

MAIN BOARD LISTING RULE AMENDMENTS
(Effective from 1 January 2013)

Chapter 1

GENERAL

INTERPRETATION

1.01 Throughout this book, the following terms, save where the context otherwise requires, have the following meanings:

“Exchange Listing Rules” or “Listing Rules” or “Rules” the rules governing the listing of securities made by the Exchange from time to time, ~~their~~ appendices ~~thereto~~, any listing agreement or other contractual arrangement entered into with any party under them pursuant thereto, and rulings of the Exchange made ~~in pursuance thereof~~ under them

“inside information” has the meaning defined in the Securities and Futures Ordinance as amended from time to time

Note: Where the Exchange interprets whether a piece of information is inside information in the context of enforcing the Rules, e.g. rules 10.06(2) and 17.05, it will be guided by decisions of the Market Misconduct Tribunal and published guidelines of the Commission.

“Inside Information Provisions” Part XIVA of the Securities and Futures Ordinance

“Securities and Futures Ordinance” or “SFO” the Securities and Futures Ordinance (Cap. 571) as amended from time to time

“trading halt” an interruption of trading in an issuer’s securities requested or directed pending disclosure of information under the Rules and extending for no more than two trading days

Note: Where a trading halt exceeds two trading days, it will automatically become a trading suspension.

Chapter 2

GENERAL

INTRODUCTION

General principles

2.03 The Exchange Listing Rules reflect currently acceptable standards in the market place and are designed to ensure that investors have and can maintain confidence in the market and in particular that:—

(2) ...

(3) investors and the public are kept fully informed by listed issuers and, in the case of a guaranteed issue, the guarantors of ~~all~~ material factors which might affect their interests—~~and in particular that immediate disclosure is made of any information which might reasonably be expected to have a material effect on market activity in, and the prices of, listed securities;~~

(4) ...

Use of Electronic Means

2.07C (1) (a) (iv) Where a listed issuer requests a trading halt or suspension of trading in its securities and the trading halt or suspension has been effected, the listed issuer must immediately submit through HKEx-EPS to the Exchange for publication on the Exchange's website a ready-to-publish electronic copy of an announcement informing that trading in the securities of the listed issuer has been halted or suspended and setting out briefly the reason for the trading halt or suspension.

2.07C (4) (a) Announcement or notice must not be published on the Exchange's website:

- between 8:30 a.m. and 12:00 noon and between ~~1:00~~ 12:30 p.m. and 4:15 p.m. on a normal business day ~~provided that the reference to 1:00 p.m. shall be changed to 12:30 p.m. with effect from 5 March 2012;~~ and
- between 8:30 a.m. and 12:00 noon on the eves of Christmas, New Year and the Lunar New Year when there is no afternoon session,

except for:

- (i) [Repealed 10 March 2008];
- (ii) announcements made solely ~~pursuant to~~ under rule 2.07C(1)(a)(iv);
- (iii) announcements made solely ~~pursuant to~~ under rule ~~13.09(2)~~ 13.10B, or paragraph 2(2) of Parts C, D, E or H of Appendix 7;
- (iv) announcements made in response to the Exchange's enquiries of the issuer unusual movements in price or trading volume under rule 13.10, or paragraph 24 of Part C of Appendix 7, paragraph 11 of Part G of Appendix 7, or paragraph 26 of Part H of Appendix 7 ~~provided that if~~ in the announcement the issuer only provides the negative confirmations required under rule 13.10(2), or paragraph 24(2) of Part C of Appendix 7, or paragraph 11 of Part G of Appendix 7, or paragraph 26(2) of Part H of Appendix 7, states that it is not aware of any matter which might have relevance to such movement or refers to its previously published information;
- (v) announcements made in response to media news or reports under rule 13.09(1)~~(b)~~, paragraph 2(1)(b) of Part C, D, E or H of Appendix 7 or paragraph 4(3) of Part G of Appendix 7 ~~provided that if~~ in the announcement the issuer only denies the accuracy of such news or reports and/or clarifies that only its previously published information should be relied upon; and
- (vi) ...

2.07C (6) (a) ~~After 24 June 2008, e~~ Every issuer must have its own website on which it must publish any announcement, notice or other document ~~published by the issuer pursuant to this~~ under rule 2.07C on the Exchange's website. ~~Such~~ The publication should be at the same time as publication of the electronic copy of the document on the Exchange's website...

(b) ...

(c) ~~Prior to 25 June 2008, an issuer that does not have its own website must publish the announcement or notice in the newspapers on the business day next following submission of the announcement or notice to the Exchange for publication. This requirement to publish an announcement or notice in the newspapers does not apply to:~~
[Repealed 1 January 2013]

- ~~(i) announcements made by an issuer solely pursuant to rule 2.07C(1)(a)(iv);~~
- ~~(ii) announcements made solely pursuant to rule 13.43;~~
- ~~(iii) announcements made solely pursuant to rule 13.09(2), or paragraph 2(2) of Parts C, D, E or H of Appendix 7;~~
- ~~(iv) announcements made in response to unusual movements in price or trading volume under rule 13.10, or paragraph 24 of Part C of Appendix 7, paragraph 11 of Part G of Appendix 7, or paragraph 26 of Part H of Appendix 7 provided that in the announcement the issuer only states that it is not aware of any matter which might have relevance to such movement or refers to its previously published information; and~~
- ~~(v) announcements made in response to media news or reports under rule 13.09(1)(b), paragraph 2(1)(b) of Part C, D, E or H of Appendix 7 or paragraph 4(3) of Part G of Appendix 7 provided that in the announcement the issuer only denies the accuracy of such news or reports and/or clarifies that only its previously published information should be relied upon.~~

Transitional Arrangement

2.17A ~~The following provisions set out transitional arrangements with regard to dissemination of issuers' information for the purpose of these Exchange Listing Rules and shall cease to have effect on such date as the Exchange may determine and promulgate. [Repealed 1 January 2013]~~

~~(1) Where:~~

- ~~(a) an issuer is required under these Exchange Listing Rules to publish an announcement or notice in accordance with rule 2.07C; and~~
- ~~(b) the announcement or notice is not published in the newspapers,~~

~~the issuer must, subject to rule 2.17A(3), publish a notification in the newspapers in addition to complying with the requirements under rule 2.07C.~~

Note: Under these transitional arrangements, notifications, rather than the announcements or notices, will in most cases be published in the newspapers. However, there are cases where it is the announcement or notice that is published in the newspapers. This

~~occurs where the issuer itself chooses to do so pursuant to rule 2.17A(7) or where it is required to do so under a specific requirement in these Exchange Listing Rules (e.g. rule 2.07C(6)(e)).~~

- ~~(2) Publication of the notification in the newspapers must be on the business day next following submission of the electronic copy of the announcement or notice to the Exchange for publication on the Exchange's website.~~

~~Notes: (1) This is so that the announcement or notice will be on the Exchange's website by the time the notification is published in the newspapers. Issuers that are unable to meet this rule requirement will in individual circumstances need to contact the Exchange at the earliest opportunity.~~

~~(2) Please refer to rule 2.07C for the requirements governing the submission of the electronic copy of the announcement or notice to the Exchange for publication.~~

- ~~(3) The requirement in rule 2.17A(1) to publish a notification in the newspapers does not apply to:~~

~~(i) announcements made by an issuer solely pursuant to rule 2.07C(1)(a)(iv);~~

~~(ii) announcements made solely pursuant to rule 13.43;~~

~~(iii) announcements made solely pursuant to rule 13.09(2), or paragraph 2(2) of Parts C, D, E or H of Appendix 7;~~

~~(iv) announcements made in response to unusual movements in price or trading volume under rule 13.10, or paragraph 24 of Part C of Appendix 7, paragraph 11 of Part G of Appendix 7, or paragraph 26 of Part H of Appendix 7 provided that in the announcement the issuer only states that it is not aware of any matter which might have relevance to such movement or refers to its previously published information; and~~

~~(v) announcements made in response to media news or reports under rule 13.09(1)(b), paragraph 2(1)(b) of Part C, D, E or H of Appendix 7 or paragraph 4(3) of Part G of Appendix 7 provided that in the announcement the issuer only denies the accuracy of such news or reports and/or clarifies that only its previously published information should be relied upon.~~

