director/supervisor and proposed director/supervisor. In the case of a listed issuer, the same declaration, undertaking and acknowledgement must be submitted if specifically requested by the Exchange.

...

Chapter 13

- 13.08 The issuer must send to its shareholders an Explanatory Statement (at the same time as the notice of the relevant shareholders' meeting) containing all the information reasonably necessary to enable those shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the purchase by the issuer of shares including the information set out below:—

- (1) ...

...

- (11) ...

Notes: 1 The Explanatory Statement need not contain the statement set out in rule 2.20 concerning the characteristics of GEM nor information on the interests (if any) of the Compliance Adviser (as referred to in rule 6A.31) and all directors, management shareholders and their respective associates (as referred to in rule 11.04).

- 2 ~~*The Explanatory Statement must be reviewed by the Exchange prior to its dispatch to shareholders of the issuer and must not be issued until the Exchange has confirmed to the issuer that it has no further comments thereon. At the same time as the Explanatory Statement is sent to shareholders of the issuer, the issuer should submit to the Exchange (a) a confirmation from the issuer that the Explanatory Statement contains the information required under rule 13.08 and that neither the Explanatory Statement nor the proposed share repurchase has unusual features; and (b) the undertaking from its directors to the Exchange according to rule 13.08(6).*~~

...

Reporting Requirements

13.13 An issuer shall:-

- (1) ~~Such reports shall be made in the form set out in Appendix 8 on a return in such form and containing such information as the Exchange may from time to time prescribe.~~ ...

...

Chapter 16

16.04A (1) Subject to the provisions set out in this rule 16.04A, any requirement in the GEM Listing Rules for a listed issuer to send, mail, dispatch, issue, publish or otherwise make available any corporate communication may, to the extent permitted under all applicable laws and regulations and the listed issuer's own constitutional documents, be satisfied by the listed issuer sending or otherwise making available the corporate communication to the relevant holders of its securities using electronic means and any requirement in the GEM Listing Rules that a corporate communication of a listed issuer must be in printed form may be satisfied by the corporate communication being in electronic format. ~~Notwithstanding the foregoing, all listed issuers availing themselves of the provisions of this rule 16.04A must, irrespective of their place of incorporation, comply with a standard which is no less onerous than that imposed from time to time in this regard under Hong Kong law for listed issuers incorporated in Hong Kong.~~

- (2) Other than as permitted under rule 16.04A(2A) in relation to a corporate communication published on the listed issuer's own website pursuant to rule 16.19, the corporate communication may be sent or otherwise made available by the listed issuer to a holder of its securities using electronic means (which term includes sending or otherwise making available the corporate communication to the holder in electronic format) only where the listed issuer has previously received from that holder an express, positive confirmation in writing that the holder wishes to receive or otherwise have made available to the holder the corporate communication by the means and in the manner proposed by the listed issuer.

(2A) (a) To the extent that:

- (i) the shareholders of the listed issuer have resolved in general meeting that the listed issuer may send or supply corporate communications to shareholders by making them available on the listed issuer's own website; or
- (ii) the listed issuer's constitutional documents contain provision to that effect,

a holder of the listed issuer's securities in relation to whom the following conditions are met is taken to have agreed that the listed issuer may send or supply corporate communications to him in that manner.

(b) The conditions are that:

(i) the holder has been asked individually by the listed issuer to agree that the listed issuer may send or supply corporate communications generally, or the corporate communication in question, to him by means of the listed issuer's own website; and

(ii) the listed issuer has not received a response indicating the holder's objection within the period of 28 days beginning with the date on which the listed issuer's request was sent.

(c) A holder is not taken to have so agreed if the listed issuer's request:

(i) did not state clearly what the effect of a failure to respond would be; or

(ii) was sent less than 12 months after a previous request made to him for the purposes of this rule 16.04A(2A) in respect of the same class of corporate communications.

(d) The listed issuer must notify the intended recipient of:

(i) the presence of the corporate communication on the website;

(ii) the address of the website;

(iii) the place on the website where it may be accessed; and

(iv) how to access the corporate communication.

(e) The corporate communication is taken to be sent:

(i) on the date on which the notification required under rule 16.04A(2A)(d) is sent; or

(ii) if later, the date on which the corporate communication first appears on the website after that notification is sent.

(3) A listed issuer which, availing itself of this rule 16.04A, sends or otherwise makes available a corporate communication to holders of its securities using electronic means must:

(a) afford holders the right at any time by reasonable notice in writing served on the listed issuer to change their choice (whether by positive consent or deemed consent under rule 16.04A(2A)) as to whether they wish to receive corporate communications in printed form or using electronic means. The listed issuer must set out in each such corporate communication the steps for notifying the listed issuer of any such change together with a statement expressly informing holders that:

(ai) holders may at any time choose to receive corporate communications either in printed form or using electronic means; and

(bii) holders who have chosen (or are deemed under rule 16.04A(2A) to have chosen) to receive the corporate communication using electronic means and who for any reason have difficulty in receiving or gaining access to the corporate communication will promptly upon request be sent the corporate communication in printed form free of charge; and

(b) without prejudice to their right to use any other written means of communication for such purpose, provide holders of its securities with the option of notifying the listed issuer by email of any change in their choice as to whether they wish to receive corporate communications in printed form or using electronic means or of any request to receive the corporate communication in printed form. The listed issuer must provide holders of its securities with an email address for this purpose.

~~(4) All corporate communications which a listed issuer has, availing itself of this rule 16.04A, made available to holders of its securities by publication on its website must be made in accordance with the publication requirements contained in rule 16.19, which requirements shall apply to such corporate communications.~~

Note: It is the sole responsibility of the listed issuer to ensure that any proposed arrangement is permitted under, and that the listed issuer will at all times comply with, all applicable laws and regulations and the listed issuer's own constitutional documents (including, in the case of a listed issuer incorporated outside Hong Kong, a standard which is no less onerous than that imposed from time to time under Hong Kong law for listed issuers incorporated in Hong Kong as referred to in (1) above).

...

Chapter 17

Response to enquiries

17.11 An issuer shall respond promptly to any enquiries made of the issuer by the Exchange concerning unusual movements in the price or trading volume of its listed securities or any other matters by giving such relevant information as is available to the issuer or, if appropriate, by issuing a statement to the effect that the issuer is not aware of any matter or development that is or may be relevant to the unusual price movement or trading volume of its listed securities and shall also respond promptly to any other enquiries made of the issuer by the Exchange.

Notes: 1 If the enquiry relates to unusual movements in the price or trading volume of securities and the directors of the issuer are aware of any matter that might have relevance to such movements, an announcement clarifying the situation should be issued. The issuer should endeavour to issue an announcement sufficient to avoid the need for any suspension of its securities (see rule 9.03). However, if it is not possible to make such an announcement, for example because negotiations may have reached a delicate stage, a temporary suspension of dealings in the issuer's securities may be necessary (see rule 9.06).

2 If the directors of the issuer are not aware of any matter that might have relevance

to such movements (and only in such circumstances) the issuer should issue an announcement in the following form:—

“This announcement is made at the request of The Stock Exchange of Hong Kong Limited. Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

...”

...

Changes in issued share capital

17.27A (1) In addition and without prejudice to specific requirements contained elsewhere in the GEM Listing Rules, a listed issuer shall, whenever there is a change in its issued share capital as a result of or in connection with any of the events referred to in rule 17.27A(2), submit through HKEx-EPS, or such other means as the Exchange may from time to time prescribe, for publication on the GEM website a return in such form and containing such information as the Exchange may from time to time prescribe by not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day next following the relevant event.

(2) The events referred to in rule 17.27A(1) are as follows:

(a) any of the following:

- (i) placing;
- (ii) consideration issue;
- (iii) open offer;
- (iv) rights issue;
- (v) bonus issue;
- (vi) scrip dividend;
- (vii) repurchase of shares or other securities;
- (viii) exercise of an option under a share option scheme by a director of the listed issuer or any of its subsidiaries;
- (ix) exercise of an option other than under a share option scheme by a director of the listed issuer or any of its subsidiaries;
- (x) capital reorganisation; or
- (xi) change in issued share capital not falling within any of the categories referred to in rule 17.27A(2)(a)(i) to (x) or rule 17.27A(2)(b); and

(b) subject to rule 17.27A(3), any of the following:

- (i) exercise of an option under a share option scheme other than by a director of the listed issuer or any of its subsidiaries;
- (ii) exercise of an option other than under a share option scheme not by a director of the listed issuer or any of its subsidiaries;

- (iii) exercise of a warrant;
- (iv) conversion of convertible securities; or
- (v) redemption of shares or other securities.

(3) The disclosure obligation for an event in rule 17.27A(2)(b) only arises where:

(a) the event, either individually or when aggregated with any other events described in that rule which have occurred since the listed issuer published its last monthly return under rule 17.27B or last return under this rule 17.27A (whichever is the later), results in a change of 5% or more of the listed issuer's issued share capital; or

(b) an event in rule 17.27A(2)(a) has occurred and the event in rule 17.27A(2)(b) has not yet been disclosed in either a monthly return published under rule 17.27B or a return published under this rule 17.27A.

(4) For the purposes of rule 17.27A(3), the percentage change in the listed issuer's issued share capital is to be calculated by reference to the listed issuer's total issued share capital as it was immediately before the earliest relevant event which has not been disclosed in a monthly return published under rule 17.27B or a return published under this rule 17.27A.

Monthly return

17.27B A listed issuer shall, by no later than 9:00 a.m. of the fifth business day next following the end of each calendar month, submit through HKEx-EPS, or such other means as the Exchange may from time to time prescribe, for publication on the GEM website a monthly return in relation to movements in the listed issuer's equity securities, debt securities and any other securitised instruments, as applicable, during the period to which the monthly return relates, in such form and containing such information as the Exchange may from time to time prescribe (irrespective of whether there has been any change in the information provided in its previous monthly return). Such information includes, among other things, the number as at the close of such period of equity securities, debt securities and any other securitised instruments, as applicable, issued and which may be issued pursuant to options, warrants, convertible securities or any other agreements or arrangements.

...

17.29 No further shares or securities convertible into equity securities of a listed issuer (whether or not of a class already listed) may be issued or form the subject of any agreement to such an issue within 6 months from the date on which securities of the listed issuer first commence dealing on GEM (whether or not such issue of shares or securities will be completed within 6 months from the commencement of dealing), except for:

...

(5) ...

(c) the issue and any transaction related to it is made subject to the approval of shareholders ~~by way of poll~~ with the following persons abstaining from voting: -

...

Announcement of issues of securities

17.30 Where the directors agree to issue any securities for cash ~~under the authority of a general mandate granted to them by the shareholders~~ in accordance with rule 17.39 or 17.41(2), an issuer shall

publish an announcement as soon as possible, but in any event not later than the time that is 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the next business day, containing the following information:–

- (1) the name of the issuer;
- (2) the number, class and aggregate nominal value of the securities agreed to be issued;

Note: If the issue involves (i) securities convertible into shares of the issuer or (ii) options, warrants or similar rights to subscribe for shares or such convertible securities, the announcement should also contain:

- (a) the conversion/subscription price and a summary of the provisions for adjustments of such price and/or number of shares to be issued and all other material terms of the convertible securities or warrants; and*
- (b) the maximum number of shares that could be issued upon exercise of the conversion/subscription rights.*

...

- (10) where applicable, the name of the underwriter/placing agent and the principal terms of the underwriting/placing arrangements;
- (11) a statement whether the issue is subject to shareholders' approval;
- (12) where the securities are issued under a general mandate granted to the directors by the shareholders in accordance with rule 17.41(2), details of the mandate;
- (13) where the securities are issued by way of a rights issue or an open offer, the information set out in paragraph 18 of Appendix 1, Part B;
- (14) the conditions to which the issue is subject or a negative statement if applicable; and
- (15) any other material information with regard to the issue (including any restrictions on the ability of the issuer to issue further securities or any restrictions on the ability of the allottees to dispose of shares issued to them or any restrictions on the ability of existing shareholders to dispose of their securities arising in connection with the allotment).

17.30A Where the securities are issued for cash under the authority of a general mandate granted to the directors by the shareholders in accordance with rule 17.41(2) and at a discount of 20% or more to the benchmarked price set out in rule 17.42B, an issuer shall publish ~~a separate~~ an announcement as soon as possible, but in any event not later than the time that is 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day immediately following the day on which the relevant agreement involving the proposed issue of securities is signed. ...

...

Purchase of securities

17.35 An issuer shall submit to the Exchange for publication a completed return in such form and containing such information as the Exchange may from time to time prescribe~~share buy-back report, in the form set out in Appendix 8~~, as soon as practicable after any purchase, sale, drawing or redemption by the issuer, or any member of the group, of its listed securities (whether on the

Exchange or otherwise) and the Exchange may disseminate such information to such persons and in such manner as the Exchange thinks fit.

...

...

Pre-emptive rights

17.39 Except in the circumstances mentioned in rule 17.41, the directors of an issuer (other than a PRC issuer, to which the provisions of rule 25.23 apply) shall obtain the consent of shareholders in general meeting prior to:—

- (1) allotting, issuing or granting:-
 - (1a) shares;
 - (2b) securities convertible into shares; or
 - (3e) options, warrants or similar rights to subscribe for any shares or such convertible securities; ~~and,~~
- (2) ~~any major subsidiary of the issuer making any such allotment, issue or grant so as materially to dilute the percentage equity interest of the issuer and its shareholders in such subsidiary.~~

Notes: 1 Importance is attached to the principle that a shareholder should be able to protect his proportion of the total equity by having the opportunity to subscribe for any new issue of equity securities. Accordingly, unless shareholders otherwise permit, all issues of equity securities by the issuer must be offered to the existing shareholders (and, where appropriate, to holders of other equity securities of the issuer entitled to be offered them) pro rata to their existing holdings, and only to the extent that the securities offered are not taken up by such persons may they be allotted or issued to other persons or otherwise than pro rata to their existing holdings. This principle may be waived by the shareholders themselves on a general basis, but only within the limits of rules 17.41 and 17.42.

2 The restriction in rule 17.39(2) does not apply if the subsidiary is itself listed in Hong Kong because it is then bound by rule 17.39(1) or its equivalent provision on the Main Board. The issuer should normally ensure that its equity interests in a major subsidiary are not materially diluted through any new issue by such subsidiary of equity capital or securities having an equity element without the consent of the issuer's shareholders. In the case of a rights issue, if the issuer does not propose to take up its rights, an arrangement may be made for rights to be offered to the issuer's shareholders so that they can thus avoid a material dilution in their percentage equity interests.

3 For the purposes of rule 17.39(2), a "major subsidiary" has the same meaning as set out in rule 17.27(2).

4 Dilution in a subsidiary is taken to be material:

- (a) ~~where, following an allotment of shares, the subsidiary will cease to be consolidated in the accounts of the issuer; or~~

~~(b) where any of the percentage ratios under rule 19.04(9) is 5% or more.~~

~~5 If the subsidiary is itself a listed issuer and an allotment of shares is made in connection with a scrip dividend scheme where the issuer (or issuer's group) has elected to receive a cash alternative which results in the issuer (or issuer's group) ceasing to hold a majority interest in the subsidiary, the Exchange may be prepared to grant a waiver from treating this as a material dilution of interest. For such a waiver to be granted it will be necessary for the issuer to demonstrate that the reduction in interest is unintentional, temporary in nature, and that the issuer will, within a reasonable period of time, restore its majority holding in the subsidiary.~~

...

17.42A Where an issuer has obtained a general mandate from its shareholders pursuant to rule 17.41(2), any refreshments of the general mandate before the next annual general meeting shall be subject to the following provisions:

...

(3) the issuer must comply with requirements set out in rules 17.47(46) ~~and 17.47(7)~~ and rules 17.47A, 17.47B and 17.47C;

...

...

17.47 ...

(3) ~~If the Chairman of the meeting and/or the directors individually or collectively hold proxies in respect of shares holding 5% or more of the total voting rights at a particular meeting, and if on a show of hands a meeting votes in the opposite manner to that instructed in those proxies, the Chairman and/or the directors and the Chairman holding proxies as aforesaid collectively shall demand a poll; provided that if it is apparent from the total proxies held that a vote taken on a poll will not reverse the vote taken on a show of hands, then the directors and/or the Chairman shall not be required to demand a poll.~~ [Repealed 1 January 2009]

(4) Any vote of shareholders at a general meeting must be taken by poll and the issuer must announce the results of the poll in the manner prescribed under rule 17.47(5). ~~Any vote of shareholders taken at a general meeting to approve the following transactions or arrangements must be taken on a poll:~~

~~(a) connected transactions pursuant to Chapter 20 of the GEM Listing Rules;~~

~~(b) transactions that are subject to independent shareholders' approval pursuant to the GEM Listing Rules;~~

~~Note: "Independent shareholders" means any shareholders other than controlling shareholders of the issuer and their associates or, where there are no controlling shareholders, any shareholders other than directors (excluding independent non executive directors) and the chief executive of the issuer and their respective associates.~~

- (c) ~~granting of options to a substantial shareholder or an independent non-executive director of the issuer, or any of their respective associates, as required under rule 23.04(1);~~
 - (d) ~~any issue of shares or securities convertible into equity securities of an issuer pursuant to rule 17.29(5); and~~
 - (e) ~~any other transactions in which a shareholder has a material interest and is therefore required to abstain from voting at the general meeting.~~
- (5) ~~If voting at a general meeting is taken on a poll,~~ The issuer shall announce the results of the poll (including (i) the total number of shares entitling the holder to attend and vote for or against the resolution at the meeting, (ii) the total number of shares entitling the holder to attend and vote only against the resolution at the meeting, (iii) the number of shares represented by votes for and against the relevant resolution) by way of an announcement which is published as soon as possible, but in any event not later than the time that is 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following the meeting. The issuer shall appoint its auditors, share registrar or external accountants who are qualified to serve as auditors for the issuer as scrutineer for the vote-taking and state the identity of the scrutineer in the announcement. The issuer shall confirm in the announcement whether or not any parties that have stated their intention in the circular to vote against the relevant resolution or to abstain have done so at the general meeting.
- (6) In relation to any ~~transactions or arrangements referred to in rules 17.47(4)(a), 17.47(4)(b) and 17.47(4)(d),~~ connected transactions pursuant to Chapter 20 of the GEM Listing Rules, transactions that are subject to independent shareholders' approval pursuant to the GEM Listing Rules, any issue of shares or securities convertible into equity securities of an issuer pursuant to rule 17.29(5) or spin-off proposals that are subject to approval of the shareholders of the issuer pursuant to paragraph 4(e) of Practice Note 3,
- ...
- (7) In relation to any ~~transaction or arrangement referred to in rules 17.47(4)(a), 17.47(4)(b), 17.47(4)(d)~~ connected transactions pursuant to Chapter 20 of the GEM Listing Rules, transactions that are subject to independent shareholders' approval pursuant to the GEM Listing Rules, any issue of shares or securities convertible into equity securities of an issuer pursuant to rule 17.29(5) or spin-off proposals that are subject to approval of the shareholders of the issuer pursuant to paragraph 3(e) of Practice Note 3, the circular to shareholders must contain at least:

...

Note: "Independent shareholders" under this rule 17.47 means any shareholders other than controlling shareholders of the issuer and their associates or, where there are no controlling shareholders, any shareholders other than directors (excluding independent non-executive directors) and the chief executive of the issuer and their respective associates.

...

Changes

- 17.50 An issuer shall inform the Exchange and publish an announcement immediately after (and for the purpose of providing details of) any decision made with regard to:—

- (1) any proposed alteration to the issuer's memorandum or articles of association or equivalent documents and, in the case of a PRC issuer, any proposed request by the PRC issuer or a PRC competent authority to waive or otherwise modify any provision of the Regulations;

The circular for any such amendments proposed by the issuer must contain an explanation of the effect of the proposed amendments and the full terms of the proposed amendments. At the same time as the circular is despatched to shareholders of the issuer, the issuer should submit to the Exchange (a) a letter addressed to the issuer from its legal advisers confirming that the proposed amendments comply with the requirements of the GEM Listing Rules and the laws of the place where it is incorporated or otherwise established; and (b) a confirmation from the issuer that there is nothing unusual about the proposed amendments for a company listed in Hong Kong;

Note: Changes to articles of association or equivalent documents must conform with the requirements of Appendix 3 to the GEM Listing Rules and, in the case of an overseas issuer which is incorporated or otherwise established in a jurisdiction in respect of which additional requirements are set out in Appendix 11 (including, for these purposes, the PRC), such changes must conform with Appendix 11.

- (2) any changes in its directorate (and, in the case of a PRC issuer, its supervisory committee), and shall procure that each new director or member of its governing body and, in the case of a PRC issuer, supervisor shall sign and lodge with the Exchange ~~no later than 14 business days prior to the proposed~~ as soon as practicable after the date of his appointment a declaration, undertaking and acknowledgement in the relevant form set out in Appendix 6.

Where a new director is appointed or the resignation or re-designation of a director (and, in the case of a PRC issuer, a supervisor) takes effect, the Exchange must be informed immediately thereafter. ~~The Exchange must be informed of any proposed appointment of a director (and, in the case of a PRC issuer, a supervisor) at least 14 business days in advance.~~

...

- (c) ~~previous experience including (i) other directorships held in listed public companies in the last 3 years in public companies the securities of which are listed on any securities market in Hong Kong or overseas, and (ii) other major appointments and professional qualifications;~~

...

