FAQs – Main Board Listing Rules – Chapter 19A

Question:

Directors/supervisors are required to provide their contact details to the Exchange using the contact details form (FF002) as soon as practicable after their appointment.

(i) Can a director/supervisor provide his address in either English or Chinese?

(ii) Can a director/supervisor just provide his office phone number, instead of all the office, home and mobile numbers?

Answer:

(i) Yes.

(ii) A director/supervisor should provide the mobile number and the telephone number (office or home, or both).

FAQ Series N/A, FAQ No. 054-2019
LR reference: Main Board Rules 3.20, 19A.07A / GEM Rules 5.13A, 17.91A
Released on 01/03/2019

Question:

As a transitional arrangement, existing directors and supervisors of listed issuers are required to provide their contact details to the Exchange by 31 March 2019.

(i) Can an issuer submit a single form (FF002) for all its existing directors and supervisors?

(ii) Which “filing type” should be used for existing directors/supervisors? Are the directors/supervisors required to fill in the “effective date”?

(iii) If the residential address of an existing director/supervisor remains the same as that in the DU Form previously submitted to the Exchange, does he need to include such information in the form (FF002)?

Answer:
(i) Yes.

(ii) The issuer may submit the form (FF002) with the filing type marked “first notification”. There is no need to fill in the “effective date” fields for existing directors and supervisors.

(iii) Yes.

FAQ Series N/A, FAQ No. 055-2019
LR reference: Main Board Rules 3.20, 19A.07A / GEM Rules 5.13A, 17.91A
Released on 01/03/2019

Question:

According to the circulars issued by the State Council of the PRC and the China Securities Regulatory Commission on 22 and 25 October 2019, the notice period for general meetings of PRC issuers (and other related matters) shall be governed by the Company Law of the PRC, but not the Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies issued by the State Council (the Regulations). This will shorten the notice period for general meetings from 45 days to 20 days for annual general meetings and 15 days for special general meetings. The circular also advised PRC issuers to amend their articles of association accordingly.

Under Appendix 13D to the Main Board Rules / Appendix 11C to the GEM Rules, a PRC issuer’s articles of association must include the Mandatory Provisions issued by PRC regulatory authorities. A PRC issuer asks whether its articles of association, as amended, would continue to comply with the requirement of Appendix 13D / Appendix 11C.

Answer:

Yes. Under Main Board Rule 19A.53 / GEM Rule 25.40 a PRC issuer shall observe and comply with the Company Law, the Regulations and the PRC issuer’s articles of association. The PRC issuer would be in compliance with the Rules.

The issuer is also reminded that under Main Board Rule 13.51(1) / GEM Rule 17.50(1) it must, at the same time as it dispatches a circular to shareholders on the proposed amendments, submit to the Exchange a confirmation from its legal adviser that the amendments to the articles of association conform to the Listing Rule requirements and the PRC laws and regulation.

FAQ No. 070-2019
LR reference: Main Board Rules 13.51(1), 19A.53, Paragraph (a) of Section 1 of Appendix 13D / GEM
**Question:**

Do “close associate” and “associate” include a trustee where the beneficiary of the trust is a company controlled by a director, chief executive or substantial shareholder or any of his family interests/immediate family members?

**Answer:**

Yes. For the purpose of the definitions of “close associate” and “associate”, the interest of a director, chief executive or substantial shareholder, or any of his family interests/immediate family members includes all beneficial interests directly or indirectly held by any of these parties. This would include the trustee of any trust of which a company beneficially controlled by a director, chief executive or substantial shareholder, or any of his family interests/immediate family members is a beneficiary. Similarly, where the substantial shareholder is a corporation, “close associate” and “associate” include the trustee of any trust of which a subsidiary of the substantial shareholder is a beneficiary.

*FAQ Series 1, FAQ No. 1*

**LR reference:** Main Board Rules 1.01, 14A.12(1)(b), 14A.13(2), 19A.04 / GEM Rules 1.01, 20.10(1)(b), 20.11(2), 25.04

Released on 30/3/2004 (Updated in February 2020)

**Question:**

In the case of an H-share issuer whose domestic shares are quoted on NEEQ, how should the issuer calculate its market capitalisation for the purpose of calculating the consideration ratio of a notifiable or connected transaction?

**Answer:**

The market capitalisation is calculated based on the issuer’s total number of shares in issue including H shares and domestic shares. The market value of the domestic shares is calculated by reference to the average closing price of its H shares for the 5 days preceding the date of the transaction.

*FAQ Series N/A, FAQ No. 069-2019*

**LR reference:** Main Board Rules 14.07(4), 19A.38A / GEM Rules 19.07(4), 25.34C

Released on 30/09/2019 (Updated in October 2020)
Question:

How is the market capitalisation calculated if the issuer has unlisted shares or shares listed in other markets, such as H-Share issuers with A and B Shares?

Answer:

The market capitalisation for the purpose of the consideration test is calculated with reference to the total issued share capital of the issuer.

(i) For an H-Share issuer with A and/or B Shares listed on a PRC stock exchange, the market value of A and/or B shares is calculated based on the average closing price of the respective shares for the five business days preceding the date of the transaction.

(ii) For an H-issuer which has unlisted shares, the market value of unlisted shares is calculated by reference to the average closing price of its H shares for the five business days preceding the date of the transaction.

(iii) For an issuer dually listed on the Exchange and an overseas stock exchange and has one class of listed shares traded on both exchanges, its market capitalisation is calculated based on the total number of issued shares and the average closing price of the shares quoted on the Exchange for the five business days preceding the date of the transaction.

FAQ Series 1, FAQ No. 49


Released on 30/3/2004 (Updated in October 2020)