- ~~(4) The notification must set out no less (and no more) than:~~

- ~~(a) — a statement that the announcement or notice containing details of the matter is available for viewing on the Exchange’s website and the issuer’s own website giving details as to where on these websites it is to be found (to the fullest extent known at the time of publication of the notification);~~
 - ~~(b) — a statement that the notification merely serves to advise investors of the matter and of the publication of the announcement or notice on the Exchange’s website and the issuer’s own website;~~
 - ~~(c) — a warning statement that the notification does not contain information upon which an investment decision should be based and should not be relied upon by investors for such purpose;~~
 - ~~(d) — a statement that investors should refer to the announcement or notice for details of the matter;~~
 - ~~(e) — a statement as to where the announcement or notice is available for inspection, that such inspection is available to the public at no charge, as to the hours of such inspection and days on which such inspection is available and the amount of any fee charged for providing copies (see rule 2.17A (9) below);~~
 - ~~(f) — in a prominent position at the top of the notification, all such headlines as may be appropriate (or, where multiple headlines, only those headlines which together best describe the subject matter of the announcement or notice), selected by the issuer from the list of headlines set out in Appendix 24;~~
 - ~~*Notes: (1) — For the purpose of submission of the announcement or notice through HKEx EPS for publication on the Exchange’s website pursuant to rule 2.07C(3), all appropriate headlines must be selected regardless of the number.*~~
 - ~~*(2) — In cases of doubt, the issuer should consult the Exchange at an early stage.*~~
 - ~~(g) — in a prominent position at the top of the notification, the same title as appears in the announcement or notice; and~~
 - ~~(h) — such other information as the Exchange may from time to time require.~~
- ~~(5) — Notwithstanding the provisions of rule 2.14, the issuer does not need to include the names of its directors in the notification.~~

- ~~(6) The notification must be of a size of not less than 8 centimetres by 10 centimetres.~~
- ~~(7) The issuer may publish the announcement or notice in the newspapers instead of a notification.~~
- ~~(8) The notification does not require clearance from the Exchange prior to publication.~~
- ~~(9) Where an issuer has published a notification in the newspapers, it must make the announcement or notice available for inspection during business hours at no charge at its principal place of business in Hong Kong (in the case of a listed issuer) or at a location in the Central and Western District, Wanchai District, Eastern District or Yau Tsim Mong District of Hong Kong (in the case of a listed issuer or new applicant). The inspection period must commence on the day on which the notification is published in the newspapers. It must continue for at least one month or until such time as the relevant corporate communication is sent to shareholders by the listed issuer or distributed to the public in the case of a new applicant, whichever is the later. If no corporate communication is to be issued, it must be for at least 10 consecutive business days. The issuer may charge reasonable fees for providing copies of the announcement or notice to any person.~~

Chapter 3A

GENERAL

SPONSORS AND COMPLIANCE ADVISERS

Sponsor's declaration

- 3A.15 Having made reasonable due diligence inquiries, each sponsor must confirm that it has reasonable grounds to believe and does believe that:
- (2) the new applicant is in compliance with all the conditions in Chapter 8 of the Exchange Listing Rules, in particular, ...
 - (3) ...
 - (4) ...
 - (5) the new applicant has established procedures, systems and controls (including accounting and management systems) which are adequate having regard to the obligations of the new applicant and its directors under to comply with the Exchange Listing Rules and other relevant legal and regulatory requirements (in particular rules 13.09, 13.10, 13.46, 13.48

and 13.49, Chapters 14 and 14A and Appendix 16, and the Inside Information Provisions) and which are sufficient to enable the new applicant's directors to make a proper assessment of the financial position and prospects of the new applicant and its subsidiaries, both before and after listing; and

- (6) the directors of the new applicant collectively have the experience, qualifications and competence to manage the new applicant's business and comply with the Exchange Listing Rules,including an understanding of the nature of their obligations and those of the new applicant as an issuer under the Exchange Listing Rules

Chapter 6

GENERAL

TRADING HALT, SUSPENSION, CANCELLATION AND WITHDRAWAL OF LISTING

6.01 Listing is always granted subject to the condition that where the Exchange considers it necessary for the protection of the investor or the maintenance of an orderly market, it may at any time direct a trading halt or suspend dealings in any securities or cancel the listing of any securities in such circumstances and subject to such conditions as it thinks fit, whether requested by the issuer or not. The Exchange may also do so where:—

- (1) an issuer fails, in a manner which the Exchange considers material, to comply with the Exchange Listing Rules; or
- (2) the Exchange considers there are insufficient securities in the hands of the public (see rule 8.08(1)); or
- (3) the Exchange considers that the issuer does not have a sufficient level of operations or sufficient assets to warrant the continued listing of the issuer's securities (see rule 13.24); or
- (4) the Exchange considers that the issuer or its business is no longer suitable for listing.

Trading halt or Suspension

6.02 Any request for a trading halt or suspension must be made to the Exchange by the issuer or ~~the issuer's~~ its authorised representative or financial adviser and must be supported by the specific reasons which the issuer wishes the Exchange to take into account in the Exchange's determination of its request. ~~whether or not trading in the issuer's securities should be suspended.~~

Note: (1) Recourse to a trading halt or suspension should only be made where necessary in the interests of all parties. In many cases, the ~~issue of issuer publishing an announcement by the issuer~~ is preferable to the fettering of the proper functioning of the market by an inappropriate or unwarranted trading halt or suspension. Unless the Exchange considers that the reasons given in support of a trading halt or suspension request warrant such action, it will expect a clarifying announcement to be published ~~in accordance with rule 2.07C~~ instead. Failure by an issuer to do so may result in disciplinary proceedings being brought against the issuer and its directors with the Exchange imposing sanctions available under rule 2A.09. ~~a public statement of criticism by the Exchange directed at the issuer.~~

(2) See Practice Note 11

6.03 The ~~burden shall be on the issuer~~ requesting a trading halt or suspension of trading in its securities has the obligation to satisfy the Exchange that a trading halt or suspension would be appropriate.

Note: (1) The Exchange is under an obligation to maintain an orderly and fair market for the trading of all Exchange listed securities and listed securities should be continuously traded save in exceptional circumstances.

6.04 Where dealings have been halted or suspended, the procedure for lifting the trading halt or suspension will depend on the circumstances and the Exchange reserves the right to impose such conditions as it considers appropriate. The issuer will normally be required to announce ~~in accordance with rule 2.07C~~ the reason for the trading halt or suspension and, where appropriate, the anticipated timing of the lifting of the trading halt or suspension. In some cases (for example a ~~temporary suspension trading halt~~ pending an announcement) the ~~suspension trading halt~~ will be lifted as soon as possible after the announcement is made. In other cases (for example those in rule 14.84) the suspension will be continued until any relevant requirements have been met. The continuation of a suspension for a prolonged period without the issuer taking adequate action to obtain restoration of listing may lead to the Exchange cancelling the listing.

Note: (1) See Practice Note 11

6.05 The duration of any trading halt or suspension should be for the shortest possible period. It is the issuer's responsibility ~~of the issuer of securities suspended from trading~~ to ensure that trading in its securities resumes as soon as practicable following the publication of an appropriate announcement ~~in accordance with rule 2.07C~~ or when the specific reasons given by the issuer ~~in~~

~~support of supporting~~ its request for a trading halt or suspension of trading in its securities, ~~pursuant under~~ rule 6.02, no longer apply.

Note: (1) The Exchange is under an obligation to maintain an orderly and fair market for the trading of all Exchange listed securities and listed securities should be continuously traded save in exceptional circumstances.

(2) The Exchange considers that the continuation of any trading halt or suspension beyond such period as is absolutely necessary denies reasonable access to the market and prevents its proper functioning.

6.06 Where trading has been halted or suspended the issuer ~~of the relevant securities~~ shall notify the Exchange of:

(1) any change in circumstances affecting the reasons provided to the Exchange ~~in support of supporting~~ the trading halt or suspension ~~pursuant to under~~ Rule 6.02; and

(2) any additional reasons which the issuer wishes the Exchange to take into account in the Exchange's determination whether or not the trading halt or suspension of dealing in the issuer's securities should be continued.

Note: (1) It is the issuer's responsibility ~~of the issuer of the suspended securities~~ to provide the Exchange with all relevant information, which is within the issuer's knowledge, ~~of issuer,~~ to enable the Exchange to ~~take~~ make an informed decision whether or not the trading halt or suspension of trading in that the issuer's securities continues to be appropriate.