- (m) subject to the provisions of the Rehabilitation of Offenders Ordinance or comparable legislation of other jurisdictions, full particulars of any conviction for any offence of the following offences (including details of each such offence, the court by which he was convicted, the date of conviction and the penalty imposed):

- (i) involving fraud, dishonesty or corruption;
- (ii) under the Securities and Futures Ordinance, Part II of the Companies Ordinance (insofar as that Part relates, whether directly or indirectly, to the performance of functions by the Securities and Futures Commission in relation to prospectuses and purchase by a company of its own shares) and Part XII of the Companies Ordinance (insofar as that Part relates, whether directly or indirectly, to the performance of functions by the Securities and Futures Commission in relation to prospectuses), the Commodity Exchanges

(Prohibition) Ordinance, the repealed Protection of Investors Ordinance, the repealed Securities Ordinance, the repealed Securities (Disclosure of Interests) Ordinance, the repealed Securities and Futures Commission Ordinance, the repealed Commodities Trading Ordinance, the repealed Stock Exchanges Unification Ordinance, the repealed Securities and Futures (Clearing Houses) Ordinance, the repealed Exchanges and Clearing Houses (Merger) Ordinance, the repealed Securities (Insider Dealing) Ordinance, the Bankruptcy Ordinance, the Banking Ordinance, the repealed Leveraged Foreign Exchange Trading Ordinance or any Ordinance relating to taxation, or any comparable legislation of other jurisdictions; ~~and~~ or

- (iii) in respect of which he has, within the past 10 years, been sentenced as an adult to a period of imprisonment of six months or more, including suspended or commuted sentences;

...

- (u) except where such disclosure is prohibited by law, where he is currently subject to (i) any investigation, hearing or proceeding brought or instituted by any securities regulatory authority, including the Hong Kong Takeovers Panel or any other securities regulatory commission or panel, or (ii) any judicial proceeding in which violation of any securities law, rule or regulation is or was alleged, full particulars of such investigation, hearing or proceeding;

- (v) except where such disclosure is prohibited by law, where he is a defendant in any current criminal proceeding involving an offence which may be material to an evaluation of his character or integrity to be a director or supervisor of the issuer, full particulars of such proceeding;

...

- (3) any change in its share registrar (see rule 11.08) (including any change in overseas branch share registrar), secretary (see rule 5.14), ~~qualified accountant (see rule 5.15)~~ compliance officer (see rule 5.19) or member of the audit committee (see rule 5.28);

...

Provision of information in respect of and by directors and supervisors

17.50A (1) Where, following implementation of this rule, there is a change in any of the information required to be disclosed pursuant to paragraphs (a) to (e) and (g) of rule 17.50(2) during the course of the director's or supervisor's term of office, the issuer must ensure that the change and the updated information regarding the director or supervisor is set out in the next published annual or interim report of the listed issuer (whichever is the earlier).

- (2) Where, following implementation of this rule, there is a change in any of the information required to be disclosed pursuant to paragraphs (h) to (v) of rule 17.50(2) during the course of a director's or supervisor's term of office, the issuer must inform the Exchange and publish an announcement in accordance with Chapter 16 as soon as practicable setting out the updated information regarding the director or supervisor and any other information concerning that change that needs to be brought to the attention of holders of the issuer's securities.

- (3) Without prejudice to the issuer's obligation to disclose financial information and

biographical details of its directors and supervisors under Chapter 18, the disclosures required to be made by an issuer pursuant to paragraphs (1) and (2) are subject to the following exceptions and modifications:

- (a) in respect of rule 17.50(2)(a), an issuer need not disclose the age of the director or supervisor in its interim reports;
- (b) in respect of rule 17.50(2)(d), an issuer need not disclose the length of service of a director or supervisor;
- (c) in respect of rule 17.50(2)(h), an issuer need not disclose any sanction imposed by the Exchange; and
- (d) in respect of rule 17.50(2)(k), an issuer need not disclose the particulars of any unsatisfied judgments or court orders of continuing effect until the relevant judgment or court order becomes final.

17.50B Directors and supervisors of an issuer must procure and/or assist the issuer to comply with rule 17.50(2) and rule 17.50A including, but not limited to, by immediately informing the issuer of the information referred to in paragraphs (a) to (x) of rule 17.50(2) and any change in the information referred to in paragraphs (a) to (w) of rule 17.50(2) which information concerns the director or supervisor. In procuring and/or assisting the issuer in the publication of the information (whether in an announcement in accordance with Chapter 16, or in an annual or interim report, as the case may be), the directors and supervisors concerned must accept responsibility for the accuracy of the information.

17.51 An issuer shall immediately inform the Exchange and publish an announcement containing the relevant details and reasons if:

- (1) there remains outstanding the appointment of any individual(s) to the position of ~~qualified accountant and/or~~ compliance officer as required pursuant to Chapter 5; or

...

...

Announcements, circulars and other documents

Review of documents

~~17.53 In addition to the specific requirements set out in the GEM Listing Rules, the issuer shall:—~~

- ~~(1) submit to the Exchange copies of drafts, for review before they are issued, of any announcements or advertisements relating to the issue of new or further securities (other than pursuant to a capitalisation issue or a scrip dividend scheme) or any announcements or advertisements the subject matter of which may involve a change in or relate to or affect arrangements regarding trading in its listed securities (including a suspension of dealings);~~
- ~~(2) submit to the Exchange copies of drafts, for review before they are issued, of any documents issued in connection with takeovers, mergers or offers;~~
- ~~(3) submit to the Exchange copies of drafts for review before they are issued, of any proposed amendment to its memorandum or articles of association;~~
- ~~(4) submit to the Exchange copies of drafts, for review before they are issued, of any announcements, as required under rule 17.43, concerning the pledging or charging of interests in the securities of the issuer by any controlling shareholder; and~~

- ~~(5) not issue any of such documents until the Exchange has confirmed to the issuer that it has no further comments thereon.~~

Subject to rule 17.53A, where an issuer is obliged to publish any announcements, circulars or other documents for the purposes of the GEM Listing Rules, the documents need not be submitted to the Exchange for review before they are issued unless the documents fall within rule 17.53(1) or (2).

- (1) The issuer shall submit to the Exchange copies of drafts of the following documents for review before they are issued:
- (a) listing document (including prospectus);
 - (b) circular relating to cancellation or withdrawal of listing of listed securities;
 - (c) circular relating to transaction or matter required under Chapter 19 of the GEM Listing Rules;
 - (d) circular relating to connected transaction (including continuing connected transaction) required under Chapter 20 of the GEM Listing Rules;
 - (e) circular to the issuer's shareholders seeking their approval of:
 - (i) any transaction or arrangement under rule 17.39, 17.40 or 17.47(7);
 - (ii) any matter relating to share option scheme required under Chapter 23 of the GEM Listing Rules; or
 - (iii) any warrant proposal under rule 21.07(3); or
 - (f) circulars or offer documents issued by the issuer in connection with takeovers, mergers or offers.

The issuer shall not issue such documents until the Exchange has confirmed that it has no further comments thereon.

- (2) The following transitional provisions apply to announcements set out in this rule and shall cease to have effect on such date as the Exchange may determine and promulgate.

An issuer shall submit to the Exchange copies of drafts of the following announcements for review before they are issued:

- (a) announcement for any major transaction, very substantial disposal, very substantial acquisition or reverse takeover under rules 19.34 and 19.35;
- (b) announcement for any transaction or arrangement under rules 19.88 to 19.90;
- (c) announcement for any matter relating to a cash company under rules 19.82 and 19.83; or
- (d) announcement for any connected transaction or continuing connected transaction under rules 20.47 and 20.56.

The issuer shall not issue such announcements until the Exchange has confirmed that it has no further comments thereon.

Notes: 1 4 copies of each document are required, which should be submitted in sufficient time for review and, if necessary, re-submission prior to dissemination or final printing.

- 2 *Upon submission, for review, of the first draft of any document by electronic means, the issuer or other responsible party, is required to notify the Listing Division of such submission by telephone, facsimile or letter.*
- 3 *In the case of documents issued in connection with takeovers, mergers or offers covered by the Takeovers Code, ~~the Exchange will pass its comments on the document and, if appropriate, its confirmation that it has no further comments thereon in writing to the Commission who will notify the issuer of any such comments and the Exchange's confirmation that it has no further comments thereon. The issuer should ensure that the Commission furnishes it with a copy of the Exchange's letter confirming that it has no further comments thereon.~~ the Exchange will pass its comments on the documents directly to the issuer and will at the same time provide a copy of such comments to the Commission.*
- 4 *It is not necessary to submit a draft of a half year, quarterly or other interim report or preliminary announcement of results so long as it conforms with the requirements of chapter 18, unless it contains any information falling within rule 17.53(1).*
- 5 *Changes to articles of association or equivalent documents must conform with the requirements of Appendix 3.*
- 46 *The Exchange reserves the right to require an issuer to issue a further announcement or document and/or take other remedial action, particularly if the original ~~announcement or document was not required by~~ does not comply with the requirements of the GEM Listing Rules to be reviewed by the Exchange, or if the original announcement or document is misleading or is likely to create a false or misinformed market.*

17.53A In addition to the specified requirements set out in rule 17.53, the Exchange has the right to request to review any announcements, circulars or other documents prior to publication in individual cases. In any such case, the Exchange will communicate to the issuer its direction to review the document prior to publication and the reasons for its decision. The issuer shall accordingly submit to the Exchange copies of drafts for review and shall not issue the document until the Exchange has confirmed that it has no further comments thereon.

17.53B An issuer proposing to publish an announcement, circular or other document pursuant to the GEM Listing Rules shall observe the following provisions:

- (1) Where the subject matter of the document may involve a change in or relate to or affect arrangements regarding trading in the issuer's listed securities (including a suspension or resumption of dealings, and a cancellation or withdrawal of listing), the issuer must consult the Exchange before the document is issued. The document must not include any reference to a specific date or specific timetable in respect of such matter which has not been agreed in advance with the Exchange.
- (2) If the issuer wishes to:
- (a) ascertain whether or to what extent any provisions in the GEM Listing Rules apply to the document, or the transaction or matter to which it relates; or
- (b) request a modification or dispensation with any requirements of the GEM Listing

Rules in respect of the document, or the transaction or matter to which it relates, relevant details, including the reasons and circumstances that give rise to the issues concerned, must be submitted to the Exchange in sufficient time for its determination.

17.53CA The Exchange shall be authorised by the issuer to file “applications” (as defined in section 2 of the Statutory Rules) and those corporate disclosure materials within the meaning of sections 7(1) and (2) of the Statutory Rules received by the Exchange with the Commission pursuant to sections 5(2) and 7(3) of the Statutory Rules respectively and issuers shall be deemed to have agreed to the above by filing such applications and such corporate disclosure materials with the Exchange. The authorisation aforementioned shall not be altered or revoked in any way unless prior written approval has been obtained from the Exchange and the Exchange shall have the absolute discretion to grant such approval. In addition, the issuer undertakes to execute such documents in favour of the Exchange perfecting the above authorisation as the Exchange may require. Applications and relevant corporate disclosure materials shall be filed with the Exchange in such manner and number of copies as the Exchange may from time to time prescribe.

- 17.54 (1) Any listing document, circular or announcement issued by an issuer pursuant to the GEM Listing Rules is required to contain the statement of responsibility and confirmation set out in rule 2.18.
- (2) Any listing document, circular, announcement or notice issued by an issuer pursuant to the GEM Listing Rules must contain on its front cover or inside front cover, or as a heading, a prominent and legible disclaimer statement in the form set out in rule 2.19.

...

Information Gathering

17.55A An issuer must provide to the Exchange as soon as possible, or otherwise in accordance with time limits imposed by the Exchange:

- (1) any information that the Exchange reasonably considers appropriate to protect investors or ensure the smooth operation of the market; and
- (2) any other information or explanation that the Exchange may reasonably require for the purpose of investigating a suspected breach of or verifying compliance with the GEM Listing Rules.

...

~~17.59A An issuer shall disclose in each circular to shareholders convening a general meeting the procedure by which shareholders may demand a poll pursuant to its constitutional documents. [Repealed 1 January 2009]~~

...

Takeovers and share repurchases

17.89 An issuer must comply with the Takeovers Code and the Code on Share Repurchases.

Notes: 1 Where the consideration under an offer includes securities for which listing is being or is to be sought, the offer document(s) will constitute a listing document. ~~Whether the consideration under an offer comprises cash or securities (or a combination of both), drafts of all documents to be issued in connection with takeovers, mergers or~~

~~offers must be submitted to the Exchange for review in accordance with rule 17.53.~~

2 ~~The Exchange will pass its comments on any draft document submitted to it for approval that relates to a matter covered by the Takeovers Code and Code on Share Repurchases directly to the party that submits the draft document (or its advisers). The Exchange will at the same time provide a copy of such comments to the Commission.~~

...

Chapter 18

18.44 The following information in respect of an issuer:-

- (1) the full name and professional qualifications (if any) of:-
 - (a) the company secretary of the issuer; and
 - ~~(b) the qualified accountant of the issuer appointed pursuant to rule 5.15; and~~
 - (be) the compliance officer of the issuer appointed pursuant to rule 5.19; and
- (2) a separate Corporate Governance Report prepared by the board of directors...

...

Chapter 19

19.03 ~~All announcements, circulars and listing documents in relation to transactions under this Chapter must be reviewed by the Exchange and may only be issued after the Exchange has confirmed that it has no further comments thereon. [Repealed 1 January 2009]~~

Definitions

19.04 For the purposes of this Chapter:—

- (1) any reference to a “transaction” by a listed issuer:
 - ...
 - (g) to the extent not expressly provided in rules 19.04(1)(a) to (f), excludes any transaction of a revenue nature in the ordinary and usual course of business (as referred to in rule 19.04(8)) of the listed issuer;

Notes: ...

- 2 *Any transaction involving the acquisition and disposal of properties will generally not be considered to be of a revenue nature unless such transactions are carried out as one of the principal activities and in the ordinary and usual course of business of the listed issuer. For the purpose of determining whether property development is a principal activity of a listed issuer for it to be a Qualified Issuer (as defined in rule 19.04(10B), consideration will be given to the following factors:*
 - (a) clear disclosure of property development activity as a current

and continuing principal business activity in the Directors' Report of the issuer's latest published annual financial statements;

(b) property development activity is being reported as a separate and continuing business segment (if not the only segment) in the issuer's latest published financial statements; and

(c) the issuer's format for reporting segmental information is in business segments, and its latest published annual financial statements have fully complied with the requirements of Hong Kong Accounting Standard 14 or International Accounting Standard 14, as appropriate, which require, amongst others, reporting of segment revenue and segment expense.

...

(10) a "property company" means a company or other entity whose non-cash assets consist solely or mainly of properties or interests in properties or interests in companies or entities whose non-cash assets consist solely or mainly of properties and whose income is mainly derived from those properties;

(10A) "Qualified Connected Person" means any person that is a connected person (defined in rule 20.11), of the Qualified Issuer, solely because such person is a substantial shareholder with or without representation on the board in one or more non-wholly-owned subsidiaries of the Qualified Issuer formed to participate in property projects, each of which is single purpose and project specific;

(10B) "Qualified Issuer(s)" means listed issuer(s) actively engaged in property development as a principal business activity;

(10C) "Qualified Property Acquisition(s)" means acquisition(s) of Qualified Property Project(s) that contain a capital element. Depending on the percentage ratios, Qualified Property Acquisition may fall into one of the classifications set out in rule 19.06;

(10D) "Qualified Property Project(s)" means land or property development project(s) acquired in Hong Kong from Government or Government-controlled entities through public auctions or tenders;

(10EA) a "securities house" means a corporation which is licensed or registered under the Securities and Futures Ordinance for Type 1 (dealing in securities) or Type 8 (securities margin financing) regulated activity;

...

...

19.23A For the purposes of aggregating transactions under rule 19.06(6)(b) and/or rule 19.22, a listed issuer must consult the Exchange before it enters into any proposed transaction(s) if

(1) any circumstances described in rule 19.23 exist in respect of such proposed transaction(s) and any other transaction(s) entered into by the listed issuer in the preceding 12-month period; or

(2) the proposed transaction(s) and any other transaction(s) entered into by the listed issuer involve acquisitions of assets from a person or group of persons or any of his/their associates within 24 months of such person or group of persons gaining control (as defined in the

Takeovers Code) of the listed issuer (other than at the level of its subsidiaries).

The listed issuer must provide details of the transactions to the Exchange to enable it to determine whether the transactions will be aggregated.

Note: This rule serves to set out certain specific circumstances where the listed issuer must seek guidance from the Exchange before it enters into any proposed transaction(s). The Exchange may nevertheless aggregate transactions pursuant to rule 19.22 and/or rule 19.06(6)(b) where no prior consultation was made by the listed issuer under rule 19.23A.

...

19.33 The table below summarises the notification, publication and shareholders' approval requirements which will generally apply to each category of notifiable transaction. However, listed issuers should refer to the relevant rules for the specific requirements.

	Notification to Exchange	Publication of an announcement on GEM website	Circular to shareholders	Shareholders' approval	Accountants' report
Share transaction	Yes	Yes	No	No ¹	No
Discloseable transaction	Yes	Yes	Yes <u>No</u>	No	No
Major transaction	Yes	Yes	Yes	Yes ²	Yes ³
Very substantial disposal	Yes	Yes	Yes	Yes ²	Yes ⁵
Very substantial acquisition	Yes	Yes	Yes	Yes ²	Yes ⁴
Reverse takeover	Yes	Yes	Yes	Yes ^{2,6}	Yes ⁴

Notes: 1 No shareholder approval is necessary if the consideration shares are issued under a general mandate. However, if the shares are not issued under a general mandate, the listed issuer is required, pursuant to rule 17.41(2), to obtain shareholders' approval in general meeting prior to the issue of the consideration shares.

2 Any shareholder and his associates must abstain from voting if such shareholder has a material interest in the transaction.

3 For acquisitions of businesses and/or companies only. The accountants' report is for the 3 preceding financial years on the business, company or companies being acquired (see also rule ~~19.67(6)~~19.67(4)).

4 An accountants' report for the 3 preceding financial years on any business, company or companies being acquired is required (see also rule 19.69(4)).

5 An accountants' report on the listed issuer's group is required (see also rule 19.68(2)).

6 Approval of the Exchange is necessary.

Exemptions for Qualified Property Acquisitions

which constitute major transactions or very substantial acquisitions

19.33A A Qualified Property Acquisition which constitutes a major transaction or very substantial acquisition is exempted from shareholders' approval. Listed issuers should refer to the relevant rules for specific requirements. The table below summarises the notification, publication and shareholders' approval requirements for a Qualified Issuer pursuant to a Qualified Property Acquisition.

	<u>Notification to Exchange</u>	<u>Publication of an announcement in accordance with chapter 16</u>	<u>Circular to shareholders</u>	<u>Shareholders' approval</u>	<u>Report in next published annual report and accounts</u>
<u>Qualified Property Acquisition undertaken on a sole basis that contain a capital element¹</u>	<u>Yes³</u>	<u>Yes³</u>	<u>Yes³</u>	<u>No¹</u>	<u>Yes⁴</u>
<u>Qualified Property Acquisition undertaken with non-connected person²</u>	<u>Yes³</u>	<u>Yes³</u>	<u>Yes³</u>	<u>No²</u>	<u>Yes⁵</u>

Notes: 1. The conditions for the exemption from shareholders' approval requirement under rules 19.40 to 19.46 and rules 19.49 to 19.53 are stated in rule 19.33A(2) below.

2. The conditions for the exemption from shareholders' approval requirement under rules 19.40 to 19.46 and rules 19.49 to 19.53 are stated in rule 19.33A(4) below.

3. Notification, announcement and circularisation requirements under chapter 19 apply as usual.

4. Annual reporting requirements are further described in rule 19.33A(2)(c) below.

5. Annual reporting requirements are further described in rule 19.33A(4)(g) below.

(1) Rule 19.33A applies to Qualified Issuer(s) (as defined in rule 19.04(10B)), engaging in acquisition of Qualified Property Project(s) (as defined in rule 19.04(10D)).

(2) A Qualified Property Acquisition (as defined in rule 19.04(10C)) undertaken on a sole basis, which is in the ordinary and usual course of business of the Qualified Issuer, is exempted from shareholders' approval requirement under rules 19.40 to 19.46 and rules 19.49 to 19.53, provided that all of the following conditions are satisfied:

(a) the Qualified Issuer must publish an announcement in accordance with chapter 16 upon notification of the success of its bid for the Qualified Property Project. For this purpose all requirements regarding announcements under chapter 19 apply in accordance with the classification and percentage ratios as usual;

(b) the Qualified Issuer must send to holders of its listed securities a circular with

details of the successful Qualified Property Acquisition as in any other transactions falling under chapter 19; and

(c) the Qualified Issuer must include appropriate details of the successful Qualified Property Acquisition and brief description of the status of the Qualified Property Acquisition in its next published annual report and accounts.

(3) For the purpose of chapters 19 and 20, Qualified Property Acquisition undertaken by a Qualified Issuer on a joint venture basis can be categorised as follows:

(a) joint venture with non-connected person(s);

(b) joint venture with “Qualified Connected Person(s)”; or

(c) joint venture with connected person(s) other than “Qualified Connected Person(s)”.