6.07 The Exchange shall have the power to direct the resumption of trading of halted or suspended securities. In particular the Exchange may:

(1) require ~~a listed~~ an issuer to publish an announcement, ~~in accordance with rule 2.07C,~~ in such terms and within such period as the Exchange shall in its discretion direct, notifying the resumption of trading in the issuer's halted or suspended securities, following the publication of which the Exchange may direct resumption of trading; and/or

(2) direct a resumption of trading following the Exchange's publication of an announcement ~~by the Exchange~~ notifying the resumption of trading in the halted or suspended securities.

6.08 The Exchange's power ~~conferred upon the Exchange by~~ under Rule 6.07 shall not be exercised without first giving the issuer ~~of the suspended securities~~ the

opportunity of being heard in accordance with ~~R~~rule 2B.07(6). At any hearing ~~in connection with~~ concerning a direction ~~pursuant to~~ under ~~R~~rule 6.07, the ~~burden shall be on~~ the issuer opposing the resumption of trading in its securities ~~to~~ has the burden of satisfying the Exchange that a continued trading halt or suspension would be appropriate.

Note: (1) The Exchange is under an obligation to maintain an orderly and fair market for the trading of all Exchange listed securities and listed securities should be continuously traded save in exceptional circumstances.

(2) The Exchange considers that the continuation of any trading halt or suspension beyond such period as is absolutely necessary denies reasonable access to the market and prevents its proper functioning.

(3) See Practice Note 11.

6.09 The Exchange's power conferred upon the Exchange by ~~under~~ ~~R~~rule 6.07 shall be exercised without prejudice to ~~the~~ its ability of the Exchange to pursue such other remedies as may be available to it under the Listing Rules.

6.10 There may be cases where a listing is cancelled without a suspension intervening. Where the Exchange considers that an issuer or its business is no longer suitable for listing it will publish an announcement naming the issuer and specifying the period within which the issuer must have remedied those matters which have rendered it unsuitable for listing. Where appropriate the Exchange will suspend dealings in the issuer's securities, ~~of the issuer~~. If the issuer fails to remedy those matters within the specified period, ~~set out in the announcement~~ the Exchange will cancel the listing. Any proposals to remedy those matters will be treated as if they were an application for listing from a new applicant for all purposes and the issuer will be required (inter alia) to issue a listing document which contains all of the specific items of information set out in Part A of Appendix 1 and pay the initial listing fee.

Chapter 9

EQUITY SECURITIES

APPLICATION PROCEDURES AND REQUIREMENTS

9.08 All publicity material released in Hong Kong relating to an issue of securities by a new applicant ~~must be reviewed by the Exchange before release and must not be released until the Exchange has reviewed it and confirmed to the issuer that it has no further comments thereon.~~ In addition, such the publicity material must comply with all applicable statutory requirements. For these purposes, publicity

material does not relate to an issue of securities if its purpose is the promotion of the issuer or its products or business and not the promotion of the securities to be issued. Moreover, circulation is permitted of documents of a marketing nature such as the invitation or offering ~~document telex~~ (or its equivalent ~~in another medium~~) and documents which consist of, or are drafts of, or relate to, agreements to be entered into in connection with the issue of the securities, provided that any obligations created thereunder to issue, subscribe, purchase or underwrite the securities are conditional on listing being granted. ~~Such~~ These documents will not be considered as falling within the scope of this rule and need not be submitted for prior review. Any publicity material or announcement referring to a proposed listing by a new applicant which is issued ~~prior to~~ before the Listing Committee's meeting of the Listing Committee held to consider ~~such the~~ application must state that application has been or will be made to the Exchange for listing of and permission to deal in the securities concerned. Where any material relating to a proposed listing by a new applicant is released without the Exchange's prior review ~~by the Exchange~~ before the Listing Committee's meeting of the Listing Committee to consider the application, the Exchange may delay the timetable for the proposed ~~meeting of the Listing Committee~~ meeting by up to a month. If this will result in the Form A1 being more than six months old, the applicant may have to re-submit the application with the initial listing fee (see rule 9.03(1)).

~~Listed~~ Issuers must endeavour to ensure that the proposed listing (and all details thereof) are kept confidential ~~prior to~~ before the announcement concerning the proposed listing. This is particularly important where an listed issuer plans to "spin off" part of its business in a separate listing. Where the Exchange believes that an listed issuer or its advisers have permitted ~~price sensitive~~ inside information regarding the issue of new securities to leak, ~~prior to~~ before its announcement proper publication, the Exchange will not normally consider an application for the listing of those securities.

Chapter 10

EQUITY SECURITIES

RESTRICTIONS ON PURCHASE AND SUBSCRIPTION

10.06 (2) Dealing Restrictions

(d)

(e) an issuer shall not purchase its shares on the Exchange at any time after a ~~price sensitive development has occurred or has been the subject of a decision~~ inside information has come to its knowledge until ~~such time as the price sensitive~~ information is made publicly

available. In particular, during the period of one month immediately preceding the earlier of:

- (i) the date of the board meeting (as such date is first notified to the Exchange in accordance with the Exchange Listing Rules) for the approval of the issuer's results for any year, half-year, quarterly or any other interim period (whether or not required under the Exchange Listing Rules); and
- (ii) the deadline for the issuer to ~~publish an announcement of~~ its results for any year or half-year under the Exchange Listing Rules, or quarterly or any other interim period (whether or not required under the Exchange Listing Rules),

and ending on the date of the results announcement, the issuer may not purchase its shares on the Exchange, unless the circumstances are exceptional;

(f) ...

Chapter 13

EQUITY SECURITIES

CONTINUING OBLIGATIONS

Preliminary

13.01 An issuer shall comply (and undertakes ~~by pursuant to~~ its application for listing (Form A1 of Appendix 5), once any of its securities have been admitted to listing, to comply) with the Exchange Listing Rules in force from time to time ~~in force~~.

13.02 ~~This Chapter sets out certain of the continuing obligations which an issuer is required to must observe once any of its securities have been admitted to listing. Additional continuing obligations are set out in the following Chapters: [Repealed 1 January 2013]~~

~~Chapter 3 — Authorised Representatives and Directors~~

~~Chapter 3A — Sponsors and Compliance Advisers~~

~~Chapter 4 — Accountants' Reports and Pro Forma Financial Information~~

~~Chapter 6 — Suspension, Cancellation and Withdrawal of Listing~~

~~Chapter 8 — Qualifications for Listing~~

~~Chapter 10 — Restrictions on Purchase and Subscription~~

~~Chapter 11 — Listing Documents~~

~~Chapter 12 — Publication Requirements~~

~~Chapter 14 — Notifiable Transactions~~

~~Chapter 14A — Connected Transactions~~

~~Appendix 16 — Disclosure of Financial Information.~~

~~Additional and alternative requirements relating to continuing obligations are set out in Chapters 18, 19, 19A, 19B, 20 and 21 dealing with mineral companies, overseas issuers, issuers incorporated in the People's Republic of China, issuers of depositary receipts, authorised Collective Investment Schemes and investment companies.~~

~~The continuing obligations applicable to issuers having debt securities in issue are set out in the listing agreement set out in Parts C, D and E of Appendix 7.~~

- 13.03 ~~The continuing obligations set out in this Chapter are primarily designed to ensure the maintenance of a fair and orderly market in securities and that all users of the market have simultaneous access to the same information. Failure by an issuer to comply with a any applicable continuing obligation may result in the Exchange taking disciplinary action in addition to its power to suspend or cancel a listing.~~
- 13.04 ~~The An issuer's directors of an issuer are collectively and individually responsible for ensuring the issuer's full compliance with the Exchange Listing Rules.~~

DISCLOSURE

Introduction

- 13.05 ~~The continuing obligations relating to disclosure set out in this Chapter are designed to ensure the immediate release of information in the circumstances referred to in rule 13.09. The guiding principle is that information which is expected to be price-sensitive should be released immediately it is the subject of a decision. Until that point is reached, it is imperative that the strictest security within the issuer and its advisers is observed.~~

- (1) The Exchange has a duty under section 21 of the Securities and Futures Ordinance to ensure, so far as reasonably practicable, an orderly, informed and fair market.
- (2) The Inside Information Provisions impose statutory obligations on listed issuers and their directors to disclose inside information as soon as reasonably practicable after the information has come to the listed issuers' knowledge, and gives the Commission the responsibility for enforcing those obligations. The Commission has issued Guidelines on Disclosure of Inside Information. The Exchange will not give guidance on the interpretation or operation of the SFO or the Guidelines.
- (3) Where the Exchange becomes aware of a possible breach of the Inside Information Provisions, it will refer it to the Commission. The Exchange will not itself take disciplinary action under the Listing Rules unless the Commission considers it not appropriate to pursue the matter under the SFO and the Exchange considers action under the Rules for a possible breach of the Rules appropriate.