(4) Shareholders’ approval requirement under rules 19.40 to 19.46 and rules 19.49 to 19.53 is exempted for situations falling within rule 19.33A(3)(a) as described above, provided that all of the following conditions are satisfied:

(a) the project will be single purpose, relating to the acquisition and/or development of a specific property and consistent with the purpose specified in the auction or tender document;

(b) each joint venture arrangement must be in the ordinary and usual course of business of the Qualified Issuer, on an arm’s length basis and on normal commercial terms;

(c) without prejudice to any other necessary consent, the joint venture agreement must contain clause(s) to the effect that the entity may not, without the joint venture partners’ unanimous consent:

(i) change the nature or scope of its business, and if there are changes then such changes must still be consistent with the scope or purpose specified in the auction or tender document; or

(ii) enter into any transactions which are not on an arm’s length basis, whether with a connected person or not;

(d) the joint venture agreement must specify that the Qualified Issuer and its joint venture partner(s) will provide financing in the form of equity, shareholders’ loan and/or financial commitments to, or on behalf of, the joint venture on a several basis and in proportion to their respective equity interests;

(e) the joint venture agreement must specify that for the purpose of distribution of profit, the net proceeds from the sale and/or leasing of the land or property to be developed, redeveloped or refurbished after repayment of borrowings and payment of other costs and liabilities will be distributed in full to the joint venture partners in proportion to their respective equity interests, as also for repayment of shareholders’ loans and as distribution of the joint venture’s profit, if any;

(f) the Qualified Issuer must publish an announcement in accordance with chapter 16 upon notification of the success of a bid by the joint venture for a Qualified Property Acquisition and circularise details regarding the successful Qualified Property Acquisition. For this purpose, all requirements regarding announcement and circular under chapter 19 applies in accordance with the classification and percentage ratios as usual; and

(g) the Qualified Issuer must publish, in its annual report and accounts issued

subsequent to the successful bid of each and every Qualified Property Acquisition undertaken together with non-connected person(s) in the joint venture, at least the following details:

- (i) the terms of the joint venture;
- (ii) the status of the joint venture, including details of the successful Qualified Property Acquisition(s) made during the financial period;
- (iii) the dividend and distribution policy of the joint venture; and
- (iv) the financial and capital commitment of the joint venture and the Qualified Issuer's share therein.

(5) Requirements relating to situations falling within rule 19.33A(3)(b) are dealt with in chapter 20 under rules 20.72 to 20.79.

Note: Exemption under this rule 19.33A does not apply to situations falling within rule 19.33A(3)(c).

Requirements for all transactions

Notification and announcement

19.34 As soon as possible after the terms of a share transaction, discloseable transaction, major transaction, very substantial disposal, very substantial acquisition or reverse takeover have been finalised, the listed issuer must in each case:—

- (1) inform the Exchange; and

Note: Under rule 17.10, a listed issuer's notification obligations in respect of information expected to be price-sensitive arise as soon as that information is the subject of a decision.

- (2) ~~send to the Exchange a draft announcement. Once the announcement has been amended to take account of the Exchange's comments, the listed issuer must submit the an~~ announcement to the Exchange to be published on the GEM website as soon as possible. See also rule 19.37.

...

Additional requirements for ~~discloseable~~ major transactions

Circular

19.38 In addition to the requirements for all transactions set out in rules 19.34 to 19.37, a listed issuer which has entered into a ~~discloseable~~ major transaction must send a circular to its shareholders and the Exchange and arrange for its publication in accordance with the provisions of Chapter 16 within 21 days after publication of the announcement. ~~The circular must contain the information required under rules 19.63, 19.64, 19.65 (for an acquisition only) and 19.70 (for a disposal only). The Exchange may waive the requirement in this rule to issue a circular where all of the following conditions are satisfied:~~

- (1) ~~the transaction is an acquisition where new shares will be issued by the listed issuer as consideration;~~

- (2) ~~the acquisition is a discloseable transaction only because of the consideration ratio;~~
- (3) ~~the consideration was calculated based on the fair value, being market value, of the equity capital; and~~
- (4) ~~all the other percentage ratios (i.e. the assets ratio, profits ratio, revenue ratio and equity capital ratio) are less than 5%.~~

19.39 ~~Drafts of the circular, in anticipated final form, must be submitted to the Exchange for review as soon as practicable after publication of the announcement. The listed issuer may not issue the circular until the Exchange confirms that it has no further comments. [Repealed 1 January 2009]~~

Additional requirements for major transactions

Shareholders' approval

19.40 ~~In the case of a major transaction, the listed issuer must comply with the requirements for all transactions and for discloseable transactions set out in rules 19.34 to 19.39. In addition, a Δ major transaction must be made conditional on approval by shareholders.~~

...

19.46 The Exchange will require any shareholder and his associates to abstain from voting at the relevant general meeting on the relevant resolution(s) if such shareholder has a material interest in the transaction and will not accept written approval for the transaction. ~~Where any shareholder is required to abstain from voting, any vote of shareholders taken at the general meeting on the relevant resolution(s) must be taken on a poll.~~

19.47 ~~If any vote of shareholders at the general meeting was taken on a poll, the listed issuer shall announce the results of the poll in the manner prescribed under rule 17.47(5). [Repealed 1 January 2009]~~

Additional requirements for very substantial disposals and very substantial acquisitions

19.48 In the case of a very substantial disposal or a very substantial acquisition, the listed issuer must comply with the requirements for all transactions and for ~~discloseable~~ major transactions set out in rules 19.34 to ~~19.38~~ 19.39.

19.49 A very substantial disposal and a very substantial acquisition must be made conditional on approval by shareholders in general meeting. No written shareholders' approval will be accepted in lieu of holding a general meeting. The Exchange will require any shareholder and his associates to abstain from voting at the relevant general meeting on the relevant resolution(s) if such shareholder has a material interest in the transaction. ~~Where any shareholder is required to abstain from voting, any vote of shareholders taken at the general meeting on the relevant resolution(s) must be taken on a poll.~~

19.50 ~~If any vote of shareholders at the general meeting was taken on a poll, the listed issuer shall announce the results of the poll in the manner prescribed under rule 17.47(5). [Repealed 1 January 2009]~~

...

19.55 A reverse takeover must be made conditional on approval by shareholders in general meeting. No written shareholders' approval will be accepted in lieu of holding a general meeting. The Exchange will require any shareholder and his associates to abstain from voting at the relevant general meeting

on the relevant resolution(s) if such shareholder has a material interest in the transaction. Furthermore, where there is a change in control of the listed issuer as referred to in rule 19.06(6) and any person or group of persons will cease to be a controlling shareholder (the “outgoing controlling shareholder”) by virtue of a disposal of his shares to the person or group of persons gaining control (the “incoming controlling shareholder”), any of the incoming controlling shareholder’s associates or an independent third party, the outgoing controlling shareholder and his associates may not vote in favour of any resolution approving an injection of assets by the incoming controlling shareholder or his associates at the time of the change in control. ~~Where any shareholder is required to abstain from voting, any vote of shareholders taken at the general meeting on the relevant resolution(s) must be taken on a poll.~~

...

19.56 ~~If any vote of shareholders at the general meeting was taken on a poll, the listed issuer shall announce the results of the poll in the manner prescribed under rule 17.47(5). [Repealed 1 January 2009]~~

...

19.60A In addition to the information set out in rule 19.60, where the announcement for a discloseable transaction contains a profit forecast as referred to in rule 19.62, the announcement must contain the following information or the issuer must publish a further announcement containing the following information within 21 days after the publication of the announcement:

- (1) the information specified in paragraph 29(2) of Appendix 1, Part B; and
- (2) information regarding the expert statements contained in the announcement, which is specified in paragraph 5 of Appendix 1, Part B.

...

19.62 Where the announcement contains a profit forecast in respect of the listed issuer or a company which is, or is proposed to become, one of its subsidiaries, the listed issuer must submit the following additional information and documents to the Exchange by no later than the publication of at the same time as the such draft announcement:—

- (1) ...

Contents of circulars

General principles

19.63 A circular for a ~~discloseable transaction~~, major transaction, very substantial disposal or very substantial acquisition and a listing document for a reverse takeover sent by a listed issuer to holders of its listed securities must:—

- (1) ...

Discloseable transaction circulars

19.64 ~~All circulars relating to discloseable transactions must contain the following:~~

- (1)
.....

- (10) [Repealed 1 January 2009]

19.65 ~~In addition to the requirements set out in rule 19.64, a circular issued in relation to an acquisition constituting a discloseable transaction must contain:~~

~~(1) —~~

~~(2) —~~

~~(3) —[Repealed 1 January 2009]~~

Major transaction circulars

19.66 A circular relating to a major transaction must ~~also~~ contain the following: —

~~(1) the information required under rule 19.64;~~

(1) a prominent and legible disclaimer on the front cover or inside front cover of the circular in the form set out in rule 2.19;

(2) a statement, at a prominent position in the document, and in bold type, about the characteristics of GEM, in the form set out in rule 2.20;

(3) the information regarding the listed issuer specified in the following paragraphs of Appendix 1, Part B:—

1- name

2- directors' responsibility

5- expert statements

29(2)- requirements if there is a profit forecast

33- litigation statement

35- details of secretary and other officers

36- address of registered office and head office;

(4) information regarding interests of directors and chief executive in the listed issuer required under paragraphs 34, 38 and 38A of Appendix 1, Part B;

(5) information which is required to be included in the announcement under rule 19.60;

(6) information concerning the effect of the transaction on the earnings and assets and liabilities of the listed issuer;

(7) where a company either becomes a subsidiary or ceases to be a subsidiary of the listed issuer:-

(a) the percentage of the issued share capital (if any) held by the listed issuer in that company after the acquisition or disposal; and

(b) in the case of a disposal, a statement whether the remaining shares are to be sold or retained;

(8) details of any existing or proposed service contracts of directors and proposed directors of

the listed issuer, or an appropriate negative statement;

Note: Details of contracts to expire or which may be terminated by the employer within a year without payment of any compensation (other than statutory compensation) need not be included.

(9) information as to the competing interests (if any) of the Compliance Adviser and each of the directors, employees and associates (as referred to in rule 6A.32) and each of the directors of the listed issuer and his/her respective associates (as would be required to be disclosed under rule 11.04 if each of them were a controlling shareholder);

(10) any additional information requested by the Exchange;

(112) the information regarding the listed issuer specified in the following paragraphs of Appendix 1, Part B:-

~~8A- procedures for demanding a poll by shareholders~~

28- indebtedness

29(1)(b)- financial and trading prospects

30- sufficiency of working capital

40- directors' and experts' interests in group assets

41- material contracts

42- documents on display;

(123) where required by Chapter 8, a valuer's report on the property being acquired or disposed of;

(134) where the circular contains a statement as to the sufficiency of working capital, the Exchange will require a letter from the listed issuer's financial advisers or auditors confirming that:-

(a) the statement has been made by the directors after due and careful enquiry; and

(b) the persons or institutions providing finance have confirmed in writing that such facilities exist; and

(145) where applicable, the information required under rule 2.28.

19.67 In addition to the requirements set out in rule 19.66, a circular issued in relation to an acquisition constituting a major transaction must contain:-

(1) ~~information required under rule 19.65;~~

(1) the information required under paragraphs 9 and 10 of Appendix 1, Part B, if the acquisition involves securities for which listing will be sought;

(2) the information required under paragraph 22(1) of Appendix 1, Part B, if new shares are to be issued as consideration;

(3) where the consideration for a transaction includes the listed issuer's shares or securities that are convertible into the listed issuer's shares, a statement whether the transaction will result in a change of control of the listed issuer;

(42) the information regarding the listed issuer required under paragraphs 31 (financial

information) and 32 (no material adverse change) of Appendix 1, Part B;

- ~~(53)~~ the information required under paragraph 34 of Appendix 1, Part B, in relation to each new director and member of senior management joining the listed issuer in connection with the transaction;

Note: The fact that any director or proposed director is a director or employee of a company which has an interest or short position in the shares or underlying shares of the listed issuer which would fall to be disclosed to the listed issuer under the provisions in Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance need not be stated.

- ~~(64)~~ (a) on an acquisition of any business, company or companies:

(i) ...

- ~~(75)~~ a management discussion and analysis of results of the business, company or companies being acquired covering all those matters set out in rule 18.41 for the period reported on in the accountants' report.

Inability to access information to compile circulars for major transactions or very substantial acquisitions

19.67A (1) Where a listed issuer has acquired and/or agreed to acquire equity capital in a company and the transaction constitutes a major transaction or a very substantial acquisition, and the listed issuer does not have access or only has limited access to the non-public information on the target company that would be required for the purpose of complying with the disclosure requirements in respect of the target company and the enlarged group under rules 19.66 and 19.67 (for a major transaction) or rule 19.69 (for a very substantial acquisition), then the listed issuer may defer complying with certain of the disclosure requirements in the manner set out in paragraphs (2) and (3) below, provided that the following conditions are demonstrated to the satisfaction of the Exchange:

- (a) the unavailability of non-public information is caused by the lack of co-operation of the board of directors in the target company (such as in the case of a hostile takeover) and/or legal or regulatory restrictions in providing non-public information to the listed issuer;
- (b) the target company is listed on a regulated, regularly operating, open stock exchange recognised by the Exchange (including the Main Board or GEM); and
- (c) the target company will become a subsidiary of the listed issuer.

(2) Subject to the conditions in paragraphs (1)(a), (b) and (c) being satisfied, the listed issuer may defer complying with the disclosure requirements for certain non-public information relating to the target company and/or the enlarged group. In such circumstances, the listed issuer must despatch an initial circular in partial compliance with rules 19.66 and 19.67 or rule 19.69 within the time frames stipulated in rules 19.38 and 19.42 or rules 19.48 and 19.52. The initial circular shall include, as a minimum, the following:

- (a) material public information (and other available information of which the listed issuer is aware and is free to disclose) of the target company to enable shareholders to make an informed voting decision with respect to the proposed acquisition. This would include:
- (i) published audited financial information of the target company for the

preceding three years (and the latest published unaudited interim accounts) together with a qualitative explanation of the principal differences, if any, between the target company's accounting standards and those of the listed issuer's which may have a material impact on the financial statements of the target company; and

(ii) other information of the target company and its group of companies in the public domain or made available by the target company and which the listed issuer is aware and free to disclose;

(b) where information required for the enlarged group is not available, to include the following information regarding the listed issuer:

(i) statement of indebtedness (see rule 19.66(11), paragraph 28 and Note 2 to Appendix 1, Part B);

(ii) statement of sufficiency of working capital (see rule 19.66(11), paragraph 30 and Note 2 to Appendix 1, Part B);

(iii) valuation report on land and/or buildings (this is applicable only to very substantial acquisitions, see rule 19.69(3));

(iv) management discussion and analysis of results (this is applicable only to very substantial acquisitions, see rule 19.69(8));

(v) statement as to the financial and trading prospects (see rule 19.66(11), paragraph 29(1)(b) and Note 2 to Appendix 1, Part B);

(vi) particulars of any litigation or claims of material importance (see rule 19.66(3), paragraph 33 and Note 2 to Appendix 1, Part B);

(vii) particulars of directors' or experts' interests in group assets (see rule 19.66(11), paragraph 40 and Note 2 to Appendix 1, Part B);

(viii) material contracts and documents for inspection (see rule 19.66(11), paragraphs 41, 42 and Note 2 to Appendix 1, Part B); and

(c) the reasons why access to books and records of the target company has not been granted to the listed issuer.

(3) Where an initial circular has been despatched by a listed issuer under paragraph (2) above, the listed issuer must despatch a supplemental circular at a later date which contains: (i) all the prescribed information under rules 19.66 and 19.67 or rule 19.69 which has not been previously disclosed in the initial circular; and (ii) any material changes to the information previously disclosed in the initial circular. The supplemental circular must be despatched to shareholders within 45 days of the earlier of: the listed issuer being able to gain access to the target company's books and records for the purpose of complying with the disclosure requirements in respect of the target company and the enlarged group under rules 19.66 and 19.67 or rule 19.69; and the listed issuer being able to exercise control over the target company.

...

Very substantial acquisition circulars and reverse takeover listing documents

19.69 A circular issued in relation to a very substantial acquisition or a listing document issued in relation to a reverse takeover must contain:-

- (1) in respect of a listing document issued in relation to a reverse takeover,
 - (a) the information required under rule ~~19.66~~~~19.64~~ (save for the information required under rules ~~19.64(3) and 19.64(4)~~~~19.66(3), 19.66(4), 19.66(11) and 19.66(12)~~) and under rules ~~19.67(3)~~~~19.65(3) and 19.66(4)~~; and
 - (b) the information required under Appendix 1, Part A, if applicable, except paragraphs 8 and 15(3) (in respect of the 12 months preceding the issue of the circular or listing document) and 20(1); ~~and~~
 - (c) ~~the information required under rule 2.28; [Repealed 1 January 2009]~~
- (2) in respect of a circular issued in relation to a very substantial acquisition, the information required under rules 19.66 to 19.67 (save for the information required under rules 19.66(~~12~~~~3~~) and 19.67(~~6~~~~4~~)) and rule 2.28;

(3) ...

Additional requirements for circulars in respect of disposals

19.70 In addition to the requirements set out in rules ~~19.64 and~~ 19.66, a circular issued in relation to a disposal constituting a ~~discloseable transaction or~~ a major transaction must contain:—

(1) ...

...

Circulars for specific types of companies

19.71A Where a discloseable transaction, major transaction or very substantial acquisition involves a Qualified Property Acquisition entered into pursuant to a General Property Acquisition Mandate as defined and described in rule 20.10 and rule 20.74, the Qualified Issuer shall comply with additional circularisation, announcement and reporting requirements with details as described in chapter 20 under rules 20.75 to 20.78.

...

19.79 If a listed issuer makes or receives a takeover offer, the listed issuer must submit ~~drafts of all documents to be issued in connection with the takeover or merger to the Exchange for review before they are issued.~~ Copies of the following final documents issued in connection with the takeover or merger must be supplied to the Exchange at the time of issue in the following numbers:

- (a) in the case of a document which is in the nature of a financial report, 1 copy; and
- (b) in any other case, such number as the Exchange may from time to time request.

Note: The Exchange will pass its comments on any draft document submitted to it for approval that relates to a matter covered by the Takeovers Code directly to the party that submits the draft document (or its advisers). The Exchange will at the same time provide a copy of such comments to the Commission.

...

19.90 In respect of the shareholders' approval required under rule 19.89(2):

...

- (2) the listed issuer must comply with rules 17.47(4), (5), (6) and (7) and rules 17.47A, 17.47B and 17.47C.

...

Chapter 20

General matters concerning definitions and interpretation

20.10 In this Chapter:

...

(4A) “General Property Acquisition Mandate” means an authority granted to a Qualified Issuer in advance by its shareholders in an annual general meeting to engage in Qualified Property Acquisitions;

...

(10A) “Qualified Connected Person” means any person that is a connected person (defined in rule 20.11), of the Qualified Issuer, solely because such person is a substantial shareholder with or without representation on the board in one or more non-wholly-owned subsidiaries of the Qualified Issuer formed to participate in property projects, each of which is single purpose and project specific;

(10B) “Qualified Issuer(s)” means listed issuer(s) actively engaged in property development as a principal business activity;

(10C) “Qualified Property Acquisition(s)” means acquisition(s) of Qualified Property Project(s) that contain a capital element. Depending on the percentage ratios, Qualified Property Acquisition may fall into one of the classifications set out in rule 19.06;

(10D) “Qualified Property Project(s)” means land or property development project(s) acquired in Hong Kong from Government or Government-controlled entities through public auctions or tenders;

...

(13) a “transaction” by an issuer, whether or not it is of a revenue nature in the ordinary and usual course of business as defined in rule 19.04(1)(g), includes:

...

(i) ...; ~~and~~

(j) ...; ~~and~~

(k) a Qualified Property Acquisition.

...

Definition of connected transaction

20.13 A connected transaction is:

...

Joint ventures

- (6) the entering into of any arrangement or agreement involving the formation of a joint venture entity in any form, such as a partnership or a company, or any other form of joint arrangement by a listed issuer and a connected person (see rule 20.10(13)(f)). Qualified Property Acquisition undertaken on a joint venture basis with a Qualified Connected Person is governed by rules 20.72 to 20.79. In this case, the size of a listed issuer's financial commitment will be calculated in the manner set out in rule 19.15(2).

...

20.18 The Exchange will require that connected transactions and continuing connected transactions are made conditional on prior approval by the shareholders of the listed issuer in general meeting. The listed issuer must ensure that the following parties abstain from voting at the relevant meeting on resolution(s) approving the relevant transactions:

- (1) any connected person with a material interest in the transaction; and
- (2) any person falling within rules 20.13(1)(b)(i) to (iv) that has a material interest in the transaction and its associates,

and a statement that such persons will not vote must be included in the relevant circular to shareholders. ~~Pursuant to rule 20.52, any vote at such meeting must be taken by poll.~~

...

20.27A For the purposes of aggregating connected transactions under rule 20.25, a listed issuer must consult the Exchange before it enters into any proposed connected transaction(s) if:

- (1) any circumstances described in rule 20.26 or rule 20.27 exist in respect of such proposed connected transaction(s) and any other connected transaction(s) entered into by the listed issuer in the preceding 12-month period; or
- (2) the proposed connected transaction(s) and any other transaction(s) entered into by the listed issuer involve acquisitions of assets from a person or group of persons or any of his/their associates within 24 months of such person or group of persons gaining control (as defined in the Takeovers Code) of the listed issuer (other than at the level of its subsidiaries).

The listed issuer must provide details of the transactions to the Exchange to enable it to determine whether the transactions will be aggregated.

Note: This rule serves to set out certain specific circumstances where the listed issuer must seek guidance from the Exchange before it enters into any proposed connected transaction(s). The Exchange may nevertheless aggregate connected transactions pursuant to rule 20.25 where no prior consultation was made by the listed issuer under rule 20.27A.

...

Connected transactions (other than those involving financial assistance ~~or~~ the granting of options) or Qualified Property Acquisitions under a General Property Acquisition Mandate) exempt from the independent shareholders' approval requirements

20.32 ...

...