13.06 ~~Without prejudice to the generality of rule 13.09, this Chapter identifies specific circumstances in which an issuer is obliged to disclose information to the holders of its securities and the public.~~

~~*Note: The specific circumstances identified in this Chapter are not alternatives to the general disclosure obligation set out in rule 13.09 and do not in any way detract from the issuer's responsibilities under rule 13.09.*~~

- (1) This Chapter identifies circumstances in which an issuer must disclose information to the public. These are not alternatives to, and do not in any way detract from, the statutory disclosure obligation found in the Inside Information Provisions.
- (2) The Exchange may require the issuer to make an announcement or halt trading in its listed securities where it considers it appropriate to preserve or ensure an orderly, informed and fair market.
- (3) The Exchange, in discharge of its duty under section 21 of the SFO, will monitor the market, make enquiries when it considers them appropriate or necessary, and may halt trading in an issuer's securities in accordance with the Listing Rules as required.

13.06A An issuer and its directors must take all reasonable steps to maintain strict confidentiality of inside information until it is announced.

- 13.06B An issuer must not divulge any information in such a way as to place in a privileged dealing position any person or class or category of persons. It must not release any information in such a way that Exchange transactions may be entered into at prices which do not reflect the latest available information.
- 13.07 ~~In adhering to the continuing obligations relating to disclosure set out in this Chapter, the~~ An issuer and its directors of an issuer must seek to ensure that dealings do not take place between parties one of whom does not have price-sensitive inside information which ~~is in the possession of the other possesses.~~
- 13.08 ~~In order to~~ To maintain high standards of disclosure, the Exchange may require an issuer to announce the publication of further information, by and impose additional requirements on it, an issuer when it the Exchange considers that circumstances so justify, but However, the Exchange will allow representations by the issuer to make representations before imposing any such requirements on it which are not imposed on issuers generally. The issuer must comply with the additional such requirements failing which and, if it fails to do so, the Exchange may (where such requirements relate to the publication of information) itself publish the information when such information is available to it the Exchange. Conversely, the Exchange may waive, modify or not require compliance with the terms of any specific obligations set out in this Chapter in to suit the circumstances of a particular case, but may require the issuer concerned to enter into an agreement or undertaking, in that event, as a condition of any such dispensation.

General obligation of disclosure

- 13.09 (1) ~~Generally and apart from compliance with all the specific requirements in this Chapter, an issuer shall keep the Exchange, members of the issuer and other holders of its listed securities informed as soon as reasonably practicable of any information relating to the group (including information on any major new developments in the group's sphere of activity which is not public knowledge) which:~~
- (a) ~~is necessary to enable them and the public to appraise the position of the group; or~~
 - (b) ~~is necessary to avoid the establishment of a false market in its securities; or~~
 - (c) ~~might be reasonably expected materially to affect market activity in and the price of its securities.~~

Notes: 1 Information should not be divulged outside the issuer and its advisers in such a way as to place in a privileged dealing position any person or class or category of persons.

~~Information should not be released in such a way that Exchange transactions may be entered into at prices which do not reflect the latest available information. Without in any way derogating from these principles, companies may, in appropriate circumstances, give advance information in strict confidence to persons with whom negotiations are taking place with a view to the making of a contract or the raising of finance, e.g. to prospective underwriters of an issue of securities or providers of funds on loan. In any such case the persons receiving such information will be expected not to deal in the issuer's securities until the information has been released.~~

- ~~2. When developments are on hand which are likely to have a significant effect on market activity in or the price of any listed securities, **it is the direct responsibility of the directors to ensure that such information is kept strictly confidential until a formal announcement is made.** To this end the directors must ensure that the strictest security is observed within the issuer and its advisers and if at any time it is felt that the necessary degree of security cannot be maintained or that security may have been breached, an announcement should be made. In the case of an approach which may lead to an offer for all or part of the listed securities of the issuer, unless security by all parties can be assured, a warning announcement should be issued indicating that the issuer is in discussions which may lead to an offer for those securities. The lack of a warning announcement in some situations may lead to the establishment of a false market. In merger and takeover transactions, particularly where no warning announcement has been issued, a temporary suspension of dealings will normally be required where negotiations have reached a point at which an offeree company is reasonably confident that an offer will be made for its shares or where negotiations or discussions are extended to embrace more than a small group of people.~~
- ~~3. The issuer may be obliged (by statute or otherwise) to impart information to a third party. If such information thereby enters the public domain and is of a price sensitive nature, it should be simultaneously released to the market.~~
- ~~4. The question of timing of the release of an announcement to the market is crucial, having regard to its possible effect on the market price of the issuer's listed securities. The overriding principle is that information which is expected to~~

~~be price sensitive should be announced immediately it is the subject of a decision. Failure to follow this principle may result in the Exchange imposing a temporary suspension of dealings.~~

- ~~5. Any obligation to inform holders of the issuer's securities or the public will be satisfied by the information being published in an announcement in accordance with rule 2.07C except where this Chapter requires some other form of notification.~~
- ~~6. Where it is proposed to announce at any meeting of holders of listed securities information which might affect the market price of the issuer's securities, arrangements should be made for the release of that information to the market simultaneously or immediately after the meeting.~~
- ~~7. If the directors consider that disclosure of information to the public might prejudice the issuer's business interests, the Exchange must be consulted as soon as possible.~~
- ~~8. Information should be released before the stage when it needs to be made available outside the directors, employees and advisers necessarily concerned. The date of the requisite board meeting should be fixed with this consideration in mind; if a suitable date cannot be fixed, it may be necessary for the board to delegate its power of approval to a committee so that the appropriate announcement can be made at the proper time.~~
- ~~9. If, during the profit forecast period, an event occurs which, had it been known at the time the profit forecast was made, would have caused any of the assumptions upon which the forecast is based to have been materially different, the issuer shall notify shareholders promptly of the occurrence of such event. In any such announcement the issuer shall give an indication of its view of the likely impact of that event on the profit forecast.~~
- ~~10. If:—
 - ~~(i) income or loss generated by some activity outside the ordinary and usual course of its business; and~~
 - ~~(ii) which income or loss was not disclosed as anticipated in the document in which the profit forecast was contained,~~~~

~~contributes materially in the calculation of the profits for the period to which the profit forecast related, then this information must be disclosed to shareholders, including an indication of the level to which such unusual activity has contributed to the profit achieved.~~

~~A disclosure obligation arises as soon as the issuer becomes aware that it is likely that the contribution in the calculation of profits made or to be made by income or loss generated or to be generated as aforesaid will be material.~~

~~11. The issuer must notify the Exchange, members of the issuer and other holder of its listed securities without delay where:~~

~~(i) to the knowledge of the directors there is major market upheaval in the industries, countries or regions where the issuer has significant operations or transactions, or significant changes in exchange rates of currencies that are key to its operations; or~~

~~(ii) to the knowledge of the directors there is such a change in the issuer's financial condition or in the performance of its business or in the issuer's expectation of its performance that knowledge of the change is likely to lead to substantial movement in the price of its listed securities; or~~

~~(iii) the issuer has committed significant resources to an activity which is non-core business and this has not previously been disclosed.~~

~~It is the responsibility of the directors of the issuer to determine what information is material in the context of the issuer's business, operations and financial performance. The materiality of information varies from one issuer to another according to the size of its financial performance, assets and capitalisation, the nature of its operation and other factors. An event that is "significant" or "major" in the context of a smaller issuer's business and affairs is often not material to a large issuer. The directors of the issuer are in the best position to determine materiality. The Exchange recognises that decisions on disclosure require careful subjective judgements, and encourages issuers to consult the Exchange when in doubt as to whether disclosure should be made.~~

(1) Without prejudice to rule 13.10, where in the view of the Exchange there is or there is likely to be a false market in an issuer's securities, the issuer must, as soon as reasonably practicable after consultation with the Exchange, announce the information necessary to avoid a false market in its securities.