20.47 Issuers proposing to enter into a connected transaction or a continuing connected transaction which is subject to announcement requirements must:—

- (1) notify the Exchange as soon as possible after the terms of the transaction have been agreed;

Note: Under rule 17.10, a listed issuer's notification obligations in respect of information expected to be price-sensitive arise as soon as that information is the subject of a decision.

- (2) ~~send to the Exchange a draft announcement. Once the announcement has been amended to take account of the Exchange's comments, the listed issuer must submit the an announcement to the Exchange to be published on the GEM website as soon as possible; and~~

Note: Where the connected transaction is also a share transaction, major transaction, very substantial disposal, very substantial acquisition or reverse takeover, rule 19.37 (requirement for short suspension of dealings) also applies.

- (3) comply with rules 20.45 or 20.46 (the reporting requirements).

...

20.50 ~~Drafts of the circular, in anticipated final form, must be submitted to the Exchange for review as soon as practicable after publication of the announcement. The listed issuer may not issue the circular until the Exchange confirms that it has no further comments. [Repealed 1 January 2009]~~

...

20.52 The transaction and, in the case of a continuing connected transaction, the cap, must be made conditional on approval by independent shareholders at the time when the listed issuer enters into the transaction. ~~Any vote taken at a meeting held to seek approval of a connected transaction or a continuing connected transaction or associated cap must be taken by poll. The listed issuer shall announce the results of the poll in the manner prescribed under rule 17.47(5).~~

...

20.59 The circular must contain at least:

- (1) a prominent and legible disclaimer on ~~the~~ its front cover or inside front cover in the form set out in rule 2.19;

...

- (4) the information regarding the listed issuer specified in the following paragraphs of Appendix 1, Part B:

1 — name

2 — directors' responsibility

5 — expert statements

~~8A — procedures for demanding a poll by shareholders~~

10 — securities to be issued (if applicable)

29(2) — requirements if there is a profit forecast (see rule 19.61 for the definition of "profit forecast")

32 — no material adverse change

39 — directors' service contracts

40 — directors' interests in assets

42(2)(a) & (c) — documents on display

...

Qualified Property Acquisitions and General Property Acquisition Mandate

General

20.72 The table below summarises the notification, publication and shareholders' approval requirements for a Qualified Issuer pursuant to a Qualified Property Acquisition undertaken with a Qualified Connected Person.

	<u>Notification to Exchange</u>	<u>Publication of announcement in accordance with chapter 16</u>	<u>Circular to shareholders</u>	<u>Shareholder's approval and Independent shareholders' approval</u>	<u>Report in next published annual report and accounts</u>
<u>Qualified Property Acquisition undertaken with Qualified Connected Person</u>	<u>Yes</u> ²	<u>Yes</u> ¹	<u>Yes</u> ¹	<u>General Property Acquisition Mandate obtained in advance from shareholders in annual general meeting</u>	<u>Yes</u> ³

Notes: 1. See rules 20.75 and 20.76 below for details.

2. Notification to the Exchange under rule 20.47 applies when the General Property Acquisition Mandate has been approved by a vote of shareholders at an annual general meeting as well as when the Qualified Issuer is advised of the success of a bid by the joint venture for a Qualified Property Acquisition.

3. Details of the annual reporting requirements are stated in rule 20.77.

Exempt from shareholders' approval requirements

but subject to requirements for notification, circularisation, reporting, announcement and General Property Acquisition Mandate

20.73 A Qualified Property Acquisition undertaken on a joint venture basis with a Qualified Connected Person where a Qualified Issuer has previously obtained a General Property Acquisition Mandate is exempted from shareholders' approval requirement under rules 19.40 to 19.46 and rules 19.49 to 19.53 and independent shareholders' approval requirements under rules 20.18 to 20.20, but is subject to notification, circularisation, reporting and announcement requirements as described under chapter 19 and chapter 20, where applicable, as well as, pursuant to the General Property Acquisition Mandate, additional notification, announcement, circularisation and reporting requirements as described under rules 20.74 to 20.79 below.

Conditions for General Property Acquisition Mandate

- 20.74 (1) For situations described in rule 20.73 above, and for a Qualified Issuer to be eligible for prior shareholders' approval by way of a General Property Acquisition Mandate, Qualified Property Project(s) set up with Qualified Connected Person(s) in a joint venture arrangement must satisfy the conditions set out under (a) to (e) below:
- (a) the project(s) will be single purpose, relating to the acquisition and/or development of a specific property and consistent with the purpose specified in the auction or tender document;
 - (b) each joint venture arrangement must be in the ordinary and usual course of business of the Qualified Issuer, on an arm's length basis and on normal commercial terms;
 - (c) without prejudice to any other necessary consent, the joint venture agreement must contain clause(s) to the effect that the entity may not, without the joint venture partners' unanimous consent:
 - (i) change the nature or scope of its business, and if there are changes then such changes must still be consistent with the scope or purpose specified in the auction or tender document; or
 - (ii) enter into any transactions which are not on an arm's length basis, whether with a connected person or not;
 - (d) the joint venture agreement must specify that the Qualified Issuer and its joint venture partner(s) will provide financing in the form of equity, shareholders' loan and/or financial commitments to, or on behalf of, the joint venture on a several basis and in proportion to their respective equity interests; and
 - (e) the joint venture agreement must specify that for the purpose of distribution of profit, the net proceeds from the sale and/or leasing of the land or property to be developed, redeveloped or refurbished after repayment of borrowings and payment of other costs and liabilities will be distributed in full to the joint venture partners in proportion to their respective equity interests, as also for repayment of shareholders' loans and as distribution of the joint venture's profit, if any.
- (2) A proposed "Annual Cap" must be set on a maximum aggregate annual basis in relation to the Qualified Issuer's attributable portion of financial and capital commitment in respect of the formation of one or more property joint ventures for Qualified Property Acquisitions under a General Property Acquisition Mandate. In this case, the size of the Qualified Issuer's financial and capital commitment therein will be calculated in the manner set out in rule 19.15(2).
- (3) A proposed Annual Cap must be expressed in terms of monetary value rather than a percentage of the issuer's annual revenue as derived from its latest published audited accounts or where consolidated accounts have been prepared, its latest published audited consolidated accounts (see rule 20.35(2) for reference).

- (4) Both the independent board committee (as referred to in rules 17.47(6), 17.47(7) and 20.58(3)(c)) and the independent financial adviser (as referred to in rules 17.47(7)(b) and 20.22) must have opined affirmatively that the proposed Annual Cap and the underlying assumptions are reasonable for the proposed General Property Acquisition Mandate to be voted upon.
- (5) The General Property Acquisition Mandate, including the maximum monetary value to be attached to a proposed Annual Cap, must be approved by shareholders in annual general meeting. No written shareholders' approval will be accepted in lieu of holding a general meeting, and shareholders' meeting waiver under rules 19.44 or 20.43 is not applicable for this purpose.

Circular regarding General Property Acquisition Mandate

- 20.75 (1) Where a General Property Acquisition Mandate is proposed as a resolution in an annual general meeting of a Qualified Issuer, the circular to shareholders should contain information as described under rules 20.58 to 20.62, where applicable, and must also contain the following:
- (a) a separate letter from the independent board committee;
 - (b) a separate letter from the independent financial adviser;
 - (c) a confirmation statement that both the independent board committee and the independent financial adviser have opined affirmatively that the proposed Annual Cap and the underlying assumptions are reasonable for the proposed General Property Acquisition Mandate to be voted upon;
 - (d) a statement that the duration of the General Property Acquisition Mandate and the Annual Cap would continue to be in force only until:
 - (i) the conclusion of the first annual general meeting of the Qualified Issuer following the passing of the resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions, or
 - (ii) revoked or varied by ordinary resolution of the shareholders in a general meeting,whichever occurs first;
 - (e) the purpose and intended use of the General Property Acquisition Mandate, including a statement that the General Property Acquisition Mandate is only applicable to the Qualified Issuer proposing to enter into one or more Qualified Property Acquisition(s) undertaken with Qualified Connected Person(s);
 - (f) a statement that the conditions that are required to be fulfilled as set out in rule 20.74(1)(a) to (e) above have been met;
 - (g) in relation to the proposed Annual Cap, the circular must contain:
 - (i) detailed description of the proposed Annual Cap for the purpose of the General Property Acquisition Mandate and an explanation of how and the basis upon which it was calculated; and

(ii) details of the assumptions upon which the proposed Annual Cap was based must be stated.

Note: See rules 20.74(2) to (3) above.

(h) a statement by the directors of the Qualified Issuer that in their opinion the working capital available to the group will be sufficient or, if not, how it is proposed to provide the additional working capital thought by the directors to be necessary in light of the expected Qualified Property Acquisitions and the Annual Cap proposed.

(2) A Qualified Issuer must notify the Exchange in accordance with rule 20.47 when the General Property Acquisition Mandate has been approved by a vote of shareholders at an annual general meeting.

Announcement and circular requirements following notification

of a successful Qualified Property Acquisition under a General Property Acquisition Mandate

20.76 (1) A Qualified Issuer must notify the Exchange in accordance with rule 20.47(1) when it has been notified of the success of a bid for a Qualified Property Acquisition undertaken together with Qualified Connected Person(s) under a General Property Acquisition Mandate. The notification must be made immediately upon the bid becoming legally binding.

(2) A Qualified Issuer must publish an announcement in accordance with chapter 16 upon notification of the success of a bid by a joint venture for a Qualified Property Acquisition and circularise details regarding the successful Qualified Property Acquisition. For this purpose all requirements regarding announcement and circular under chapter 19 and chapter 20 apply in accordance with the classification and percentage ratios as usual.

(3) A Qualified Issuer must submit to the Exchange written confirmation, upon the successful Qualified Property Acquisition being legally binding, that the controlling shareholder(s) of the Qualified Issuer and the associates (as defined in rule 20.11(4)) of the controlling shareholder(s) do not have any material business dealings or relationships with the joint venture partner(s) or its controlling shareholder(s) or its/their associates. For this purpose, any material business dealings or relationships with the joint venture partner(s), its controlling shareholder(s) or its/their associates do not include existing property joint venture arrangement(s) with the joint venture partner(s) or its controlling shareholder(s) or its/their associates that would meet the conditions of the exemption.

Reporting and reviewing requirements in annual report and accounts

20.77 (1) A Qualified Issuer must publish, in its annual report and accounts issued subsequent to the passing of a resolution approving a General Property Acquisition Mandate, at least the following:

(a) detailed description of the General Property Acquisition Mandate and the pertaining

Annual Cap, and an explanation of how and the basis upon which the Annual Cap was calculated;

- (b) details of the assumptions upon which the Annual Cap was based;
- (c) the remaining and used up Annual Cap expressed in terms of monetary value, rather than a percentage of the Qualified Issuer's annual revenue or other relative measures; and
- (d) the remaining and used up Annual Cap stated on an aggregate annual basis in relation to the attributable portion of financial and capital commitment in respect of the formation of one or more property joint ventures for Qualified Property Acquisitions by the Qualified Issuer. In this case, the size of the Qualified Issuer's financial and capital commitment therein will be calculated in the manner set out in rule 19.15(2).

(2) A Qualified Issuer must publish, in its annual report and accounts issued subsequent to the successful bid of each and every Qualified Property Acquisition undertaken with a Qualified Connected Person in a joint venture under a General Property Acquisition Mandate, at least the following details:

- (a) the terms of the joint venture;
- (b) the status of the joint venture, including details of the successful Qualified Property Acquisition(s) made during the financial period;
- (c) the dividend and distribution policy of the joint venture;
- (d) the financial and capital commitment of the joint venture and the Qualified Issuer's share therein; and
- (e) the amount of Annual Cap remaining after each successful joint venture committed within the valid duration of a General Property Acquisition Mandate.

20.78 Each year the independent board committee of the Qualified Issuer must review each and every Qualified Property Acquisition entered into during the financial year together with a Qualified Connected Person in a joint venture under a General Property Acquisition Mandate, and confirm in the annual report and accounts that:

- (1) they have considered an opinion letter from an independent financial adviser (see rule 20.22);
- (2) they have reviewed each and every transaction under joint venture arrangements entered into during the year by the Qualified Issuer with Qualified Connected Person(s) under a General Property Acquisition Mandate and confirm that:
 - (a) the successful transaction has been carried out in accordance with the initial purpose of the joint venture;
 - (b) the relevant agreement(s) governing the successful transaction are based on terms that are fair and reasonable and in the interests of the shareholders of the Qualified Issuer as a whole; and

- (c) the conditions and requirements set out in rules 20.72 to 20.79, where applicable, have been complied with by the Qualified Issuer.

Refreshment of the General Property Acquisition Mandate

20.79 Where a Qualified Issuer has obtained a General Property Acquisition Mandate from its shareholders pursuant to the conditions as set out in rules 20.74 to 20.78:

- (1) any refreshments of the General Property Acquisition Mandate and the Annual Cap before the next annual general meeting must be approved by shareholders in a general meeting. For this purpose, no written shareholders' approval will be accepted in lieu of holding a general meeting and shareholders' meeting waiver under rules 19.44 or 20.43 is not applicable; and
- (2) the relevant circular to shareholders proposing early refreshment of another General Property Acquisition Mandate must contain the following information:
- (a) information as set out in rule 20.75(1), but for the new proposed mandate;
- (b) information relating to the usage of the existing mandate;
- (c) the Qualified Issuer's history of refreshments of General Property Acquisition Mandate since the last annual general meeting when the existing mandate was approved; and
- (d) details and status of each of the qualified property joint ventures that were formed under the existing General Property Acquisition Mandate.

...

Chapter 23

23.02 (1) ...

...

- (4) All circulars and announcements required under this Chapter must contain on the front cover or inside front cover of the circular or at the top of the announcement (as the case may be) a prominent and legible disclaimer in the following terms:

"Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this [circular/announcement], makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this [circular/announcement]."

...

23.04 ...

- (2) Pursuant to rule 17.47(4), any vote taken at the meeting to approve the grant of such options must be taken on a poll. Listed issuers must comply with the requirements set out in rules 17.47(5), 17.47A, 17.47B and 17.47C.

...

Despatch of circular and publication of announcement

23.06 ~~A draft of the scheme, the circular and/or the announcement as required under this Chapter, in a reasonably advanced form, must be submitted to the Exchange for review as soon as possible. The listed issuer may not issue the circular or the announcement until the Exchange confirms that it has no further comments.~~—The circular required under this Chapter should be despatched to the shareholders no later than the date on which the listed issuer gives notice of the general meeting to approve the scheme or related matters as required under this Chapter.

Announcement on grant of options

23.06A As soon as possible upon the granting by the listed issuer of an option under the scheme, the listed issuer must publish an announcement in accordance with the requirements of Chapter 16 setting out the following details:

- (1) date of grant;
- (2) exercise price of options granted;
- (3) number of options granted;
- (4) market price of its securities on the date of grant;
- (5) where any of the grantees is a director, chief executive or substantial shareholder of the listed issuer, or an associate of any of them, the names of such grantees and the number of options granted to each of them; and
- (6) validity period of the options.

...

Chapter 24

24.06 The following modifications apply to the requirements of Chapter 12:—

...

- (2) the declaration, undertaking and acknowledgement to be lodged under rule ~~12.23(2)~~ 12.26(9) may require adjustment by virtue of the laws to which the overseas issuer is subject.

...

Chapter 25

25.15 ...

- (2) The forms of declaration, undertaking and acknowledgement to be lodged under rule ~~25.16(4)~~ 12.26(9) may require additional adjustment by virtue of the laws to which the PRC issuer is subject.

25.16 In addition to the documentary requirements of rule 12.22, the following documents must be lodged with the Exchange, for initial review, at time of submitting a listing application:—

...

...

- (4) ~~a formal declaration, a written confirmation and~~ undertaking and acknowledgement pursuant to rule 12.23(2a) in the form set out in Appendix 6B, duly signed by each director and proposed director, ~~and in the form set out in Appendix 6C, duly signed by each~~ supervisor and proposed supervisor (or promptly after any supervisor is elected); and

...

Pre-emptive rights

25.23 The requirements of rules 17.39 to 17.41 are replaced in their entirety by the following provision:-

“17.39 Except in the circumstances mentioned in rule 17.41, the directors of the PRC issuer shall obtain the approval by a special resolution of shareholders in general meeting and the approvals by special resolutions of holders of domestic shares and overseas listed foreign shares (and, if applicable, H shares) (each being otherwise entitled to vote at general meetings) at separate class meetings conducted in accordance with the PRC issuer’s articles of association, prior to:-

- (1) authorising, allotting, issuing or granting:-
- (1a) shares;
 - (2b) securities convertible into shares; and
 - (3e) options, warrants or similar rights to subscribe for any shares or such convertible securities; ~~and~~
- (2) ~~any major subsidiary of the PRC issuer making any such authorisation, allotment, issue or grant so as materially to dilute the percentage equity interest of the PRC issuer and its shareholders in such subsidiary.~~

Notes: 1 Importance is attached to the principle that a shareholder should be able to protect his proportion of the total equity by having the opportunity to subscribe for any new issue of equity securities. Accordingly, unless shareholders otherwise permit, all issues of equity securities by the PRC issuer must be offered to the existing shareholders (and, where appropriate, to holders of other equity securities of the PRC issuer entitled to be offered them) pro-rata to their existing holdings, and only to the extent that the securities offered are not taken up by such persons may they be allotted or issued to other persons or otherwise than pro-rata to their existing holdings. This principle may be waived by the shareholders themselves on a general basis, but only within the limits of rule 17.41.

2 The restriction in rule 17.39(2) does not apply if the subsidiary is itself listed on GEM because it is then, itself, bound by the pre-emptive provisions of the GEM Listing Rules. The PRC issuer should normally ensure that its equity interests in a major subsidiary are not materially diluted through any new issue by such subsidiary of equity capital or securities having an equity element

~~without the consent of the PRC issuer's shareholders. In the case of a rights issue, if the PRC issuer does not propose to take up its rights, an arrangement may be made for rights to be offered to the PRC issuer's shareholders so that they can thus avoid a material dilution in their percentage equity interests.~~

~~3 For the purposes of rule 17.39(2), a "major subsidiary" has the same meaning as in rule 17.27(2).~~

~~4 Dilution in a subsidiary is taken to be material:~~

~~(a) where, following an allotment of shares, the subsidiary will cease to be consolidated in the accounts of the issuer; or~~

~~(b) where any of the percentage ratios under rule 19.04(9) is 5% or more.~~

~~5 If the subsidiary is itself a listed issuer and an allotment of shares is made in connection with a scrip dividend scheme where the issuer (or issuer's group) has elected to receive a cash alternative which results in the issuer (or issuer's group) ceasing to hold a majority interest in the subsidiary, the Exchange may be prepared to grant a waiver from treating this as a material dilution of interest. For such a waiver to be granted it will be necessary for the issuer to demonstrate that the reduction in interest is unintentional, temporary in nature, and that the issuer will, within a reasonable period of time, restore its majority holding in the subsidiary.~~

~~..."~~

...

Chapter 31

Response to enquiries

31.05 ...

Note: If the directors of the issuer are not aware of any matter that might have relevance to such movements (and only in such circumstances) the issuer should issue an announcement in the following form:—

"This announcement is made at the request of The Stock Exchange of Hong Kong Limited. Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

..."

...

Practice Note 2

...

DUE DILIGENCE BY SPONSORS IN RESPECT OF INITIAL LISTING APPLICATIONS

...

15. Typical due diligence inquiries in relation to the new applicant's accounting and management systems and in relation to the directors' appreciation of their and the new applicant's obligations include:

...

- (b) interviewing all directors and senior managers with key responsibilities for ensuring compliance with the GEM Listing Rules and other legal and regulatory requirements (including the ~~chief financial officer, staff responsible for the accounting and financial reporting function, company secretary, qualified accountant~~ and any compliance officers) to assess:
- (i) their individual and collective experience, qualifications and competence; and
 - (ii) whether they appear to understand relevant obligations under the GEM Listing Rules and other relevant legal and regulatory requirements and the new applicant's policies and procedures in respect of those obligations.

...

Practice Note 3

...

3. Principles

...

- (e) *Shareholder approval of the spin-off*
- (1) At present, under the GEM Listing Rules, as well as where the connected transaction provisions are applicable, shareholder approval will be required ~~in two situations:~~
 - (i) where, under rule 19.07, any of the percentage ratios of the transaction is 25% or more; ~~and,~~
 - (ii) ~~where, under rule 17.39, Newco is a "major subsidiary" of the Parent and is making a new issue of shares "so as materially to dilute" the Parent's interest. A "major subsidiary" means a subsidiary where the value of its total assets, profits or revenue~~

~~represents 5% or more under any of the percentage ratios as defined under 19.04(9). "Material dilution" is as defined in Note 4 to rule 17.39 or rule 25.23.~~

- (2) The Exchange is of the view that the approval of shareholders of the Parent must be sought for the proposal if it falls within (1)(i) ~~or (1)(ii)~~ above, and that the controlling shareholder and its associates must abstain from voting if the controlling shareholder has a material interest in the proposal.
- (3) ~~Where any shareholder is required to abstain from voting, the Parent must comply with the requirements under rules 17.47(4) and (5).~~[Repealed 1 January 2009]

...

...

Appendix 1

CONTENTS OF LISTING DOCUMENTS

Part A

Equity Securities

In the case where listing is sought for equity securities of an issuer no part of whose share capital is already listed

...

- 13A. ~~The procedure by which the shareholders may demand a poll pursuant to its constitutional documents.~~[Repealed 1 January 2009]

...