Notes: 1. This obligation exists whether or not the Exchange makes enquiries under rule 13.10.

2. If an issuer believes that there is likely to be a false market in its listed securities, it must contact the Exchange as soon as reasonably practicable.

(2) (a) Where an issuer is required to disclose inside information under the Inside Information Provisions, it must also simultaneously announce the information.

(b) An issuer must simultaneously copy to the Exchange any application to the Commission for a waiver from disclosure under the Inside Information Provisions, and promptly upon being notified of the Commission's decision copy the Exchange with the Commission's decision.

~~(2) If securities of the issuer are also listed on other stock exchanges, the Exchange must be simultaneously informed of any information released to any of such other exchanges and the issuer must ensure that such information is released to the market in Hong Kong at the same time as it is released to the other markets.~~

~~Note: This includes any information released by a subsidiary of the issuer to another stock exchange on which that subsidiary is listed or another market, if that information is discloseable by the issuer under this Chapter.~~

Response to enquiries

13.10 ~~Where the Exchange makes enquiries 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~~ an issuer's listed securities, the possible development of a false market in its securities, or any other matters, the issuer must respond promptly as follows: by

(1) ~~giving~~ provide to the Exchange and, if requested by the Exchange, announce, any such relevant information relevant to the subject matter(s) of the enquiries which as-is available to it, so as to inform the market or to clarify the situation; the issuer or;

- (2) if, and only if, the directors of the issuer, having made such enquiry with respect to the issuer as may be reasonable in the circumstances, are not aware of any matter or development that is or may be relevant to the unusual trading movement of its listed securities, or information necessary to avoid a false market, or any inside information which needs to be disclosed under the Inside Information Provisions, and if requested by the Exchange, appropriate, by issuing make an announcement in accordance with rule 2.07C containing a statement to the that effect (see note 1 below), 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 must should be issued in accordance with rule 2.07C. If it is not possible to make such an announcement a temporary suspension of dealings in the issuer's securities may be necessary.~~

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 accordance with rule 2.07C in the following form:-~~

1. The form of the announcement referred to in rule 13.10(2) is as follows:-

“This announcement statement is made at the request of The Stock Exchange of Hong Kong Limited.

We have noted [the recent increases/decreases in the price [or trading volume] of the [shares/ warrants] of the Company] or [We refer to the subject matter of the Exchange's enquiry]. ~~and wish to state that~~ Having made such enquiry with respect to the Company as is reasonable in the circumstances, we confirm that we are not aware of [any reasons for these price [or volume] movements] or of any information which must be announced to avoid a false market in the Company's securities or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinancesuch [increases/decreases].

Announce information disclosed to other stock exchanges

13.10B An issuer must announce any information released to any other stock exchange on which its securities are listed at the same time as the information is released to that other exchange.

Note: An issuer will need to announce overseas regulatory information released by its overseas listed subsidiary if the information is discloseable by the issuer under other rules.

GENERAL SPECIFIC MATTERS RELEVANT TO THE ISSUER'S BUSINESS

~~13.11 (1) Without prejudice to any obligation to disclose information pursuant to rule 13.09 and without limiting the scope of that rule, r~~ Rules 13.12 to 13.19 set out specific instances that give rise to a disclosure obligation on the part of an issuer's part.

~~Note: Issuers are reminded that t~~ Transactions and financing arrangements of the sort referred to in rules 13.12 to 13.19 may also be subject to ~~the requirements of Chapters 14 and/or Chapter 14A.~~

(2) For the purposes of rules 13.12 to 13.19,

(b) ...

(c) the expression "relevant advance to an entity" refers to the aggregate of amounts due from and all guarantees given on behalf of:

(i) an entity;

(ii) the entity's controlling shareholder;

(iii) the entity's subsidiaries; and

(iv) the entity's affiliated companies; ~~and~~

(d) ~~the expression "general disclosure obligation" refers to the obligation imposed by rule 13.09 on issuers to keep the Exchange, members of the issuer and other holders of its listed securities informed as soon as reasonably practicable of any information relating to the group which meets the conditions set out in that rule.~~
[Repealed 1 January 2013]

- (3) ~~The disclosure obligation arising under this Chapter and other applicable provisions of the Exchange Listing Rules to inform holders of the issuer's securities or the public will be satisfied by an announcement being published in accordance with rule 2.07C. [Repealed 1 January 2013]~~
- (4) ...
- (5) ~~If the directors consider that the disclosures pursuant to rules 13.12 to 13.19 might prejudice the issuer's business interests, the Exchange must be consulted as soon as possible. [Repealed 1 January 2013]~~

Situations for disclosure

13.12 ...

Advance to an entity

- 13.13 ~~A general disclosure obligation will arise w~~ Where the relevant advance to an entity exceeds 8% under the assets ratio as defined under rule 14.07(1), the issuer must announce the information in rule 13.15 as soon as reasonably practicable. For the avoidance of doubt, an advance to a subsidiary of the issuer will not be regarded as an advance to an entity.
- 13.14 ~~A general disclosure obligation will arise w~~ Where the relevant advance to an entity increases from that previously disclosed under rule 13.13, 13.14~~under this rule, or under rule 13.20~~ and the amount of the increase since the previous disclosure is 3% or more under the assets ratio as defined under rule 14.07(1), the issuer must announce the information in rule 13.15 as soon as reasonably practicable.
- 13.15 ~~Where a general disclosure obligation arises u~~ Under rules 13.13 or 13.14, above~~issuers must shall disclose~~ announce details of the relevant advance to an entity, including details of the balances, the nature of events or transactions giving rise to the amounts, the identity of the debtor group, interest rate, repayment terms and collateral.
- 13.15A For the purpose of rules 13.13 and 13.14, ~~where~~ any trade receivable is not regarded as a relevant advance to an entity if:
- (1) ~~it any trade receivable (other than as a result of the provision of financial assistance) arose in the issuer's ordinary and usual course of business (other than as a result of the provision of financial assistance) of the issuer;~~ and
 - (2) the transaction from which the trade receivable arose was on normal commercial terms;

~~the trade receivable shall not be regarded as a relevant advance to an entity.~~

Financial assistance and guarantees to affiliated companies of an issuer

13.16 ~~A general disclosure obligation will arise w~~ Where the financial assistance to affiliated companies of an issuer, and guarantees given for facilities granted to affiliated companies of an issuer, together in aggregate exceeds 8% under the assets ratio as defined under rule 14.07(1), ~~In these circumstances the issuer must announce as soon as reasonably practicable the following information to be disclosed is:~~

(1) analysis by company of the amount of financial assistance given to, committed capital injection to, and guarantees given for facilities granted to, affiliated companies;

(2) ...

Pledging of shares by the controlling shareholder

13.17 ~~A general disclosure obligation will arise w~~ Where the issuer's controlling shareholder ~~of the issuer~~ has pledged all or part of its interest in shares of the issuer's shares to secure the issuer's debts ~~of the issuer~~ or to secure guarantees or other support of its obligations, the issuer must announce the following information as soon as reasonably practicable of the issuer. The following details are to be disclosed:

(1) ...

Loan agreements with covenants relating to specific performance of the controlling shareholder

13.18 ~~A general disclosure obligation will arise w~~ Where an issuer (or any of its subsidiaries) enters into a loan agreement that includes a condition imposing specific performance obligations on any controlling shareholder (e.g. a requirement to maintain a specified minimum holding in the share capital of the issuer) and breach of such an obligation will cause a default in respect of loans that are significant to the issuer's operations, of the issuer must announce the following information as soon as reasonably practicable: ~~The information to be disclosed in these circumstances is:~~

(1) ...

Breach of loan agreement by an issuer

- 13.19 ~~A general disclosure obligation will arise w~~ When an issuer there is a breaches ~~of the terms of its loan agreements by the issuer, for loans that are significant to its the operations of the issuer, such that the lenders may demand their immediate repayment, of the loans and where the lenders have not issued a waiver in respect of the breach, the issuer must announce such information as soon as reasonably practicable.~~

Continuing disclosure requirements

13.20 ...

13.21 ...