41. The full name, residential or business address of every director and senior manager or proposed director and senior manager. In addition, brief biographical details in respect of the directors, proposed directors, senior managers and proposed senior managers of the issuer shall be provided. Such details will include name, age, positions held with the issuer and other members of the issuer's group, length of service with the issuer and the group including current and past directorships in other listed public companies in the last three years and such other information (which may include business experience) of which shareholders should be aware, pertaining to the ability or integrity of such persons. As regards the biographical details in respect of each director, proposed director, supervisor and proposed supervisor, such details must not be less than those required to be disclosed in an announcement relating to the appointment or re-designation of the director or

supervisor pursuant to rule 17.50(2). ... (Notes 9 and 12)

...

42. (1) The full names and professional qualifications, if any, of:—
- (a) the secretary of the issuer;
 - (b) ~~the qualified accountant of the issuer appointed pursuant to rule 5.15;~~
 - (c) the compliance officer of the issuer appointed pursuant to rule 5.19.

...

NOTES

...

12. For the purposes of paragraph 41 “other listed public companies” means other public companies the securities of which are listed on any securities market in Hong Kong (including but not limited to the Main Board and GEM) or overseas.

...

Appendix 1

CONTENTS OF LISTING DOCUMENTS

Part B

Equity Securities

In the case where listing is sought for equity

securities of an issuer some part of

whose share capital is already listed

...

8A. ~~The procedure by which the shareholders may demand a poll pursuant to its constitutional documents.~~[Repealed 1 January 2009]

...

34. The full name, residential or business address of every director and senior manager or proposed director and senior manager. In addition, brief biographical details in respect of the directors, proposed directors, senior managers and proposed senior managers of the issuer shall be provided. Such details will include name, age, positions held with the issuer and other members of the issuer’s group, length of service with the issuer and the group including current and past directorships in other listed public companies in the last three years and such other information (which may include business experience) of which shareholders should be aware, pertaining to the ability or integrity of such persons. ...

It is the responsibility of the directors of the issuer to determine which individual or individuals constitute senior management. Senior management may include directors of subsidiaries and heads of divisions, departments or other operating units within the group as senior management as, in the opinion of the issuer's directors, is appropriate. *(Notes 8 and 9)*

35. (1) The full names and professional qualifications, if any, of:—
- (a) the secretary of the issuer; and
 - ~~(b) the qualified accountant of the issuer appointed pursuant to rule 5.15;~~
~~and~~
 - (be) the compliance officer to the issuer appointed pursuant to rule 5.19.

...

NOTES

...

9 For the purposes of paragraph 34 “other listed public companies” means other public companies the securities of which are listed on any securities market in Hong Kong (including but not limited to the Main Board and GEM) or overseas.

...

Appendix 1

CONTENTS OF LISTING DOCUMENTS

Part C

Debt Securities

...

46. The full name, residential or business address and description (being his qualifications or area of expertise or responsibility) of every director or proposed director (or any such person who performs an important administrative, management or supervisory function) and particulars of the principal functions performed by each of them within the group if significant to the group. In addition, brief biographical details in respect of every director or proposed director (or any person who performs an important administrative, management or supervisory function) must be provided. Such details must not be less than those required to be disclosed in an announcement relating to the appointment or re-designation of the director pursuant to rule 17.50(2).
47. (1) The full name and professional qualifications, if any of:—
- (a) the secretary of the issuer; and

(b) ~~the qualified accountant of the issuer (if any); and~~

(be) the compliance officer of the issuer (if any).

...

Appendix 5

FORMS RELATING TO LISTING

FORM F

The Growth Enterprise Market (GEM)

Company Information Sheet

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this information sheet, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this information sheet.

...

Appendix 6

DIRECTOR'S AND SUPERVISOR'S FORMS

FORM A

Director's Declaration, Undertaking and Acknowledgement

Notes

- ~~(1) Every person required to lodge this Form with the Stock Exchange of Hong Kong Limited (the "Exchange") must complete Part 1 and Part 2 herein. Part 3(A) needs to be completed only if the issuer is a new applicant. Part 3(B) must be completed whenever this Form is required.~~
- ~~(2) Please answer all questions, and if a question is answerable in the negative, please answer "No". Please make your answers as specific as possible. Do not leave any section blank.~~
- ~~(3) If insufficient space is provided for completion of any question, additional information may be entered on a separate sheet of paper duly signed and attached.~~
- ~~(4) In this Form, the term "company" includes any body corporate or corporation wherever incorporated or otherwise established, the term "issuer" shall mean the company or other legal person in respect to which this Form is to be lodged, and the term "director" includes a member of the board of directors or any person holding an analogous office in a foreign company and a person in accordance with whose directions or instructions the~~

company's directors are or were accustomed to act.

- ~~(5) Every person required to lodge this Form must execute the declaration in Part 1 as a statutory declaration and the undertaking and acknowledgement in Part 2 as a deed.~~
- ~~(6) Unless the context otherwise requires, questions included in this Form are intended to apply to acts done or matters occurring anywhere, whether in or outside Hong Kong, the Special Administrative Region of the People's Republic of China ("Hong Kong"), and should not be construed to have any territorial limit. All ordinances referred to herein are Hong Kong ordinances.~~
- ~~(7) The failure of any person required to lodge this Form to complete Part 1 of this Form truthfully, completely and accurately, or the failure to execute Part 2 of this Form or to observe any of the undertakings or acknowledgements made under that Part, constitutes a breach of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules"). In addition, pursuant to the Crimes Ordinance, any person who knowingly and wilfully makes a false statement in a material particular in Part 1 of this Form (being a statutory declaration) commits an offence, and if prosecuted, shall be liable on conviction upon indictment to imprisonment for 2 years and to a fine.~~
- ~~(8) If you have any doubt as to how any part of this Form should be executed, you should consult your solicitor or legal advisers.~~
- ~~(9) Notice in relation to the Personal Data (Privacy) Ordinance (the "Ordinance"):~~
- ~~(a) It is necessary for the Exchange to collect the data required in this Form for the due and proper administration and implementation of the GEM Listing Rules.~~
 - ~~(b) Failure to supply such data may constitute a breach of the relevant provisions of the GEM Listing Rules.~~
 - ~~(c) The data required in this Form shall be used for the purposes of assisting the Exchange to assess the suitability of the individual for application as a director of a company listed on the Exchange and to preserve the reputation and integrity of the Exchange.~~
 - ~~(d) The data collected in this Form may be provided or transferred by the Exchange to any party to whom the Exchange is required to do so by law, or to the following parties:—~~
 - ~~(i) any agent, contractor or third party who provides services to the Exchange in connection with the administration and implementation of the GEM Listing Rules;~~
 - ~~(ii) any other person under a duty of confidentiality to the Exchange.~~
 - ~~(e) Under and in accordance with the terms of the Ordinance, any individual has the right:—~~
 - ~~(i) to check whether the Exchange holds data about him and request access to such data;~~

~~(ii) to require the Exchange to correct any data relating to him which is inaccurate; and~~

~~(iii) to ascertain the policies and practices of the Exchange in relation to data and to be informed of the kind of personal data held by the Exchange.~~

~~(f) In accordance with the terms of the Ordinance, the Exchange has the right to charge a reasonable fee for complying with a data access request.~~

~~(g) The person to whom requests under paragraph (e) are to be addressed are as follows:—~~

~~Executive Director
The Listing Division
11th Floor, One International Finance Centre
1 Harbour View Street
Central
Hong Kong~~

Part 1

DECLARATION

1. State: _____ in English _____ in Chinese

(a) name of the issuer in question (of which you are, or proposed to be a director) _____
.....

(b) present surname and any former surname(s) _____
.....

(c) alias, if any _____
.....

(d) present forename(s) and any former forename(s) _____
.....

(e) date of birth _____
.....

(f) residential address _____
.....

(g) nationality and former nationality, if any _____
.....

(h) professional qualifications, if any _____
.....

(i) ~~Hong Kong ID number, or if none, _____;
passport number and place of issue~~

.....

~~2. Are you a director of any company (other than the issuer named at 1(a) above)?~~

.....

~~If so, state the name of each such company, its place of incorporation, the nature of its business and the date of commencement of your directorship in such company.~~

.....

~~Note: (1) You may exclude dormant companies for this question.~~

~~(2) Where a company of which you are a director has securities listed on either the Main Board (as such term is defined in rule 1.01 of the GEM Listing Rules) or the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the name of any subsidiary company of which you are also a director need not be stated.~~

~~3. Have you at any time been adjudged bankrupt or insolvent?~~

.....

~~If so, state the Court by which you were adjudged bankrupt or insolvent; and, if discharged, the date and conditions on which you were granted your discharge.~~

.....

~~4. Have you at any time been a party to a deed of arrangement or entered into any other form of arrangement or composition with your creditors?~~

.....

~~If so, give full particulars.~~

.....

~~5. Are there any unsatisfied judgments or court orders of continuing effect against you?~~

.....

~~If so, give full particulars.~~

.....

~~Note: Certain convictions may come within the provisions of the Rehabilitation of Offenders Ordinance or comparable legislation of other jurisdictions. In such cases, the relevant conviction need not be disclosed.~~

~~8. (a) (i) Have you been identified as an insider dealer pursuant to Part XIII or XIV of the Securities and Futures Ordinance or the repealed Securities (Insider Dealing) Ordinance at any time?~~

.....

~~(ii) Has any company with which you were or are connected (as such expression is defined in Part XIII or XIV of the Securities and Futures Ordinance or the repealed Securities (Insider Dealing) Ordinance) or any company for which you act or have acted as an officer been identified as an insider dealer pursuant to Part XIII or XIV of the Securities and Futures Ordinance or the repealed Securities (Insider Dealing) Ordinance at any time during the period when you were or are connected and/or act or have acted as an officer?~~

.....

~~(b) (i) Have you been found guilty of or been involved in insider dealing, or been held by any Court or competent authority to be in breach of any securities or financial markets laws, rules or regulations including any rules and regulations of any securities regulatory authority, stock exchange or futures exchange at any time?~~

.....

~~(ii) Has any company in which you were or are a controlling shareholder (as such term is defined in the GEM Listing Rules), a director or officer been found guilty of or been involved in insider dealing, or been held by any Court or competent authority to be in breach of any securities or financial markets laws, rules or regulations including any rules and regulations of any securities regulatory authority, stock exchange or futures exchange at any time during the period when you were or are a controlling shareholder, director or officer?~~

.....

~~If so, give full particulars.~~

.....
.....

~~9. Have you, in connection with the formation or management of any company, partnership or unincorporated institution, been adjudged by a Court or arbitral body civilly liable for any fraud, breach of duty or other misconduct by you towards such company, partnership or unincorporated institution or towards any of its members or partners?~~

.....

~~If so, give full particulars.~~

.....
.....
~~10. Has any company of which you were or are a director had its business registration or licence revoked at any time during the period when you were or are a director of the company?~~

.....
~~If so, give full particulars, including the date upon which such registration or licence was revoked, the reasons for the revocation, the outcome and current position.~~

.....
.....
~~11. Have you ever been disqualified from holding, or deemed unfit to hold, the position of director of a company, or from being involved in the management or conduct of the affairs of any company, pursuant to any applicable law, rule or regulation or by any competent authority?~~

.....
~~If so, give full particulars.~~

.....
.....
~~12. Have you ever been refused admission to membership of any professional body or been censured or disciplined by any such body to which you belong or belonged or been disqualified from membership in any such body or have you ever held a practising certificate or any form of professional certificate or licence subject to special conditions?~~

.....
~~If so, give full particulars.~~

.....
~~13. Are you now or have you ever been a member of a triad or any other illegal society?~~

.....
~~14. Are you currently subject to (i) any investigation, hearing or proceeding brought or instituted by any securities regulatory authority, including the Hong Kong Takeovers Panel or any other securities regulatory commission or panel, or (ii) any judicial proceeding in which violation of any securities law, rule or regulation is or was alleged?~~

.....
~~If so, give full particulars.~~

.....
.....
15. ~~Are you a defendant in any current criminal proceeding involving an offence which may be material to an evaluation of your character or integrity to be a director of the issuer?~~

.....
.....
If so, give full particulars.
.....
.....

16. ~~Do you have any past or present financial or other interest in the business of the issuer or its subsidiaries or any connection with any connected person (as such term is defined in the GEM Listing Rules) of the issuer?~~

.....
Note: Please answer this question if you are being appointed as an independent non-executive director of the issuer; otherwise, please state not applicable.

17. ~~Other than the information which you have disclosed pursuant to the foregoing questions, are you aware of any matter the non-disclosure of which may affect the truthfulness, completeness or accuracy of your response to any of the foregoing questions?~~

.....
.....
If so, give full particulars.
.....
.....

I,..... [Insert Chinese name, if any],
Of.....

[Insert residential address], solemnly and sincerely declare that the foregoing answers are true, complete and accurate, that I have not made any statements or omissions which would render such answers untrue or misleading, that I understand the possible consequences of making a false declaration as set forth in note 7 of the introduction hereto, and that I understand that The Stock Exchange of Hong Kong Limited may rely upon the foregoing answers in assessing my suitability to act as a director of the issuer.

(A) For a declarant who is *familiar* with the English and/or Chinese language:—

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Ordinance (*).

(Signed).....
[Declarant]

Declared at
in Hong Kong, the Special Administrative Region of the People's Republic of China (the
"HKSAR") (**)
this day of

Before me,

~~{Signature and designation, i.e.,
Justice of the Peace/Notary
P u b l i c /
Commissioner for
Oaths/Solicitor.}~~

~~(*) Substitute appropriate wording if executed outside the HKSAR.
(**) Substitute place name if declaration is made outside the HKSAR.~~

OR

~~(B) For a declarant who is not **familiar** with the English and/or Chinese language and by
interpreter:—~~

~~And I make this solemn declaration conscientiously believing the same to be true and by
virtue of the Oaths and Declarations Ordinance (*).~~

~~(Signed).....
[Declarant]~~

~~Declared at
in Hong Kong, the Special Administrative Region of the Peoples Republic of China (the
"HKSAR") (*) this day of through the
interpretation of
..... [Insert name, address and occupation],
the said interpreter having first declared or sworn, as the case may be that he/she had truly,
distinctly, and audibly interpreted the contents of this document to the declarant, and that
he/she would truly and faithfully interpret the declaration about to be administered to
him/her.~~

Before me,

~~{Signature and designation,
i.e., Justice of the
Peace/Notary Public/
Commissioner for
Oaths/Solicitor.}~~

~~(*) Substitute appropriate wording if executed outside the HKSAR.
(**) Substitute place name if declaration is made outside the HKSAR.~~

Declaration or oath by interpreter

~~I,, of,
....., solemnly and~~

sincerely declare (*) that I well understand the English and
[State foreign language] languages and that I have truly, distinctly, and audibly interpreted the
contents of this document to the declarant
[Insert name], and that I will truly and faithfully interpret the declaration about to be administered
to him/her.

(Signed).....
[Declarant]

Declared at.....
in Hong Kong, the Special Administrative Region of the People's Republic of China (the
"HKSAR")(**).....
this day of,

Before me,

[Signature and designation, i.e.,
Justice of the Peace/Notary
Public/ Commissioner for
Oaths/Solicitor.]

(*) *In case of an oath substitute "swear" for "solemnly and sincerely declare."*

(**) *Substitute place name if declaration is made outside the HKSAR.*

Part 2

UNDERTAKING AND ACKNOWLEDGEMENT

Further, I,

1. Undertake with the Stock Exchange of Hong Kong Limited that:—

(a) in the exercise of my powers and duties as a director of the issuer I shall:—

- (i) comply to the best of my ability with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited from time to time in force (the "GEM Listing Rules");
- (ii) use my best endeavours to procure that the issuer shall so comply; and
- (iii) use my best endeavours to procure that any alternate of mine shall so comply;

(b) I shall, in the exercise of my powers and duties as a director of the issuer, comply to the best of my ability with the Companies Ordinance, the Securities and Futures Ordinance, the Code on Takeovers and Mergers, the Code on Share Repurchases and all other securities laws and regulations from time to time in force in Hong Kong, and I shall use my best endeavours to procure that the issuer shall so comply;

(c) I shall co-operate in any investigation conducted by the Listing Division (as such term is defined in rule 1.01 of the GEM Listing Rules) and/or the GEM Listing Committee (as such term is defined in rule 1.01 of the GEM Listing Rules) of The Stock Exchange of Hong Kong Limited, including answering promptly and openly any questions addressed to me, promptly producing the originals or copies of any

~~relevant documents and attending before any meeting or hearing at which I am requested to appear;~~

- ~~(d) I hereby give my irrevocable authority to the Executive Director of the Listing Division, or to any person authorised by him, to disclose any of the foregoing particulars given by me to members of the GEM Listing Committee and, with the approval of the Chairman or a Deputy Chairman of The Stock Exchange of Hong Kong Limited, to such other persons, as the said Executive Director of the Listing Division may from time to time think fit; and~~
- ~~(e) I will, for so long as I remain a director of the issuer and for the further period of 3 years from the date on which I cease to be a director of the issuer, inform the Stock Exchange of Hong Kong Limited, by notice in writing to the Executive Director of the Listing Division, of any change to my residential address as set out in Part 1 of this Form as soon as reasonably practicable and in any event within 1 month of my so changing residence for the purpose of facilitating correspondence with the Exchange; and~~

~~2. Acknowledge and agree that: —~~

- ~~(a) A document or notice shall be deemed to have been served on me by The Stock Exchange of Hong Kong Limited: —~~
- ~~(i) when it is served personally on me; or~~
 - ~~(ii) by sending a copy of it by post or by facsimile to me at my usual or last known residential or business address or at the address notified by me in Part 1 of this Form or at the address notified by me in accordance with paragraph 1 (e) of Part 2 of this Form; or~~
 - ~~(iii) if there is a letter box for the address in question, by inserting through the letter box a copy of the document or notice enclosed in a sealed envelope addressed to me;~~
- ~~(b) the date of service shall be deemed to be the second business day (or, in the case of an overseas address, the tenth business day) after the date on which the copy was sent to or, as the case may be, inserted through the letter box for the address in question; and~~
- ~~(c) as the case may be, in proving service it shall be sufficient to show that the envelope containing the notice was addressed to me at the address in question and had stamps or postage of sufficient value thereon to ensure that the same could be sent by post; and~~
- ~~(d) for the avoidance of doubt, in the event I change my residential or business address and fail to inform The Stock Exchange of Hong Kong Limited of any new address pursuant to paragraph 1 (e) of Part 2 of this Form, any document or notice served upon me at my former residential address or business address in accordance with this paragraph shall nevertheless be deemed to have been validly served upon me for all purposes.~~

~~I hereby submit to the jurisdiction of The Stock Exchange of Hong Kong Limited in respect of all~~

matters relevant to the GEM Listing Rules.

Executed this day of, in

~~SIGNED, SEALED AND DELIVERED~~ _____)

~~by the above named in the presence of:~~ _____)

_____) **affix seal*

~~Witness's details~~ _____)

Signature of witness _____ Signature of director

Name of witness (printed)

Address of witness (printed)

Part 3

~~(A) — If the issuer is a new applicant, the following Sponsor's certification must be completed:—~~

SPONSOR'S CERTIFICATION

~~We, _____, are the Sponsor for the issuer appointed for the purpose referred to in the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and have offices located at _____~~

~~We hereby certify that we have read the answers provided by _____ [Insert name of director/declarant] in Part 1 of this Form and we are not aware of any information that would lead a reasonable person to inquire further concerning the truthfulness, completeness or accuracy of any of the answers so provided.~~

~~Executed this day of, in~~

~~(Signed) _____~~

~~(B) — The following solicitor's certification must be completed whenever this Form is required to be lodged with The Stock Exchange of Hong Kong Limited:~~

SOLICITOR'S CERTIFICATION

~~We, _____, are a firm of solicitors qualified to advise on Hong Kong law with offices located at _____~~

~~We hereby certify that we have explained all applicable requirements and procedures for completing and making the declaration contained in Part 1 of this Form, and the possible consequences of making a false declaration, to _____ [Insert name of director/declarant]. Further,~~

we hereby certify that [Insert name of director/declarant]
has acknowledged to us that he/she understands the foregoing.

Executed this day of , , in

(Signed).....

Appendix 6

DIRECTOR'S AND SUPERVISOR'S FORMS

Form A

Director's Declaration, Undertaking and Acknowledgement

Part 1

DECLARATION

<u>1. State:-</u>	<u>in</u> <u>English</u>	<u>in</u> <u>Chinese</u>
(a) <u>present surname and any former surname(s)*</u>	_____	_____
(b) <u>alias, if any *</u>	_____	_____
(c) <u>present forename(s) and any former forename(s) *</u>	_____	_____
(d) <u>date of birth</u>	_____	_____
(e) <u>residential address</u>	_____	_____
(f) <u>nationality and former nationality, if any</u>	_____	_____
(g) (i) <u>Hong Kong ID card number</u>	_____	_____
(ii) <u>in the case of a non-Hong Kong ID cardholder, passport number or any identification document number and name of issuing authority</u>	_____	_____
(h) <u>name of issuer (i.e. the new applicant/listed issuer)</u>	_____	_____

* As set out in the Hong Kong ID card, or any relevant identification document referred to in 1(g) above.

2. The relevant document that sets out my personal details in the manner described in paragraph 41 of Appendix 1A or rule 17.50(2), as the case may be, of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited from time to time in force (the "GEM Listing Rules") is:

(Tick as appropriate)

In the case of new applicant:

- the listing document dated which has been duly registered with the Companies Registry.

In the case of listed issuer:

- the announcement datedby the issuer as required under GEM Listing Rule 17.50(2) with regard to my appointment as a director of the issuer.

Part 2

UNDERTAKING AND ACKNOWLEDGEMENT

The particulars referred to in this Part 2 are:-

(a) in the exercise of my powers and duties as a director of(Insert the name of the issuer) I, the undersigned, shall:-

(i) comply to the best of my ability with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited from time to time in force (the “GEM Listing Rules”);

(ii) use my best endeavours to procure that the issuer shall so comply; and

(iii) use my best endeavours to procure that any alternate of mine shall so comply;

(b) I shall, in the exercise of my powers and duties as a director of the issuer, comply to the best of my ability with the Companies Ordinance, the Securities and Futures Ordinance, the Code on Takeovers and Mergers, the Code on Share Repurchases and all other securities laws and regulations from time to time in force in Hong Kong, and I shall use my best endeavours to procure that the issuer shall so comply;

(c) I shall:

(i) provide to the Exchange as soon as possible, or otherwise in accordance with time limits imposed by the Exchange:

(1) any information and documents that the Exchange reasonably considers appropriate to protect investors or ensure the smooth operation of the market; and

(2) any other information and documents or explanation that the Exchange may reasonably require for the purpose of verifying compliance with the GEM Listing Rules; and

(ii) cooperate in any investigation conducted by the Listing Division (as such term is defined in rule 1.01 of the GEM Listing Rules) and/or the GEM Listing Committee (as such term is defined in rule 1.01 of the GEM Listing Rules) of The Stock Exchange of Hong Kong Limited, including answering promptly and openly any

questions addressed to me, promptly producing the originals or copies of any relevant documents and attending before any meeting or hearing at which I am requested to appear;

- (d) I shall, for so long as I remain a director of the issuer and for a further period of 3 years from the date on which I cease to be a director of the issuer, inform The Stock Exchange of Hong Kong Limited, by notice in writing to the Executive Director of the Listing Division, of any change to my contact address for correspondence from and service of notices and other documents by The Stock Exchange of Hong Kong Limited as soon as reasonably practicable and in any event within 28 days of such change. I acknowledge and agree that a document or notice, for whatever purposes, including but not limited to the service of notice of disciplinary proceedings, shall be deemed to have been validly and adequately served on me by The Stock Exchange of Hong Kong Limited when the document or notice is served personally on me or is sent by post or facsimile to the address I provide to The Stock Exchange of Hong Kong Limited. I agree and acknowledge that I am responsible for keeping The Stock Exchange of Hong Kong Limited informed of my up-to-date contact address. I acknowledge that, if I fail to provide The Stock Exchange of Hong Kong Limited with my up-to-date contact address or arrange for notices, documents or correspondence to be forwarded to me, I may not be alerted to any proceedings commenced against me by The Stock Exchange of Hong Kong Limited;
- (e) I hereby give my irrevocable authority to the Executive Director of the Listing Division, or to any person authorised by him, to disclose any of the foregoing particulars given by me to members of the GEM Listing Committee and, with the approval of the Chairman or a Deputy Chairman of The Stock Exchange of Hong Kong Limited, to such other persons, as the said Executive Director of the Listing Division may from time to time think fit; and
- (f) I hereby submit to the jurisdiction of The Stock Exchange of Hong Kong Limited in respect of all matters relevant to the GEM Listing Rules.

I,() [Insert Chinese name, if any]:

- (i) solemnly and sincerely declare that all particulars about me that appear in Part 1(1) of this Form A and in the document referred to in Part 1(2) of this Form A are true, complete and accurate, that I accept responsibility for the truthfulness, accuracy and completeness of the foregoing particulars, that I have not made any statements or omissions which would render such particulars untrue or misleading, that I understand the possible consequences of giving information which is false or misleading in a material particular including those as set forth in Note (1) hereto, and that I understand that The Stock Exchange of Hong Kong Limited may rely upon the foregoing particulars in assessing my suitability to act as a director of the issuer; and
- (ii) undertake and acknowledge with The Stock Exchange of Hong Kong Limited in the terms set out in Part 2 of this Form A.

Signature: _____

Name of director: _____

Hong Kong ID Card
Number* : _____

Dated: _____

Certified as the true
signature of: _____

By: _____

Signature:
(Secretary/Director) _____

Name:
(Secretary/Director) _____

** In the case of a non-Hong Kong ID cardholder, state the passport number or any identification document number and name of issuing authority.*

Part 3

(A) If the issuer is a new applicant, the following sponsor's certification must be completed:-

SPONSOR'S CERTIFICATION

We,, are the sponsor for the issuer appointed for the purpose referred to in the GEM Listing Rule 6A.02 and have offices located at We hereby certify that we have read the particulars provided by [Insert name of director] in and any document referred to in Part 1 (1) and (2) of this Form A and we are not aware of any information that would lead a reasonable person to inquire further concerning the truthfulness, completeness or accuracy of any of the particulars so provided.

Executed this day of, 20....., in

(Signed) _____

(B) The following solicitor's certification must be completed whenever this Form A is required to be lodged with The Stock Exchange of Hong Kong Limited:-

SOLICITOR'S CERTIFICATION

We,, are a firm of solicitors qualified to advise on Hong Kong law with offices located at We hereby certify that we have explained all applicable requirements and procedures for completing and executing this Form A and the documents referred to in this Form A, and the possible consequences of making any false declaration or giving false information, to [Insert name of director]. Further, we hereby certify that [Insert name of director] has acknowledged to us that he/she understands the foregoing.

Executed this day of, 20....., in

(Signed)

Notes: (1) The failure of any person required to lodge this Form A to complete Part 1 of this Form A truthfully, completely and accurately, or the failure to execute Part 2 of this Form A or to observe any of the undertakings made under that Part, constitutes a breach of the GEM Listing Rules. In addition, every director of the issuer supplying information sought or referred to in this Form A, should note that such information constitutes information which is provided to the Exchange in purported compliance with a requirement to provide information under the "relevant provisions" (as defined in Part 1 of Schedule 1 to the Securities and Futures Ordinance, Cap. 571) and is likely to be relied upon by the Exchange. In relation to this, you should be aware that giving to the Exchange any information which is false or misleading in a material particular will render the relevant person liable for prosecution for an offence under section 384 of the Securities and Futures Ordinance. If you have any queries you should consult the Exchange or your professional adviser immediately.

(2) To the extent that this form is required to be signed by the sponsor, the Exchange expects that it would usually be signed by the Principal(s) who has/have been most actively involved in the work undertaken by the sponsor. However, irrespective of who signs this form on behalf of the sponsor, the Management (as defined in the Commission's Guidelines for Sponsors and Compliance Advisers) of the sponsor will be ultimately responsible for supervision of the work carried out by the sponsor firm and quality assurance in respect of that work. The Exchange reminds sponsors of their obligations to have effective internal systems and controls and proper supervision and oversight including but not limited to those obligations under the Commission's Guidelines for Sponsors and Compliance Advisers.

Appendix 6

DIRECTOR'S AND SUPERVISOR'S FORMS

FORM B

Director's Declaration and Undertaking and Acknowledgement (PRC Issuer)

Notes:

- ~~(1) — Every person required to lodge this Form with The Stock Exchange of Hong Kong Limited (the “Exchange”) must complete Part 1 and Part 2 herein. Part 3(A) needs to be completed only if the issuer is a new applicant. Part 3(B) must be completed whenever this Form is required.~~
- ~~(2) — Please answer all questions, and if a question is answerable in the negative, please answer “No”. Please make your answers as specific as possible. Do not leave any section blank.~~
- ~~(3) — If insufficient space is provided for completion of any question, additional information may be entered on a separate sheet of paper duly signed and attached.~~
- ~~(4) — In this form, the term “company” includes any body corporate or corporation wherever incorporated or otherwise established, and the term “issuer” shall mean the company or other legal person in respect to which this Form is to be lodged, and the term “director” includes a member of the board of directors or any person holding an analogous office in a foreign company and a person in accordance with whose directions or instructions the company’s directors are or were accustomed to act.~~
- ~~(5) — Every person required to lodge this Form must execute the declaration in Part 1 as a statutory declaration and the undertaking and acknowledgement Part 2 as a deed.~~
- ~~(6) — Unless the context otherwise requires, questions included in this Form are intended to apply to acts done or matters occurring anywhere, whether in or outside Hong Kong, the Special Administrative Region of the People’s Republic of China (“Hong Kong”), and should not be construed to have any territorial limit. All ordinances referred to herein are Hong Kong ordinances.~~
- ~~(7) — The failure of any person required to lodge this Form to complete Part 1 of this Form truthfully, completely and accurately, or the failure to execute Part 2 of this Form or to observe any of the undertakings or acknowledgements made under that Part, constitutes a breach of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”). In addition, pursuant to the Crimes Ordinance, any person who knowingly and wilfully makes a false statement in a material particular in Part 1 of this Form (being a statutory declaration) commits an offence, and if prosecuted, shall be liable on conviction upon indictment to imprisonment for 2 years and to a fine.~~
- ~~(8) — If you have any doubt as to how any part of this Form should be executed, you should consult your solicitor or legal advisers.~~
- ~~(9) — Notice in relation to the Personal Data (Privacy) Ordinance (the “Ordinance”):—
 - ~~(a) — It is necessary for the Exchange to collect the data required in this Form for the due and proper administration and implementation of the GEM Listing Rules.~~
 - ~~(b) — Failure to supply such data may constitute a breach of the relevant provisions of the GEM Listing Rules.~~
 - ~~(c) — The data required in this Form shall be used for the purposes of assisting the Exchange to assess the suitability of the individual for application as a director of a company listed on the Exchange and to preserve the reputation and integrity of the Exchange.~~
 - ~~(d) — The data collected in this Form may be provided or transferred by the~~~~

~~Exchange to any party to whom the Exchange is required to do so by law, or to the following parties:—~~

- ~~(i) any agent, contractor or third party who provides services to the Exchange in connection with the administration and implementation of the GEM Listing Rules;~~
- ~~(ii) any other person under a duty of confidentiality to the Exchange.~~
- ~~(e) Under and in accordance with the terms of the Ordinance, any individual has the right:—~~
 - ~~(i) to check whether the Exchange holds data about him and request access to such data;~~
 - ~~(ii) to require the Exchange to correct any data relating to him which is inaccurate; and~~
 - ~~(iii) to ascertain the policies and practices of the Exchange in relation to data and to be informed of the kind of personal data held by the Exchange.~~
- ~~(f) In accordance with the terms of the Ordinance, the Exchange has the right to charge a reasonable fee for complying with a data access request.~~
- ~~(g) The person to whom requests under paragraph (e) are to be addressed are as follows:—~~

~~Executive Director
The Listing Division
11th Floor, One International Finance Centre
1 Harbour View Street
Central Hong Kong~~

Part 1

DECLARATION

1. State: _____ in English _____ in Chinese
- (a) name of the issuer in question (of which you _____ :
are, or proposed to be a director)
 - (b) present surname and any former surname(s) _____ :
 - (c) alias, if any _____ :
 - (d) present forename(s) and any former forename(s) _____ :
 - (e) date of birth _____ :
 - (f) residential address _____ :

~~(g) nationality and former nationality, if any :~~

~~(h) professional qualifications, if any :~~

~~(i) Hong Kong ID number, or if none, :~~

~~passport number and place of issue~~

~~2. Are you a director, supervisor or manager of any company (other than the issuer named at 1 (a) above)?~~

~~.....
If so, state the name of each such company, its place of incorporation, the nature of its business and the date of commencement of your directorship or supervisor's or manager's position in such company.
.....
.....~~

~~Note: (1) You may exclude dormant companies from this disclosure.~~

~~(2) Where a company of which you are a director, supervisor or manager has securities listed on either the Main Board (as such term is defined in rule 1.01 of the GEM Listing Rules) or the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the name of any subsidiary company of which you are also a director or supervisor or manager need not be stated.~~

~~3. Have you at any time been adjudged bankrupt or insolvent?~~

~~.....
If so, state the Court by which you were adjudged bankrupt or insolvent and, if discharged, the date and conditions on which you were granted your discharge.
.....
.....~~

~~4. Have you at any time been a party to a deed of arrangement or entered into any other form of arrangement or composition with your creditors?~~

~~.....
If so, give full particulars.
.....
.....~~

~~5. Are there any unsatisfied judgments or court orders of continuing effect against you?~~

~~.....
If so, give full particulars.
.....
.....~~

6. ~~Has any enterprise, company or unincorporated business enterprise been dissolved or put into liquidation (otherwise than by a members' voluntary winding up when the company, in the case of a Hong Kong company, was solvent) or bankruptcy or been the object of an analogous proceeding, or entered into any form of arrangement or composition with creditors, or had a receiver, trustee or similar officer appointed over it (a) during the period when you were one of its directors or, in the case of an enterprise, a company or an unincorporated business enterprise established in the PRC, during the period when you were one of its directors, supervisors or managers, or (b) within 12 months after your ceasing to act as one of its directors, supervisors or managers, as the case may be?~~

~~If so, give full particulars, including the name of the company or enterprise, its place of incorporation or establishment, the nature of its business, the nature of the proceeding involved, the date of commencement of the proceeding, and the amounts involved together with an indication of the outcome or current position of the proceeding.~~

7. ~~Have you been convicted of any offence:—~~

~~(a) involving fraud, dishonesty or corruption;~~

~~(b) under the Securities and Futures Ordinance, Part II of the Companies Ordinance (insofar as that Part relates, whether directly or indirectly, to the performance of functions by the Securities and Futures Commission in relation to prospectuses and purchase by a company of its own shares) and Part XII of the Companies Ordinance (insofar as that Part relates, whether directly or indirectly, to the performance of functions by the Securities and Futures Commission in relation to prospectuses), the Commodity Exchanges (Prohibition) Ordinance, the repealed Protection of Investors Ordinance, the repealed Securities Ordinance, the repealed Securities (Disclosure of Interests) Ordinance, the repealed Securities and Futures Commission Ordinance, the repealed Commodities Trading Ordinance, the repealed Stock Exchanges Unification Ordinance, the repealed Securities and Futures (Clearing Houses) Ordinance, the repealed Exchanges and Clearing Houses (Merger) Ordinance, the repealed Securities (Insider Dealing) Ordinance, the Bankruptcy Ordinance, the Banking Ordinance or any Ordinance relating to taxation, or any comparable legislation of other jurisdictions; or~~

~~(c) in respect of which you have, within the past 10 years, been sentenced as an adult to a period of imprisonment of six months or more, including suspended or commuted sentences?~~

~~If so, give full particulars, including details of (i) each such offence, (ii) the Court by which you were convicted, (iii) the date of conviction, and (iv) the penalty imposed.~~

~~.....~~
~~.....~~
Note: Certain convictions may come within the provisions of the Rehabilitation of Offenders Ordinance or comparable legislation of other jurisdictions. In such cases, the relevant conviction need not be disclosed.

~~8. (a) (i) Have you been identified as an insider dealer pursuant to Part XIII or XIV of the Securities and Futures Ordinance or the repealed Securities (Insider Dealing) Ordinance at any time?~~

~~.....~~
~~(ii) Has any enterprise, company or unincorporated business enterprise with which you were or are connected (as such expression is defined in Part XIII or XIV of the Securities and Futures Ordinance or the repealed Securities (Insider Dealing) Ordinance) or any enterprise, company or unincorporated business enterprise for which you act or have acted as a supervisor or as a manager been identified as an insider dealer pursuant to Part XIII or XIV of the Securities and Futures Ordinance or the repealed Securities (Insider Dealing) Ordinance at any time during the period when you were or are connected and/or act or have acted as a supervisor or as a manager?~~

~~.....~~
~~(b) (i) Have you been found guilty of or been involved in insider dealing, or been held by any Court or competent authority to be in breach of any securities or financial markets laws, rules or regulations including any rules and regulations of any securities regulatory authority, stock exchange or futures exchange at any time?~~

~~(ii) Has any enterprise, company or unincorporated business enterprise in which you were or are a controlling shareholder (as such term is defined in the GEM Listing Rules), a supervisor, a director or manager been found guilty of or been involved in insider dealing, or been held by any Court or competent authority to be in breach of any securities or financial markets laws, rules or regulations including any rules and regulations of any securities regulatory authority, stock exchange or futures exchange at any time during the period when you were or are a controlling shareholder, supervisor, director or manager?~~

~~.....~~
~~.....~~
~~.....~~
~~If so, give full particulars.~~

~~.....~~
~~.....~~
~~.....~~
~~9. Have you, in connection with the formation or management of any enterprise, company, partnership or unincorporated business enterprise, been adjudged by a Court or arbitral body civilly liable for any fraud, breach of duty or other misconduct by you towards such enterprise, company, partnership or unincorporated business enterprise or towards any of its members or partners?~~

If so, give full particulars.

.....
.....

- ~~10. Has any enterprise, company, partnership or unincorporated business enterprise of which you were or are a partner, director, supervisor or manager had its business registration or licence revoked at any time during the period when you were or are one of its partners, directors, supervisors or managers?~~

.....
.....

~~If so, give full particulars, including the date upon which such registration or licence was revoked, the reasons for the revocation, the outcome and current position.~~

.....
.....

- ~~11. Have you ever been disqualified from holding, or deemed unfit to hold, the position of director, supervisor or manager of an enterprise, a company or an unincorporated business enterprise, or from being involved in the management or conduct of the affairs of any enterprise, company or unincorporated business enterprise, pursuant to any applicable law, rule or regulation or by any competent authority?~~

.....
.....

~~If so, give full particulars.~~

.....
.....

- ~~12. Are you currently subject to any investigation by any judicial, regulatory or governmental authority?~~

.....
.....

~~If so, give full particulars, including the investigating body, the nature of the investigation and the matters under investigation.~~

.....
.....

- ~~13. Have you ever been refused admission to membership of any professional body or been censured, or disciplined by any such body to which you belong or belonged or been disqualified from membership in any such body or have you ever held a practising certificate or any other form of professional certificate or licence subject to special conditions?~~

.....
.....

~~If so, give full particulars.~~

.....
.....

.....
14. Are you now or have you ever been a member of a triad or any other illegal society?
.....

15. Are you currently subject to (i) any investigation, hearing or proceeding brought or instituted by any securities regulatory authority, including the Hong Kong Takeovers Panel or any other securities regulatory commission or panel, or (ii) any judicial proceeding in which violation of any securities law, rule or regulation is or was alleged?
.....

If so, give full particulars.
.....
.....

16. Are you a defendant in any current criminal proceeding involving an offence which may be material to an evaluation of your character or integrity to be a director of the issuer?
.....

If so, give full particulars.
.....
.....

17. Do you have any past or present financial or other interest in the business of the issuer or its subsidiaries or any connection with any connected person (as such term is defined in the GEM Listing Rules) of the issuer?
.....

Note: Please answer this question if you are being appointed as an independent non executive director of the issuer; otherwise, please state not applicable.

18. Other than the information which you have disclosed pursuant to the foregoing questions, are you aware of any matter the non disclosure of which may affect the truthfulness, completeness or accuracy of your response to any of the foregoing questions?
.....

If so, give full particulars.
.....
.....

I,..... [Insert Chinese name, if any],
of.....
.....

[Insert residential address], solemnly and sincerely declare that the foregoing answers are true,

complete and accurate, that I have not made any statements or omissions which would render such answers untrue or misleading, that I understand the possible consequences of making a false declaration as set forth in note 7 of the introduction hereto, and that I understand that The Stock Exchange of Hong Kong Limited may rely upon the foregoing answers in assessing my suitability to act as a director of the issuer.

(A) — *For a declarant who is familiar with the English and/or Chinese language:—*

~~And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Ordinance (*).~~

(Signed).....

{Declarant}

Declared at.....

~~in Hong Kong, the Special Administrative Region of the People's Republic of China (the "HKSAR")(**)~~

~~this day of~~

Before me,

{Signature and designation, i.e., Justice of the Peace/Notary Public/ Commissioner for Oaths/Solicitor.}

(*) — *Substitute appropriate wording if executed outside the HKSAR.*

(**) — *Substitute place name if declaration is made outside the HKSAR.*

OR

(B) — *For a declarant who is not familiar with the English and/or Chinese language and by interpreter:—*

~~And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Ordinance (*).~~

(Signed).....

{Declarant}

Declared at

~~in Hong Kong, the Special Administrative Region of the People's Republic of China (the "HKSAR") (**)~~ this — day of , —, through the interpretation of — [Insert name; address and occupation], the said interpreter having first declared or sworn, as the case may be that he/she had truly, distinctly, and audibly interpreted the contents of this document to the declarant, and that he/she would truly and faithfully interpret the declaration about to be administered to him/her.

Before me,

{Signature and designation, i.e., Justice of the Peace/Notary Public/ Commissioner for Oaths/Solicitor.}

~~(*) Substitute appropriate wording if executed outside the HKSAR.~~

~~(**) Substitute place name if declaration is made outside the HKSAR.~~

Declaration or oath by interpreter

I,....., of

....., solemnly and sincerely declare (*) that I well understand the English and.....

~~{State foreign language} languages and that I have truly, distinctly, and audibly interpreted the contents of this document to the declarant.....~~

~~{Insert name}, and that I will truly and faithfully interpret the declaration about to be administered to him/her.~~

(Signed).....

{Declarant}

Declared at.....

~~in Hong Kong, the Special Administrative Region of the People's Republic of China (the HKSAR")(**) this.....~~

~~day of.....~~

.....

Before me,

{Signature and designation, i.e., Justice of the Peace/Notary Public/ Commissioner for Oaths/Solicitor.}

~~(*) In case of an oath substitute "swear" for "solemnly and sincerely declare."~~

~~(**) Substitute place name if declaration is made outside the HKSAR.~~

Part 2

UNDERTAKING AND ACKNOWLEDGEMENT

Further, I,.....