- 13.22 Where the circumstances giving rise to a disclosure under rule 13.16 continue to exist at the issuer's interim period end or annual financial year end, ~~the issuer's its interim or annual report shall~~ must include a combined balance sheet of affiliated companies as at the latest practicable date. The combined balance sheet of affiliated companies should include significant balance sheet classifications and state the issuer's attributable interest of the issuer in the affiliated companies. ~~In cases where~~ If it is not practicable to prepare the combined balance sheet of affiliated companies, the Exchange on the issuer's application from the issuer may consider ~~to~~ accepting, as an alternative, a statement of the indebtedness, contingent liabilities and capital commitments as at the end of the period reported on by affiliated companies.

Notifiable transactions, connected transactions, takeovers and share repurchases

- 13.23 (1) An issuer ~~must shall~~ announce disclose details of acquisitions and realisations of assets and other transactions ~~as~~ required by Chapters 14 and 14A and, where applicable, ~~shall~~ must circularise holders of its listed securities with their details thereof and obtain their approval of them. ~~thereto.~~
- (2) ...

Sufficient operations

13.24 ...

- 13.24A An issuer must, after trading in its listed securities has been suspended, publish periodic announcements of its developments.

Material matters which impact on profit forecasts

- 13.24B (1) If, during the profit forecast period, an event occurs which, had it been known when the profit forecast was made, would have caused any of the assumptions upon which the forecast is based to have been materially different, the issuer must promptly announce the event. In the announcement, the issuer must also indicate its view of the likely impact of that event on the profit forecast already made.
- 13.24B (2) (a) If profit or loss generated by some activity outside the issuer's ordinary and usual course of business which was not disclosed as anticipated in the document containing the profit forecast, materially contributes to or reduces the profits for the period to which the profit forecast relates, the issuer must announce this information, including an indication of the level to which the unusual activity has contributed to or reduced the profit.
- (b) The issuer must announce the information under rule 13.24B(2)(a) as soon as it becomes aware that it is likely that the contribution to or reduction in the profits made or to be made by the profit or loss generated or to be generated will be material.

Winding-up and liquidation

- 13.25 (1) An issuer shall inform the Exchange ~~of~~ on the happening of any of the following events as soon as ~~it the same shall~~ comes to the its attention of the issuer:-
- (b) ...
- (c) the passing of any resolution by the issuer, its holding company or any subsidiary falling under rule 13.25(2) that it be ~~wound-up~~ wound up by way of members' or creditors' voluntary winding-up, or equivalent action in the country of incorporation or other establishment;
- (d) the entry into possession of or the sale by any mortgagee of a portion of the issuer's assets where the aggregate value of the total assets or the aggregate amount of profits or revenue attributable to such assets represents more than 5% under any of the percentage ratios as defined under rule 14.04(9); or

- (e) the making of any final judgment, declaration or order by any court or tribunal of competent jurisdiction whether on appeal or at first instance which is not subject to any or further appeal, which may adversely affect the issuer's enjoyment of any portion of its assets where the aggregate value of the total assets or the aggregate amount of profits or revenue attributable to such assets represents more than 5% under any of the percentage ratios as defined under rule 14.04(9).
- (2) Rules 13.25(1)(a), (b) and (c) will apply to a subsidiary of the issuer if the value of that subsidiary's total assets, profits or revenue represents 5% or more under any of the percentage ratios as defined under rule 14.04(9)....

Notes: 1. — ~~In the circumstances referred to in Note 7 to rule 13.09(1), the Exchange may be prepared to give a dispensation from the requirement to make the information public. However, the Exchange must be informed in any event. [Repealed 1 January 2013]~~

2. — ~~The issuer must at all times also have regard to its general disclosure obligation under rule 13.09.~~

GENERAL MATTERS RELEVANT TO THE ISSUER'S SECURITIES

After board meetings

13.45 An issuer shall inform the Exchange immediately after approval by or on behalf of the board of:—

- (2) ...
- (3) any preliminary announcement of profits or losses for any year, half-year or other period;

Notes: 1. The timing of board meetings is a matter for the convenience and judgement of individual boards, but ~~announcements regarding decisions on dividends and results should be published~~ announced either between 12:00 noon and ~~1:00~~ 12:30 p.m. or after the market closes at 4:15 p.m. on a normal business day, ~~in accordance with rule 2.07C provided that the reference to 1:00 p.m. shall be changed to 12:30 p.m. with effect from 5 March 2012.~~ On the eves of Christmas, New Year and the Lunar New Year when there is no afternoon trading session, the announcements should be published after the market closes at 12:00 noon ~~in accordance with rule 2.07C.~~ The directors

are reminded that it is their direct responsibility to ensure that such information is kept strictly confidential until it is announced. ~~the announcement is so published. By following this procedure, an issuer will have taken appropriate steps to ensure that no dealings take place in which one party is in possession of information of which the other is not. Each transaction in the market will thus take place in the light of all information from the moment that such information is released to the market.~~

2. *Issuers are reminded that ~~Note 8 to rule 13.09(1) and Note 1 above~~ is ~~are~~ also applicable to a preliminary announcement of results for a full year. As soon as possible after draft accounts have been agreed with the auditors, those accounts, adjusted to reflect any dividend decision, should be approved, ~~in view of their price-sensitive nature,~~ as the basis of a preliminary announcement of results for the full year.*

(4) ...

- (5) any decision to change the general character or nature of the business of the issuer or group.

Note: In discharging the obligations ~~as set out~~ in ~~this~~ rule 13.45, regard should be had to rule 13.79, and in particular to the Exchange's requirements from time to time in respect of the communication of information of an urgent nature.

NOTIFICATION

Changes

13.51 An issuer must publish an announcement as soon as practicable in regard to:—

(2) ...

(m) ...

(n) full particulars where:

- (i) he has been identified as an insider dealer under ~~pursuant to~~ Parts XIII or XIV of the Securities and Futures Ordinance or the repealed Securities (Insider Dealing) Ordinance at any time;

- (ii) any enterprise, company or unincorporated business enterprise with which he was or is connected (as ~~such expression is~~ defined in Parts 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 he acts or has acted as an officer, supervisor or manager has been identified as an insider dealer under pursuant to Parts XIII or XIV of the Securities and Futures Ordinance or the repealed Securities (Insider Dealing) Ordinance at any time during the period when he was connected and/or acted as an officer, supervisor or manager;
- (iii) he has been found guilty of or been involved in insider dealing, or been held by any Court or competent authority to have be in breached 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; ~~or~~
- (iv) any enterprise, company or unincorporated business enterprise in which he was or is a controlling shareholder (as ~~such term is~~ defined in the Exchange Listing Rules) or was or is a supervisor, manager, director or officer or has been found guilty of or been involved in insider dealing, or been held by any Court or competent authority to have be in breached 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 he was a controlling shareholder, supervisor, manager, director or officer; or
- (v) he has been found by the Market Misconduct Tribunal, any Court or competent authority to have breached an obligation under the Inside Information Provisions, or where any issuer of which he was or is a controlling shareholder (as defined in the Listing Rules) or was or is a supervisor, manager, director, chief executive or officer has been found by the Market Misconduct Tribunal, any Court or competent authority to have breached an obligation under the Inside Information Provisions at any time during the period when he was a controlling shareholder, supervisor, manager, director, chief executive or officer;

Chapter 14

EQUITY SECURITIES

NOTIFIABLE TRANSACTIONS

Preliminary

- 14.01 This Chapter deals with certain transactions, principally acquisitions and disposals, by a listed issuer. It describes how they are classified, the details that are required to be disclosed in respect of them and whether a circular and shareholders' approval are required. It also considers additional requirements in respect of takeovers and mergers.

Note: ~~Listed issuers should note that even if a transaction is not required to be disclosed pursuant to the provisions of this Chapter, it may nevertheless be required to be disclosed under the listed issuer's general obligation to keep the market informed of all price-sensitive information (see rule 13.09).~~

Definitions

- 14.04 For the purposes of this Chapter:—

- (1) any reference to a “transaction” by a listed issuer:

(g)

Notes: 1 To the extent not expressly provided in rules 14.04(1)(a) to (f), any transaction of a revenue nature in the ordinary and usual course of business of a listed issuer will be exempt from the requirements of this Chapter. ~~However, listed issuers should note that any such transaction may nevertheless be required to be disclosed under the listed issuer's general obligation to keep the market informed of all price-sensitive information (see rule 13.09).~~

2 ...

Requirements for all transactions

Notification and announcement

- 14.34 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 13.09, 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) publish an announcement ~~in accordance with rule 2.07C~~ as soon as possible. See also rule 14.37.

Trading halt and ~~Short~~-suspension of dealings

- 14.37
- (1) Where an listed issuer has signed an agreement in respect of a share transaction, major transaction, very substantial disposal, very substantial acquisition or reverse takeover and the required announcement has not been published on a business day, the listed issuer it must request a short suspension of dealings apply for a trading halt or a trading suspension in its securities pending the publication of the announcement in accordance with rule 2.07C.
 - (2) Without prejudice to rule 14.37(1), In any event, an listed issuer that has signed an agreement in respect of a notifiable transaction which it reasonably believes would require disclosure under the Inside Information Provisions that is expected to be price sensitive must immediately request a short suspension of dealings apply for a trading halt or a trading suspension in its securities pending the publication of the required announcement of the agreement.
 - (3) An listed issuer that has finalised the major terms of an agreement in respect of a notifiable transaction which it reasonably believes would require disclosure under the Inside Information Provisions that is expected to be price sensitive must ensure confidentiality of the relevant information until making publication of the required announcement in accordance with rule 2.07C. Where the listed issuer considers that the necessary degree of security cannot be maintained or that the security may have been breached, it must make publish an announcement in accordance with rule 2.07C or immediately request a short suspension of dealings apply for a trading halt or a trading suspension in its securities pending the publication of the announcement.
 - (4) Directors of listed issuers must, are reminded of their obligation under rule 13.06A, pursuant to note 2 to rule 13.09(1) maintain to keep confidentiality of information that is likely to have be inside information a significant effect on market activity in or the price of any listed securities,

~~until such time as it is announced a formal announcement is made in accordance with the requirements of note 5 to rule 13.09(1).~~

- (5) In the case of a reverse takeover, suspension of dealings in the ~~listed~~ issuer's securities ~~must should~~ continue until the issuer has announced disclosure of sufficient information has been made by the listed issuer by way of an announcement published in accordance with rule 2.07C. Whether the amount of information disclosed in the announcement is sufficient or not is determined on a case-by-case basis.

Additional requirements for major transactions

Methods of approval

14.44 Shareholders' approval for a major transaction shall be given by a majority vote at a general meeting of the shareholders of the ~~listed~~ issuer unless all the following conditions are met, in which case written shareholders' approval may, subject to rule 14.86, be accepted in lieu of holding a general meeting: -

- (1) no shareholder is required to abstain from voting if the ~~listed~~ issuer were to convene a general meeting for the approval of the transaction;
- (2) the written shareholders' approval has been obtained from a shareholder or a closely allied group of shareholders who together hold more than 50% in nominal value of the securities giving the right to attend and vote at that general meeting to approve the transaction. Where a listed issuer discloses ~~unpublished price sensitive~~ inside information to any shareholder in confidence to solicit the written shareholders' approval, the listed issuer must be satisfied that such shareholder is aware that he must not deal in the listed issuer's securities before such information has been made available to the public.

Contents of announcements

Profit forecast in an announcement

14.62 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 making publication of such announcement ~~in accordance with rule 2.07C:—~~

- (1) ...
- (2) a letter from the ~~listed~~ issuer's auditors or reporting accountants confirming

- (3) a report from the ~~listed~~ issuer's financial advisers confirming that If no financial advisers have been appointed in connection with the transaction, the ~~listed~~ issuer must provide ...

Note: See rules 13.24B(1) and 13.24B(2) in respect of issuers' obligation to announce material or significant changes which impact on profit forecasts.

Chapter 14A

EQUITY SECURITIES

CONNECTED TRANSACTIONS

Waivers

Shareholders' meeting waiver

14A.43 Where independent shareholders' approval of a connected transaction is required, ~~such~~ the approval shall be given by a majority vote at a general meeting of the shareholders of the ~~listed~~ issuer unless the following conditions are met, in which case a written independent shareholders' approval may be accepted in lieu of holding a general meeting: -

- (1) no shareholder of the ~~listed~~ issuer is required to abstain from voting if the ~~listed~~ issuer were to convene a general meeting for the approval of the connected transaction; and
- (2) ...

Notes: 1 ...

2 *Where a listed issuer discloses ~~price-sensitive~~ inside information to any shareholder in confidence to solicit the written independent shareholders' approval, the listed issuer must be satisfied that such shareholder is aware that he must not deal in the listed issuer's securities before such information has been made available to the public.*

Announcement requirements

14A.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 13.09, 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) publish an announcement ~~in accordance with rule 2.07C~~ 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 14.37 (requirement for trading halt or short suspension of dealings) also applies.

- (3) ...

Chapter 15A

STRUCTURED PRODUCTS

Structured Products

15A.29 An issuer is prohibited from listing structured products where it; or any of its holding companies, subsidiaries or fellow subsidiaries; or any associated companies of any of them has been retained by a company whose securities will underlie the structured product (or by any of its holding, subsidiary, fellow subsidiary or associated companies) to give advice in relation to a transaction. Where the company whose securities will underlie the structured product is listed on the Exchange, transaction refers to matters which would be discloseable to shareholders of the underlying company and the public under ~~in accordance with rule 13.09 of the Exchange Listing Rules, Chapters 13, 14 and 14A of the Exchange Listing Rules, the Inside Information Provisions, Rule 3 of the Hong Kong Code on Takeovers and Mergers, or Rule 10 of the Hong Kong Code on sShare rRepurchases.~~ Where the company is listed on an overseas exchange, transaction refers to matters which would be discloseable under regulations equivalent to those in ~~rule 13.09, Chapters 13, 14 and 14A of the Exchange Listing Rules, the Inside Information Provisions, Rule 3 of the Hong Kong Code on Takeovers and Mergers, or Rule 10 of the Hong Kong Code on sShare rRepurchases.~~ The prohibition ceases to apply where the transaction is abandoned or announced and does not apply where an issuer maintains adequate information management arrangements such as those contemplated in sections 292(2) and 271(2) of the Securities and Futures Ordinance ~~(Cap. 571).~~

Single Stock Structured Products

- 15A.31 Factors which the Exchange will consider in determining the suitability of structured products which relate to shares listed or dealt in on another regulated, regularly operating, open stock market include, but are not limited to, the following:–
- (2) ...
 - (3) whether the jurisdiction in which the market is situated restricts foreign investors in the trading of securities listed or dealt in on that market or the remittance of any proceeds from a disposal through, e.g., foreign exchange controls or foreign ownership restrictions;
 - (4) the quality of the reporting requirements such as the timely reporting of adequate financial information and the price and volume of transactions whether on or off exchange, timely dissemination of ~~price-sensitive~~ inside information and the availability of the foregoing to investors in Hong Kong;
 - (5) ...

Trading halt or Ssuspension of ~~T~~trading

- 15A.85 In addition to ~~the provisions of~~ rules 6.02 to 6.10 and 13.10A, and other relevant provisions of the Exchange Listing Rules, where the securities or assets underlying structured products listed on the Exchange are halted or suspended from trading for whatever reason on the market on which they are listed or dealt in (including the Exchange), trading on the Exchange in structured products relating to such securities or assets ~~shall~~ must also be halted or suspended.

Chapter 17

EQUITY SECURITIES

SHARE OPTION SCHEMES

Restriction on the time of grant of options

- 17.05 ~~An issuer grant of options may not grant any options be made after inside information has come to its knowledge a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until it has announced the an announcement of such price sensitive information has been published in accordance with rule 2.07C.~~ In particular, it may not grant any option during the period commencing one month immediately preceeding before the earlier of:

- (1) the date of the board meeting (as such date is first notified to the Exchange ~~under in accordance with~~ the Exchange Listing Rules) for ~~approving the approval of~~ the listed issuer's results for any year, half-year, quarterly or any other interim period (whether or not required under the Exchange Listing Rules); and
- (2) the deadline for the issuer to ~~announce publish an announcement of~~ its results for any year or half-year under the Exchange Listing Rules, or quarterly or any other interim period (whether or not required under the Exchange Listing Rules),

and ending on the date of the results announcement, ~~no option may be granted.~~

Note: ~~The period during which n~~ No option may be granted during ~~will cover any period of delay in the publication of publishing a results announcement.~~

Chapter 19A

EQUITY SECURITIES

ISSUERS INCORPORATED IN THE PEOPLE'S REPUBLIC OF CHINA

Chapter 6 – Trading Halt, Suspension, Cancellation and Withdrawal of Listing

19A.12 ...