- ~~1. undertake with the Stock Exchange of Hong Kong Limited that:~~
- ~~(a) in the exercise of my powers and duties as a director of the issuer I shall:
 - ~~(i) comply to the best of my ability with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited from time to time in force (the “GEM Listing Rules”) and all applicable laws, rules, regulations and normative statements from time to time in force in the PRC relating to the governing, operation, conduct or regulation of public companies in the PRC or elsewhere;~~
 - ~~(ii) comply to the best of my ability with the provisions of the issuer’s articles of association (including all provisions regarding the duties of directors) and cause the issuer to act at all times in accordance with its articles of association;~~
 - ~~(iii) use my best endeavours to cause the issuer to comply with the GEM Listing Rules;~~
 - ~~(iv) inform The Stock Exchange of Hong Kong Limited forthwith and in writing, at any time while I am a director of the issuer (or within 12 months of my ceasing to be a director of the issuer), of any administrative or governmental notice or proceeding alleging a breach by the issuer or any of its subsidiaries or directors of any applicable laws, rules, regulations or normative statements in force in the PRC relating to the governing, operation, conduct or regulation of public companies;~~
 - ~~(v) comply to the best of my ability with the Companies Ordinance, the Securities and Futures Ordinance, the Code on Takeovers and Mergers, the Code on Share Repurchases and all other relevant securities laws and regulations from time to time in force in Hong Kong, and I shall use my best endeavours to procure the issuer to so comply; and~~
 - ~~(vi) use my best endeavours to procure that any alternate of mine shall so comply.~~~~
 - ~~(b) I shall cooperate in any investigation conducted by the Listing Division (as such term is defined in rule 1.01 of the GEM Listing Rules) and/or the GEM Listing Committee (as such term is defined of rule 1.01 of the GEM Listing Rules) of The Stock Exchange of Hong Kong Limited, including answering promptly and openly any questions addressed to me, promptly producing the originals or copies of any relevant documents and attending before any meeting or hearing at which I am requested to appear;~~
 - ~~(c) I hereby give my irrevocable authority to the Executive Director of the Listing Division, or to any person authorised by him, to disclose any of the foregoing particulars given by me to members of the GEM Listing Committee and, with the approval of the Chairman or a Deputy Chairman of The Stock Exchange of Hong Kong Limited, to such other persons, as the said Executive Director of the Listing Division may from time to time think fit; and~~
 - ~~(d) I will, for so long as I remain a director of the issuer and for the further period of 3 years from the date on which I cease to be a director of the issuer, inform~~

~~the Stock Exchange of Hong Kong Limited, by notice in writing to the Executive Director of the Listing Division, of any change to my residential address as set out in Part 1 of this Form as soon as reasonably practicable and in any event within 1 month of my so changing residence for the purpose of facilitating correspondence with the Exchange; and~~

~~2. acknowledge and agree that: —~~

- ~~(a) a document or notice shall be deemed to have been served on me by The Stock Exchange of Hong Kong Limited: —
 - ~~(i) when it is served personally on me; or~~
 - ~~(ii) by sending a copy of it by post or by facsimile to me at my usual or last known residential or business address or at the address notified by me in Part 1 of this Form or at the address notified by me in accordance with paragraph 1 (d) of Part 2 of this Form; or~~
 - ~~(iii) if there is a letter box for the address in question, by inserting through the letter box a copy of the document or notice enclosed in a sealed envelope addressed to me;~~~~
- ~~(b) the date of service shall be deemed to be the second business day (or, in the case of an overseas address, the tenth business day) after the date on which the copy was sent to or, as the case may be, inserted through the letter box for the address in question; and~~
- ~~(c) as the case may be, in proving service it shall be sufficient to show that the envelope containing the notice was addressed to me at the address in question and had stamps or postage of sufficient value thereon to ensure that the same could be sent by post; and~~
- ~~(d) for the avoidance of doubt, in the event I change my residential or business address and fail to inform The Stock Exchange of Hong Kong Limited of any new address pursuant to paragraph 1 (d) of Part 2 of this Form, any document or notice served upon me at my former residential address or business address in accordance with this paragraph shall nevertheless be deemed to have been validly served upon me for all purposes.~~

~~I hereby submit to the jurisdiction of The Stock Exchange of Hong Kong Limited in respect of all matters relevant to the GEM Listing Rules.~~

~~Executed this day of, in~~

~~SIGNED, SEALED AND DELIVERED —>~~

~~by the above named in the presence of: —>~~

~~.....) *affix seal~~

~~Witness's details —>~~

~~.....
Signature of witness Signature of director~~

.....
Name of witness (printed)

.....
.....
.....
.....
Address of witness (printed)

Part 3

~~(A) If the issuer is a new applicant, the following sponsor's certification must be completed:—~~

SPONSOR'S CERTIFICATION

~~We,, are the Sponsor for the issuer appointed for the purpose referred to in the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and have offices located at.....~~

~~We hereby certify that we have read the answers provided by.....~~

~~[Insert name of director/declarant] in Part 1 of this Form and we are not aware of any information that would lead a reasonable person to inquire further concerning the truthfulness, completeness or accuracy of any of the answers so provided.~~

~~Executed this day of, in
(Signed).....~~

~~(B) The following solicitor's certification must be completed whenever this Form is required to be lodged with The Stock Exchange of Hong Kong Limited:—~~

SOLICITOR'S CERTIFICATION

~~We,, are a firm of solicitors qualified to advise on Hong Kong law with offices located at.....~~

~~We hereby certify that we have explained all applicable requirements and procedures for completing and making the declaration contained in Part 1 of this Form, and the possible consequences of making a false declaration, to [Insert name of director/ declarant]. Further, we hereby certify that [Insert name of director/declarant] has acknowledged to us that he/she understands the foregoing.~~
~~Executed this day of,, in~~

(Signed).....

Appendix 6

DIRECTOR'S AND SUPERVISOR'S FORMS

Form B

Director's Declaration, Undertaking and Acknowledgement (PRC Issuer)

Part 1

DECLARATION

1. <u>State:-</u>	<u>in</u> <u>English</u>	<u>in</u> <u>Chinese</u>
(a) <u>present surname and any former surname(s)*</u>	_____	_____
(b) <u>alias, if any *</u>	_____	_____
(c) <u>present forename(s) and any former forename(s) *</u>	_____	_____
(d) <u>date of birth</u>	_____	_____
(e) <u>residential address</u>	_____	_____
(f) <u>nationality and former nationality, if any</u>	_____	_____
(g) (i) <u>Hong Kong ID card number</u>	_____	_____
(ii) <u>in the case of a non-Hong Kong ID cardholder, passport number or any identification document number and name of issuing authority</u>	_____	_____
(h) <u>name of issuer (i.e. the new applicant/listed issuer)</u>	_____	_____

* As set out in the Hong Kong ID card, or any relevant identification document referred to in 1(g) above.

2. The relevant document that sets out my personal details in the manner described in paragraph 41 of Appendix 1A or rule 17.50(2), as the case may be, of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited from time to time in force (the “GEM Listing Rules”) is:

(Tick as appropriate)

In the case of new applicant:

the listing document dated which has been duly registered with the Companies Registry.

In the case of listed issuer:

the announcement datedby the issuer as required under GEM Listing Rule 17.50(2) with regard to my appointment as a director of the issuer.

Part 2

UNDERTAKING AND ACKNOWLEDGEMENT

The particulars referred to in this Part 2 are:-

(a) in the exercise of my powers and duties as a director of(Insert the name of the issuer) I, the undersigned, shall:-

(i) comply to the best of my ability with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited from time to time in force (the “GEM Listing Rules”), and all applicable laws, rules, regulations and normative statements from time to time in force in the PRC relating to the governing, operation, conduct or regulation of public companies in the PRC or elsewhere;

(ii) comply to the best of my ability with the provisions of the issuer’s articles of association (including all provisions regarding the duties of directors) and cause the issuer to act at all times in accordance with its article of association;

(iii) use my best endeavours to cause the issuer to comply with the GEM Listing Rules;

(iv) inform The Stock Exchange of Hong Kong Limited forthwith and in writing, at any time while I am a director of the issuer (or within 12 months of my ceasing to be a director of the issuer), of any administrative or governmental notice or proceeding alleging a breach by the issuer or any of its subsidiaries or directors of any applicable laws, rules, regulations or normative statements in force in the PRC relating to the governing, operation, conduct or regulation of public companies;

(v) comply to the best of my ability with the Companies Ordinance, the Securities and Futures Ordinance, the Code on Takeovers and Mergers, the Code on Share

Repurchases and all other relevant securities laws and regulations from time to time in force in Hong Kong, and I shall use my best endeavours to procure the issuer to so comply; and

(vi) use my best endeavours to procure that any alternate of mine shall so comply;

(b) I shall:

(i) provide to the Exchange as soon as possible, or otherwise in accordance with time limits imposed by the Exchange:

(1) any information and documents that the Exchange reasonably considers appropriate to protect investors or ensure the smooth operation of the market; and

(2) any other information and documents or explanation that the Exchange may reasonably require for the purpose of verifying compliance with the GEM Listing Rules; and

(ii) cooperate in any investigation conducted by the Listing Division (as such term is defined in rule 1.01 of the GEM Listing Rules) and/or the GEM Listing Committee (as such term is defined in rule 1.01 of the GEM Listing Rules) of The Stock Exchange of Hong Kong Limited, including answering promptly and openly any questions addressed to me, promptly producing the originals or copies of any relevant documents and attending before any meeting or hearing at which I am requested to appear;

(c) I hereby give my irrevocable authority to the Executive Director of the Listing Division, or to any person authorised by him, to disclose any of the foregoing particulars given by me to members of the GEM Listing Committee and, with the approval of the Chairman or a Deputy Chairman of The Stock Exchange of Hong Kong Limited, to such other persons, as the said Executive Director of the Listing Division may from time to time think fit;

(d) I shall, for so long as I remain a director of the issuer and for a further period of 3 years from the date on which I cease to be a director of the issuer, inform The Stock Exchange of Hong Kong Limited, by notice in writing to the Executive Director of the Listing Division, of any change to my contact address for correspondence from and service of notices and other documents by The Stock Exchange of Hong Kong Limited as soon as reasonably practicable and in any event within 28 days of such change. I acknowledge and agree that a document or notice, for whatever purposes, including but not limited to the service of notice of disciplinary proceedings, shall be deemed to have been validly and adequately served on me by The Stock Exchange of Hong Kong Limited when the document or notice is served personally on me or is sent by post or facsimile to the address I provide to The Stock Exchange of Hong Kong Limited. I agree and acknowledge that I am responsible for keeping The Stock Exchange of Hong Kong Limited informed of my up-to-date contact address. I acknowledge that, if I fail to provide The Stock Exchange of Hong Kong Limited with my up-to-date contact address or arrange for notices, documents or correspondence to be forwarded to me, I may not be alerted to any proceedings commenced against me by The Stock Exchange of Hong Kong Limited; and

(e) I hereby submit to the jurisdiction of The Stock Exchange of Hong Kong Limited in respect

of all matters relevant to the GEM Listing Rules.

I,(.....) [Insert Chinese name, if any]:

- (i) solemnly and sincerely declare that all particulars about me that appear in Part 1(1) of this Form B and in the document referred to in Part 1(2) of this Form B are true, complete and accurate, that I accept responsibility for the truthfulness, accuracy and completeness of the foregoing particulars, that I have not made any statements or omissions which would render such particulars untrue or misleading, that I understand the possible consequences of giving information which is false or misleading in a material particular including those as set forth in Note (1) hereto, and that I understand that The Stock Exchange of Hong Kong Limited may rely upon the foregoing particulars in assessing my suitability to act as a director of the issuer; and
- (ii) undertake and acknowledge with The Stock Exchange of Hong Kong Limited in the terms set out in Part 2 of this Form B.

Signature:

Name of director:

Hong Kong ID Card
Number* :

Dated:

Certified as the true
signature of:

By:

Signature:
(Secretary/Director)

Name:
(Secretary/Director)

* In the case of a non-Hong Kong ID cardholder, state the passport number or any identification document number and name of issuing authority.

Part 3

(A) If the issuer is a new applicant, the following sponsor's certification must be completed: -

SPONSOR'S CERTIFICATION

We,, are the sponsor for the issuer appointed for the purpose referred to in the GEM Listing Rule 6A.02 and have offices located at We hereby

certify that we have read the particulars provided by [Insert name of director] in and any document referred to in Part 1 (1) and (2) of this Form B and we are not aware of any information that would lead a reasonable person to inquire further concerning the truthfulness, completeness or accuracy of any of the particulars so provided.

Executed this day of, 20....., in

(Signed).....

(B) The following solicitor's certification must be completed whenever this Form B is required to be lodged with The Stock Exchange of Hong Kong Limited:-

SOLICITOR'S CERTIFICATION

We....., are a firm of solicitors qualified to advise on Hong Kong law with offices located at.....
We hereby certify that we have explained all applicable requirements and procedures for completing and executing this Form B or the documents referred to in this Form B, and the possible consequences of making a false declaration or giving false information, to.....[Insert name of director]. Further, we hereby certify that.....[Insert name of director] has acknowledged to us that he/she understands the foregoing.

Executed this day of, 20....., in

(Signed).....

Notes: (1) The failure of any person required to lodge this Form B to complete Part 1 of this Form B truthfully, completely and accurately, or the failure to execute Part 2 of this Form B or to observe any of the undertakings made under that Part, constitutes a breach of the GEM Listing Rules. In addition, every director of the issuer supplying information sought or referred to in this Form B, should note that such information constitutes information which is provided to the Exchange in purported compliance with a requirement to provide information under the "relevant provisions" (as defined in Part 1 of Schedule 1 to the Securities and Futures Ordinance, Cap. 571) and is likely to be relied upon by the Exchange. In relation to this, you should be aware that giving to the Exchange any information which is false or misleading in a material particular will render the relevant person liable for prosecution for an offence under section 384 of the Securities and Futures Ordinance. If you have any queries you should consult the Exchange or your professional adviser immediately.

(2) To the extent that this form is required to be signed by the sponsor, the Exchange expects that it would usually be signed by the Principal(s) who has/have been most actively involved in the work undertaken by the sponsor. However, irrespective of who signs this form on behalf of the sponsor, the Management (as defined in the Commission's Guidelines for Sponsors and Compliance Advisers) of the sponsor will be ultimately responsible for supervision of the work carried out by the sponsor firm and quality assurance in respect of that work. The Exchange reminds sponsors of their obligations to have effective internal systems

and controls and proper supervision and oversight including but not limited to those obligations under the Commission's Guidelines for Sponsors and Compliance Advisers.

Appendix 6

DIRECTOR'S AND SUPERVISOR'S FORMS

FORM C

Supervisor's declaration and undertaking and acknowledgement in respect of an issuer incorporated in the People's Republic of China ("PRC")

Notes

- ~~(1) Every person required to lodge this Form with The Stock Exchange of Hong Kong Limited must complete Part 1 and Part 2 herein.~~
- ~~(2) Please answer all questions, and if a question is answerable in the negative, please answer "No". Please make your answers as specific as possible. Do not leave any section blank.~~
- ~~(3) If insufficient space is provided for completion of any question, additional information may be entered on a separate sheet of paper duly signed and attached.~~
- ~~(4) In this form, the term "company" includes any body corporate or corporation wherever incorporated or otherwise established, and the term "issuer" shall mean the company or other legal person in respect to which this Form is to be lodged, and the term "director" includes a member of the board of directors or any person holding an analogous office in a foreign company and a person in accordance with whose directions or instructions the company's directors are or were accustomed to act.~~
- ~~(5) Every supervisor of the issuer must sign a copy of this declaration and undertaking individually and such signature must be certified as a true signature by a director of the issuer or the secretary of the issuer before submission to the Exchange.~~
- ~~(6) Unless the context otherwise requires, questions included in this Form are intended to apply to acts done or matters occurring anywhere, whether in or outside Hong Kong, the Special Administrative Region of the People's Republic of China ("Hong Kong"), and should not be construed to have any territorial limit. All ordinances referred to herein are Hong Kong ordinances.~~
- ~~(7) The failure of any person required to lodge this Form to complete Part 1 of this Form truthfully, completely and accurately, or the failure to execute Part 2 of this Form or to observe any of the undertakings or acknowledgements made under that Part, constitutes a breach of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules").~~
- ~~(8) If you have any doubt as to how any part of this Form should be executed, you should consult your solicitor or legal advisers.~~
- ~~(9) Notice in relation to the Personal Data (Privacy) Ordinance (the "Ordinance"):
(a) It is necessary for The Stock Exchange of Hong Kong Limited (the "Exchange") to collect the data required in this Form for the due and proper administration and implementation of the Rules Governing the Listing of Securities on the Growth~~

~~Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).~~

- ~~(b) Failure to supply such data may constitute a breach of the relevant provisions of the GEM Listing Rules.~~
- ~~(c) The data required in this Form shall be used for the purposes of assisting the Exchange to assess the suitability of the individual for application as a director of a company listed on the Exchange and to preserve the reputation and integrity of the Exchange.~~
- ~~(d) The data collected in this Form may be provided or transferred by the Exchange to any party to whom the Exchange is required to do so by law, or to the following parties:—~~
- ~~(i) any agent, contractor or third party who provides services to the Exchange in connection with the administration and implementation of the GEM Listing Rules;~~
 - ~~(ii) any other person under a duty of confidentiality to the Exchange.~~
- ~~(e) Under and in accordance with the terms of the Ordinance, any individual has the right:—~~
- ~~(i) to check whether the Exchange holds data about him and request access to such data;~~
 - ~~(ii) to require the Exchange to correct any data relating to him which is inaccurate; and~~
 - ~~(iii) to ascertain the policies and practices of the Exchange in relation to data and to be informed of the kind of personal data held by the Exchange.~~
- ~~(f) In accordance with the terms of the Ordinance, the Exchange has the right to charge a reasonable fee for complying with a data access request.~~
- ~~(g) The person to whom requests under paragraph (e) are to be addressed are as follows:~~

~~Executive Director
The Listing Division
11th Floor, One International Finance Centre
1 Harbour View Street
Central
Hong Kong~~

Part 1

DECLARATION

1. State: _____ in English _____ in Chinese

- (a) ~~name of the issuer in question (of which you are, or proposed to be a director)~~ :
.....
- (b) ~~present surname and any former surname(s)~~ :
.....
- (c) ~~alias, if any~~ :
.....
- (d) ~~present forename(s) and any former forename(s)~~ :
.....
- (e) ~~date of birth~~ :
.....
- (f) ~~residential address~~ :
.....
- (g) ~~nationality and former nationality, if any~~ :
.....
- (h) ~~professional qualifications, if any~~ :
.....
- (i) ~~Hong Kong ID number, or if none, passport number and place of issue~~ :
.....

~~2. Are you a director, supervisor or manager of any company (other than the issuer named at 1(a) above)?~~

.....

~~If so, state the name of each such company, its place of incorporation, the nature of its business and the date of commencement of your directorship or supervisor's or manager's position in such company.~~

.....
.....

~~Note: (1) You may exclude dormant companies from this disclosure.~~

~~(2) Where a company of which you are a director, supervisor or manager has securities listed on either the Main Board (as such term is defined in rule 1.01 of the GEM Listing Rules) or the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the name of any subsidiary company of which you are also a director or supervisor or manager need not be stated.~~

~~3. Have you at any time been adjudged bankrupt or insolvent?~~

.....
If so, state the Court by which you were adjudged bankrupt or insolvent and, if discharged, the date and conditions on which you were granted your discharge.
.....
.....

4. ~~Have you at any time been a party to a deed of arrangement or entered into any other form of arrangement or composition with your creditors?~~

.....
If so, give full particulars.
.....
.....

5. ~~Are there any unsatisfied judgments or court orders of continuing effect against you?~~

.....
If so, give full particulars.
.....
.....

6. ~~Has any enterprise, company or unincorporated business enterprise been dissolved or put into liquidation (otherwise than by a members' voluntary winding up when the company, in the case of a Hong Kong company, was solvent) or bankruptcy or been the object of an analogous proceeding, or entered into any form of arrangement or composition with creditors, or had a receiver, trustee or similar officer appointed over it (a) during the period when you were one of its directors or, in the case of an enterprise, a company or an unincorporated business enterprise established in the PRC, during the period when you were one of its directors, supervisors or managers, or (b) within 12 months after your ceasing to act as one of its directors, supervisors or managers, as the case may be?~~

.....
If so, give full particulars, including the name of the company or enterprise, its place of incorporation or establishment, the nature of its business, the nature of the proceeding involved, the date of commencement of the proceeding, and the amounts involved together with an indication of the outcome or current position of the proceeding.
.....
.....

~~7. Have you been convicted of any offence:~~

~~(a) involving fraud, dishonesty or corruption;~~

~~(b) under the Securities and Futures Ordinance, Part II of the Companies Ordinance (insofar as that Part relates, whether directly or indirectly, to the performance of functions by the Securities and Futures Commission in relation to prospectuses and purchase by a company of its own shares) and Part XII of the Companies Ordinance (insofar as that Part relates, whether directly or indirectly, to the performance of functions by the Securities and Futures Commission in relation to prospectuses), the Commodity Exchanges (Prohibition) Ordinance, the repealed Protection of Investors Ordinance, the repealed Securities Ordinance, the repealed Securities (Disclosure of Interests) Ordinance, the repealed Securities and Futures Commission Ordinance, the repealed Commodities Trading Ordinance, the repealed Stock Exchanges Unification Ordinance, the repealed Securities and Futures (Clearing Houses) Ordinance, the repealed Exchanges and Clearing Houses (Merger) Ordinance, the repealed Securities (Insider Dealing) Ordinance, the Bankruptcy Ordinance, the Banking Ordinance or any Ordinance relating to taxation, or any comparable legislation of other jurisdictions; or~~

~~(c) in respect of which you have, within the past 10 years, been sentenced as an adult to a period of imprisonment of six months or more, including suspended or commuted sentences?~~

~~If so, give full particulars, including details of (i) each such offence, (ii) the Court by which you were convicted, (iii) the date of conviction, and (iv) the penalty imposed.~~

~~Note: Certain convictions may come within the provisions of the Rehabilitation of Offenders Ordinance or comparable legislation of other jurisdictions. In such cases, the relevant conviction need not be disclosed.~~

~~8. (a) (i) Have you been identified as an insider dealer pursuant to Part XIII or XIV of the Securities and Futures Ordinance or the repealed Securities (Insider Dealing) Ordinance at any time?~~

~~(ii) Has any enterprise, company or unincorporated business enterprise with which you were or are connected (as such expression is defined in Part XIII or XIV of the Securities and Futures Ordinance or the repealed Securities (Insider Dealing) Ordinance) or any enterprise, company or unincorporated business enterprise for which you act or have acted as a supervisor or as a manager been identified as an insider dealer pursuant to Part XIII or XIV of~~

~~the Securities and Futures Ordinance or the repealed Securities (Insider Dealing) Ordinance at any time during the period when you were or are connected and/or act or have acted as a supervisor or as a manager?~~

~~(b) (i) Have you been found guilty of or been involved in insider dealing, or been held by any Court or competent authority to be in breach of any securities or financial markets laws, rules or regulations including any rules and regulations of any securities regulatory authority, stock exchange or futures exchange at any time?~~

~~(ii) Has any enterprise, company or unincorporated business enterprise in which you were or are a controlling shareholder (as such term is defined in the GEM Listing Rules), a supervisor, a director or manager been found guilty of or been involved in insider dealing, or been held by any Court or competent authority to be in breach of any securities or financial markets laws, rules or regulations including any rules and regulations of any securities regulatory authority, stock exchange or futures exchange at any time during the period when you were or are a controlling shareholder, supervisor, director or manager?~~

~~If so, give full particulars.~~

~~9. Have you, in connection with the formation or management of any enterprise, company, partnership or unincorporated business enterprise, been adjudged by a Court or arbitral body civilly liable for any fraud, breach of duty or other misconduct by you towards such enterprise, company, partnership or unincorporated business enterprise or towards any of its members or partners?~~

~~If so, give full particulars.~~

~~10. Has any enterprise, company, partnership or unincorporated business enterprise of which you were or are a partner, director, supervisor or manager had its business registration or licence revoked at any time during the period when you were or are one of its partners, directors, supervisors or managers?~~

~~If so, give full particulars, including the date upon which such registration or licence was~~

revoked, the reasons for the revocation, the outcome and current position.

-
- ~~11. Have you ever been disqualified from holding, or deemed unfit to hold, the position of director, supervisor or manager of an enterprise, a company or an unincorporated business enterprise, or from being involved in the management or conduct of the affairs of any enterprise, company or unincorporated business enterprise, pursuant to any applicable law, rule or regulation or by any competent authority?~~

.....

~~If so, give full particulars.~~

-
- ~~12. Are you currently subject to any investigation by any judicial, regulatory or governmental authority?~~

.....

~~If so, give full particulars, including the investigating body, the nature of the investigation and the matters under investigation.~~

-
- ~~13. Have you ever been refused admission to membership of any professional body or been censured, or disciplined by any such body to which you belong or belonged or been disqualified from membership in any such body or have you ever held a practising certificate or any other form of professional certificate or licence subject to special conditions?~~

.....

~~If so, give full particulars.~~

-
- ~~14. Are you now or have you ever been a member of a triad or any other illegal society?~~

-
- ~~15. Are you currently subject to (i) any investigation, hearing or proceeding brought or instituted by any securities regulatory authority, including the Hong Kong Takeovers Panel or any other securities regulatory commission or panel, or (ii) any judicial proceeding in which violation of any securities law, rule or regulation is or was alleged?~~

.....

~~If so, give full particulars.~~

.....

~~16. Are you a defendant in any current criminal proceeding involving an offence which may be material to an evaluation of your character or integrity to be a director of the issuer?~~

.....

If so, give full particulars.

.....

~~17. Other than the information which you have disclosed pursuant to the foregoing questions, are you aware of any matter the non-disclosure of which may affect the truthfulness, completeness or accuracy of your response to any of the foregoing questions?~~

.....

If so, give full particulars.

.....

I,..... [Insert Chinese name, (if any)] declare that the answers to all the above questions are true, complete and accurate, and that I have not made any statements or omissions which would render such answers untrue or misleading.

Signature:

Name:

Dated

Certified as the true signature of

.....by

.....
(Signature) Secretary/Director

.....
Name: (Secretary/Director)

Part 2

UNDERTAKING AND ACKNOWLEDGEMENT

I,..... [insert Chinese characters, if any], hereby undertake with The Stock Exchange of Hong Kong Limited that in the exercise of my powers and duties as a supervisor of the issuer, I shall:—

(a) ...

...

(h) ...

2. acknowledge and agree that:-

(a) ...

...

(d) ...

I hereby submit to the jurisdiction of The Stock Exchange of Hong Kong Limited in respect of all matters relevant to the GEM Listing Rules.

[Draftsman's note: the above requirements are retained and carried forward.]

Executed this day of, in

SIGNED, SEALED AND DELIVERED _____)

by the above named in the presence of: _____)

_____)

*affix seal

Witness's details _____)

Signature of witness _____ Signature of director

Name of witness (printed)

Address of witness (printed)

Appendix 6

DIRECTOR'S AND SUPERVISOR'S FORMS

FORM C

Supervisor's declaration, undertaking and acknowledgement
in respect of an issuer incorporated in the People's Republic of China ("PRC")

Part 1

DECLARATION

1. State:-	<u>in</u> <u>English</u>	<u>in</u> <u>Chinese</u>
(a) present surname and any former surname(s)*	.....	.....
(b) alias, if any *	.....	.....
(c) present forename(s) and any former forename(s) *	.....	.....
(d) date of birth	.....	.....
(e) residential address	.....	.....
(f) nationality and former nationality, if any	.....	.....
(g) (i) Hong Kong ID card number	.....	.....
(g) (ii) in the case of a non-Hong Kong ID cardholder, passport number or any identification document number and name of issuing authority	.....	.....
(h) name of issuer (i.e. the new applicant/listed issuer)	.....	.....

* As set out in the Hong Kong ID card, or any relevant identification document referred to in 1(g) above.

2. The relevant document that sets out my personal details in the manner described in paragraph 41 of Appendix 1A or rule 17.50(2), as the case may be, of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited from time to time in force (the "GEM Listing Rules") is:

(Tick as appropriate)

In the case of new applicant:

the listing document dated which has been duly registered with the Companies Registry.

In the case of listed issuer:

the announcement datedby the issuer as required under GEM Listing Rule 17.50(2) with regard to my appointment as a supervisor of the issuer.

Part 2

UNDERTAKING AND ACKNOWLEDGEMENT

The particulars referred to in this Part 2 are:-

1. in the exercise of my powers and duties as a supervisor of(Insert the name of the issuer) I, the undersigned, shall:-

(a) ...

...

(h) ...

2. I acknowledge and agree that:—

(a)...

...

(d) ...

I hereby submit to the jurisdiction of The Stock Exchange of Hong Kong Limited in respect of all matters relevant to the GEM Listing Rules.

I, (.....) [Insert Chinese name, if any]:

(i) solemnly and sincerely declare that all particulars about me that appear in Part 1(1) of this Form C and in the document referred to in Part 1(2) of this Form C are true, complete and accurate, that I accept responsibility for the truthfulness, accuracy and completeness of the foregoing particulars, that I have not made any statements or omissions which would render such particulars untrue or misleading, that I understand the possible consequences of giving information which is false or misleading in a material particular including those as set forth in the Note hereto, and that I understand that The Stock Exchange of Hong Kong Limited may rely upon the foregoing particulars in assessing my suitability to act as a supervisor of the issuer; and

(ii) undertake and acknowledge with The Stock Exchange of Hong Kong Limited in the terms set out in Part 2 of this Form C.

Signature: _____

Name _____ of
Supervisor: _____

Hong Kong ID Card
Number* : _____

Dated: _____

Certified as the true
signature of: _____

By: _____

Signature:
(Secretary/Director) _____

Name:
(Secretary/Director) _____

* In the case of a non-Hong Kong ID cardholder, state the passport number or any identification document number and name of issuing authority.

Note: The failure of any person required to lodge this Form C to complete Part 1 of this Form C truthfully, completely and accurately, or the failure to execute Part 2 of this Form C or to observe any of the undertakings made under that Part, constitutes a breach of the GEM Listing Rules. In addition, every supervisor of the issuer supplying information sought or referred to in this Form C, should note that such information constitutes information which is provided to the Exchange in purported compliance with a requirement to provide information under the “relevant provisions” (as defined in Part 1 of Schedule 1 to the Securities and Futures Ordinance, Cap. 571) and is likely to be relied upon by the Exchange. In relation to this, you should be aware that giving to the Exchange any information which is false or misleading in a material particular will render the relevant person liable for prosecution for an offence under section 384 of the Securities and Futures Ordinance. If you have any queries you should consult the Exchange or your professional adviser immediately.

...

Appendix 7

SPONSOR'S FORMS

FORM G

Sponsor's Declaration in support of a New Applicant

To: The Listing Division

The Stock Exchange of Hong Kong Limited

...../...../.....

We,....., are a / the [cross out whichever is not applicable] Sponsor appointed by (the "Company") for the purpose referred to in rule 6A.02 of the Rules Governing the Listing of Securities on Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") and have offices located at.....

Pursuant to rule 6A.13 we declare to The Stock Exchange of Hong Kong Limited (the "Exchange") that:

...

(2) having made reasonable due diligence inquiries, we have reasonable grounds to believe and do believe that:

(a) ~~the answers provided by each director or proposed director of the Company in the director's declaration(s) in the form at Appendix [6A] [or, in the case of PRC issuers, Appendix 6B] are true and do not omit any material information; [Repealed 1 January 2009]~~

...

...

Appendix 7

SPONSOR'S FORMS

Form K

Sponsor's statement relating to independence

To: The Listing Division

The Stock Exchange of Hong Kong Limited

...../...../.....

We,, (the “Firm”) are a / the [cross out whichever is not applicable] Sponsor appointed by (the “Company”) for the purpose referred to in rule 6A.02 of the Rules Governing the Listing of Securities on Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) and have offices located at

Pursuant to rule 6A.08 we declare to The Stock Exchange of Hong Kong Limited that as regards the Firm’s relationship with the Company [clearly strike out whichever of the following does not apply]:

- (1) pursuant to rule 6A.07, the Firm is and expects to be independent; [or]
- (2) pursuant to rule 6A.07, the Firm is not or does not expect to be independent because, ~~at the time it expects to make the declaration referred to in rule 6A.13:~~

[describe in some detail the circumstances that give rise to the lack of independence]

.....

...

Appendix 8

FORM OF SHARE BUYBACK REPORT TO THE STOCK EXCHANGE OF HONG KONG LIMITED (“THE EXCHANGE”)

[Repealed 1 January 2009]

To: ~~The Listing Division~~
~~The Stock Exchange of Hong Kong Limited~~

.....

Dear Sirs,

Name of Company:

Description of Securities:

A. ~~Purchase Report~~

~~We hereby report the following purchases by our company of the above securities.~~

	Number of	Method	Price per			
Trading	Securities	of	Share or	Highest Price	Lowest Price	Total
Day/Date	Purchased	Purchase*	Paid \$	Paid \$	Paid \$	Paid \$

Total

* ~~Either on the Exchange, on another stock exchange (stating the name of the exchange), by private arrangement or by general offer.~~

B. ~~Additional Information~~

1. ~~Number of such securities purchased on the Exchange
in the year to date (since ordinary resolution) (a).....~~

2. ~~% of issued share capital at time ordinary resolution
passed/acquired on the Exchange since date of
resolution~~

~~($\frac{(a) \times 100}{\text{issued share capital}} \dots\dots\dots$) %~~

~~We hereby confirm that the purchases set out in A above which were made on the Exchange were made in accordance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and that there have been no material changes to the particulars contained in the Explanatory Statement dated ____/____/____ which has been filed with the Exchange. We also confirm that any purchases set out in A above which were made on another stock exchange were made in accordance with the domestic rules applying to purchases made on that other exchange.~~

~~Submitted by:~~

~~Name:~~

~~Title:~~

~~{Director, Secretary or other duly
authorised officer for and on
behalf of the Company}~~

Appendix 10

MODEL FORMS OF FORMAL NOTICE

FORM A

For offers for sale or subscription

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

...

Appendix 10

MODEL FORMS OF FORMAL NOTICE

FORM B

For introductions

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

...

Appendix 10

MODEL FORMS OF FORMAL NOTICE

FORM C

For placings

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

...

Appendix 10

MODEL FORMS OF FORMAL NOTICE

FORM D

For selective marketings

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

...

Appendix 11

ADDITIONAL REQUIREMENTS IN RESPECT OF

CERTAIN JURISDICTIONS

PART A

BERMUDA

Section 1

...

...

6. As to corporate representatives

The bye-laws shall provide that if a recognised clearing house within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance of Hong Kong is a member of the company it may, to the extent permitted by law, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the company or at any meeting of any class of members of the company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised pursuant to this provision shall be entitled to exercise the same powers on behalf of the recognised clearing house (or its nominee) which he represents as that clearing house (or its nominee) could exercise if it were an individual shareholder of the company, ~~including the right to vote individually on a show of hands.~~

...

Section 2

...

...

3. The summary and, where relevant, comparison of the constitutive documents required by

rules 24.09(2) and 24.09(5)(a), must be set out under the following headings and where any item is not applicable the words “not applicable” should be inserted under the relevant heading:—

...

- (5) voting rights (generally, and on a poll ~~and right to demand a poll~~)
 - (i) summary
 - (ii) differences

...

Appendix 11
ADDITIONAL REQUIREMENTS IN RESPECT OF
CERTAIN JURISDICTIONS
PART B
THE CAYMAN ISLANDS
Section 1

...

...

2. As regards general meetings

...

- (3) ~~The articles of association shall incorporate provisions permitting 5 members or members holding one tenth of voting rights to demand a poll at any general meeting of the issuer or such lower number or percentage as the issuer may choose.~~ [Repealed 1 January 2009]

...

6. As to corporate representatives

The articles of association shall provide that if a recognised clearing house within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance of Hong Kong is a member of the company it may authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the company or at any meeting of any class of members of the company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised pursuant to this provision shall be entitled to exercise the same powers on behalf of the recognised clearing house (or its nominee) which he represents as that clearing house (or its nominee) could

exercise if it were an individual shareholder of the company, ~~including the right to vote individually on a show of hands.~~

...

Section 2

...

...

3. The summary and, where relevant, comparison of the constitutive documents required by rules 24.09(2) and 24.09(5)(a), must be set out under the following headings and where any item is not applicable the words “not applicable” should be inserted under the relevant heading:—

...

- (5) voting rights (generally, and on a poll ~~and right to demand a poll~~)
- (i) summary
 - (ii) differences

...

APPENDIX 11

ADDITIONAL REQUIREMENTS IN RESPECT OF CERTAIN JURISDICTIONS

Part C

THE PEOPLE’S REPUBLIC OF CHINA

...

Section 2

MODIFICATIONS AND ADDITIONAL REQUIREMENTS

(see rule 25.20)

1. A summary of the constitutive documents required by rule 25.20(2) must be set out under the following headings and where any item is not applicable the words “not applicable” should be inserted under the relevant heading:—

...

- (5) voting rights (generally, and on a poll ~~and right to demand a poll~~)
- (i) summary

- (ii) differences

...

Appendix 15

CODE ON CORPORATE GOVERNANCE PRACTICES

...

C. ACCOUNTABILITY AND AUDIT

...

C.2 Internal controls

...

Code Provisions

C.2.1 The directors should at least annually conduct a review of the effectiveness of the system of internal control of the issuer and its subsidiaries and report to shareholders that they have done so in their Corporate Governance Report. The review should cover all material controls, including financial, operational and compliance controls and risk management functions.

C.2.2 The board's annual review should, in particular, consider the adequacy of resources, qualifications and experience of staff of the issuer's accounting and financial reporting function, and their training programmes and budget.

Recommended Best Practices

C.2.23 The board's annual review should, in particular, consider:

...

C.2.34 Issuers should disclose as part of the Corporate Governance Report a narrative statement how they have complied with the code provisions on internal control during the reporting period. The disclosures should also include the following items:

...

C.2.45 Issuers should ensure that their disclosures provide meaningful information and do not give a misleading impression.

C.2.56 Issuers without an internal audit function should review the need for one on an annual basis and should disclose the outcome of such review in the issuers' Corporate Governance Report.

C.3 Audit Committee

...

Code Provisions

C.3.3 The terms of reference of the audit committee should include at least the following duties:-

...

- (e) In regard to (d) above:-
 - (i) members of the committee must liaise with the issuer's board of directors; ~~and senior management and the person appointed as the issuer's qualified accountant~~ and the committee must meet, at least once a year, with the issuer's auditors; and
 - (ii) the committee should consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and must give due consideration to any matters that have been raised by the issuer's staff responsible for the accounting and financial reporting function ~~qualified accountant~~, compliance officer or auditors;

Oversight of issuer's financial reporting system and internal control procedures

...

- (g) to discuss with the management the system of internal control and ensure that management has discharged its duty to have an effective internal control system including the adequacy of resources, qualifications and experience of staff of the issuer's accounting and financial reporting function, and their training programmes and budget;

...

E. COMMUNICATION WITH SHAREHOLDERS

E.1 Effective communication

Principle

The board should endeavour to maintain an on-going dialogue with shareholders and in particular, use annual general meetings or other general meetings to communicate with shareholders and encourage their participation.

Code Provisions

...

E.1.3 The issuer should arrange for the notice to shareholders to be sent in the case of annual general meetings at least 20 clear business days before the meeting and to be sent at least 10 clear business days in the case of all other general meetings.

E.2 Voting by Poll

Principle

The issuer should ensure that shareholders are familiar with the detailed procedures for conducting a poll. The issuer should regularly inform shareholders of the procedure for voting by poll and ensure compliance with the requirements about voting by poll contained in the GEM Listing Rules and the constitutional documents of the issuer.

Code Provisions

~~E.2.1 The chairman of a meeting should ensure disclosure in the issuer's circulars to shareholders of the procedures for and the rights of shareholders to demand a poll in compliance with the requirements about voting by poll contained in rule 17.47(4). In particular, pursuant to rule 17.47(3), the chairman of a meeting and/or directors who, individually or collectively, hold proxies in respect of shares representing 5% or more of the total voting rights at a particular meeting shall demand a poll in certain circumstances where, on a show of hands, a meeting votes in the opposite manner to that instructed in those proxies. If a poll is required under such circumstances, the chairman of the meeting should disclose to the meeting the total number of votes represented by all proxies held by directors indicating an opposite vote to the votes cast at the meeting on a show of hands.~~

~~E.2.2 The issuer should count all proxy votes and, except where a poll is required, the chairman of a meeting should indicate to the meeting the level of proxies lodged on each resolution, and the balance for and against the resolution, after it has been dealt with on a show of hands. The issuer should ensure that votes cast are properly counted and recorded.~~

~~E.2.13 The chairman of a meeting should at the commencement of the meeting ensure that an explanation is provided of:-~~

- ~~(a) the procedures for demanding a poll by shareholders before putting a resolution to the vote on a show of hands; and~~
- ~~(b) the detailed procedures for conducting a poll and then answer any questions from shareholders regarding whenever voting by way of a poll is required.~~

...

Appendix 17

Headline Categories

...

Equity

...

5. ~~Headline Category – Share Buyback Reports~~ Next Day Disclosure Returns (as set out in Schedule 4A)

5A. Headline Category – Monthly Returns

...

Schedule 1

Headline Categories for Announcements and Notices

...

Corporate Positions and Committees/Corporate Changes

Amendment of Constitutional Documents

Change in a Director's or Supervisor's Biographical Details

...

Change in Financial Year End

~~Change in Qualified Accountant~~

...

Non-compliance with INED Requirements or INED Failing to Meet Independence Guidelines

~~Non-compliance with Qualified Accountant Requirements~~

...

Meetings/Voting

...

~~Results of Voting by Poll~~

...

Reorganisation/Change in Shareholding/Major Changes/Public Float/Listing Status

Announcement by Offeree pursuant to Takeovers Code

Announcement by Offeror pursuant to Takeovers Code

Change in Principal Business Activities

Change in Shareholding
Charging or Pledging of Shares by Shareholder
Concentration of Shareholdings
Dealing in Securities by Director where Otherwise Prohibited under Model Code
~~Fundamental Change in Principal Business Activities~~
Group Restructuring or Scheme of Arrangement
...

Miscellaneous

...
Matters relating to Options
Mining Activities Undertaken by Listed Issuers
Other
Overseas Regulatory Announcement
...

Schedule 2
Headline Categories for Circulars

...

Notifiable Transactions

~~Discloseable Transaction~~
Major Transaction
Reverse Takeover
Very Substantial Acquisition
Very Substantial Disposal
...

Schedule 4
Headline Categories for Financial Statements

Annual Report
Interim/Half-Year Report
Quarterly Report

Schedule 4A
Headline Categories for Next Day Disclosure Returns

Share Buyback
Others

Schedule 5
Headline Categories for Debt and Structured Products

...