Chapter 19B

EQUITY SECURITIES

DEPOSITARY RECEIPTS

Preliminary

19B.01 The Exchange Listing Rules, including Chapters 19 and 19A, apply to the listing of depositary receipts subject to the additional requirements, modifications, exceptions and interpretations set out in this Chapter. The primary principle underlying ~~this Chapter and the other~~ Exchange Listing Rules dealing with depositary receipts is that the holders of depositary receipts are to be treated as generally having equivalent rights and obligations as those afforded to shareholders in an issuer under:

- (c) ...
- (d) the Securities and Futures Ordinance and subsidiary legislation (including but not limited to the provisions relating to market misconduct and disclosure of inside information and of interests).

Chapter 24

DEBT SECURITIES

APPLICATION PROCEDURES AND REQUIREMENTS

Preliminary

24.08 All publicity material released in Hong Kong relating to an issue of debt securities by a new applicant, ~~must be reviewed by the Exchange before release and must not be released until the Exchange has reviewed it and confirmed to the issuer that it has no further comments thereon.~~ In addition, ~~such the~~ publicity material must comply with all ~~applicable~~ statutory requirements. For these purposes, publicity material does not relate to an issue of debt securities if its purpose is the promotion of the issuer or its products or business and not the promotion of the debt securities to be issued. Moreover, circulation is permitted of documents of a marketing nature such as the invitation or offering document telex (or its equivalent ~~in another medium~~) and documents which consist of, or are drafts of, or relate to, agreements to be entered into in connection with the issue of the debt securities, provided that any obligations created thereunder to issue, subscribe, purchase or underwrite the debt securities are conditional on listing being granted. ~~These~~ Such documents will not be considered as falling within the scope of this rule and need not be submitted for prior review. Any publicity material or announcement referring to a proposed listing by a new applicant which is issued ~~prior to~~ before the Exchange's meeting of the Exchange held to consider ~~such the~~ application must state that application has been or will be made to the Exchange for listing of and for permission to deal in the debt securities concerned. If no such statement is made, the Exchange may reject the application. ~~may be rejected by the Exchange.~~ Listed issuers must comply with the obligation (which arises under the Listing Agreement) to maintain confidentiality ~~prior to~~ before the announcement of an issue.

Chapter 26

DEBT SECURITIES

LISTING AGREEMENT

Preliminary

- 26.04 ~~One of the principal objects of the Listing Agreement is to secure the immediate release of information which might be reasonably expected to have a significant effect on the ability of the issuer to meet its commitments. As will be clear from the terms of the Listing Agreement and related notes, the guiding principle is that information which is expected to be price-sensitive should be released immediately it is the subject of a decision. Until that point is reached, it is imperative that the strictest security within the issuer and its advisers is observed. [Repealed 1 January 2013]~~
- 26.05 ~~Strict compliance with the terms of the Listing Agreement is essential to the maintenance of a fair and orderly securities market and helps to ensure that all users of the market have simultaneous access to the same information. By following its provisions, t~~ The issuer should ensure that dealings do not take place between parties one of whom does not have price-sensitive inside information which is ~~in the possession of the other possesses. It would be clearly damaging to an issuer's relationship with the holders of its listed debt securities and the Exchange if there is an apparent unreadiness to disclose information at the proper time.~~
- 26.06 ~~In order t~~To maintain high standards of disclosure, the Exchange may require an issuer to announce the publication of further information, by and impose additional requirements on it, a listed issuer where ~~it the Exchange~~ considers that circumstances so justify, ~~but~~ However, the Exchange will allow ~~representations by the issuer to make representations~~ before imposing any such requirements on it which are not imposed on listed issuers generally. The issuer must comply with the additional such requirements failing which and, if it fails to do so, the Exchange may ~~(where such requirements relate to the publication of information)~~ itself publish the information available to it. Conversely, the Exchange may be prepared to waive dispense with, vary or not require compliance with the terms of the Listing Agreement ~~to suit the circumstances of in a particular case, but may require the issuer concerned to enter into an ancillary agreement, in that event,~~ as a condition of such dispensation.

Chapter 37

DEBT SECURITIES

DEBT ISSUES TO PROFESSIONAL INVESTORS ONLY

Continuing Obligations

37.47 An issuer must immediately, after consultation with the Exchange, announce any information which

- (a) ~~Is necessary for investors to appraise its position or~~ [Repealed 1 January 2013]
- (b) Is necessary to avoid a false market in its listed debt securities where in the view of the Exchange there is or there is likely to be a false market in its listed debt securities. ~~or~~

Note: If an issuer believes that there is likely to be a false market in its listed debt securities, it must contact the Exchange as soon as reasonably practicable.

- (c) ~~May have a material effect on its ability to meet the obligations under its debt securities.~~ [Repealed 1 January 2013]

37.47A If the securities are guaranteed, the guarantor must immediately announce any information which may have a material effect on its ability to meet the obligations under the debt securities.

37.47B (a) Where an issuer is required to disclose inside information under the Inside Information Provisions, it must also simultaneously announce the information.

- (b) An issuer must simultaneously copy to the Exchange any application to the Commission for a waiver from disclosure under the Inside Information Provisions, and promptly upon being notified of the Commission's decision copy it to the Exchange.

37.47C An issuer must, as soon as reasonably practicable, apply for a trading halt or a trading suspension where there is information under rule 37.47 or rule 37.47A, or inside information which must be disclosed under the Inside Information Provisions, or inside information which is the subject matter of an application to the Commission for a waiver but its confidentiality has been lost, and the information cannot be announced promptly.

Practice Note 11

to the Rules Governing the Listing of Securities
(the “Exchange Listing Rules”)

Issued pursuant to rule 1.06 of the Exchange Listing Rules

TRADING HALT, SUSPENSION AND RESTORATION OF DEALINGS

1. Definitions

Terms used in this Practice Note which are defined or interpreted in the Exchange Listing Rules shall have the same meaning as in the Exchange Listing Rules.

2. Requests for trading halt or suspension

Any request for trading halt or suspension of trading should be directed to the Listing Division of the Exchange. It will only be considered when it is received directly from ~~an~~ the issuer’s authorised representative ~~of the issuer~~ or some other responsible officer, ~~of the issuer concerned~~ or from a recognised and authorised merchant bank, financial advisor or sponsor, or a member firm acting in either of those capacities. The Listing Division may request ~~€~~ confirmation may be requested as to ~~of~~ the authority of the person requesting the trading halt or suspension. A formal letter supporting the request will be required, although because of time factors, this need not be delivered to the Listing Division ~~at the time of when~~ the initial request is made.

Issuers should not delay in contacting the Listing Division where it is felt a trading halt or suspension might be appropriate. ~~It should be noted, h~~ However, ~~that~~ full reasons supporting a request will be required before the Listing Division, or if necessary the Listing Committee, will give the request consideration.

3. Grounds for suspension trading halt

A ~~suspension~~ request for a trading halt will normally only be acceded to where the situation falls within rules 13.10A and/or 14.37. in the following circumstances:

- ~~— where for a reason acceptable to the Exchange price-sensitive information cannot immediately at that time be disclosed;~~
- ~~— where an issuer is subject to an offer, but only where terms have been agreed in principle and require discussion with and agreement by one or~~

~~more major shareholders. Suspensions will only normally be appropriate where no previous announcement has been made. In other cases, either the details of the offer should be announced in accordance with rule 2.07C, or if this is not yet possible, a ‘warning’ announcement published in accordance with rule 2.07C indicating that the issuer is in discussions which could lead to an offer, should be issued, without recourse to a suspension;~~

- ~~— to maintain an orderly market;~~
- ~~— certain levels of notifiable transaction, such as substantial changes in the nature, control or structure of an issuer, where publication of full details is necessary to permit a realistic valuation to be made of the securities concerned, or the approval of shareholders is required;~~
- ~~— where an issuer is no longer suitable for listing, or becomes a ‘cash’ company;~~
- ~~— issuers going into receivership or liquidation;~~
- ~~— where an issuer confirms that it will be unable to meet its obligation to disclose periodic financial information in accordance with the Exchange Listing Rules.~~

~~It should be noted that~~ The Exchange reserves the right to suspend dealings direct a trading halt without a request and will not hesitate to do so, if, in its judgement, this is in the best interest of the market and investors in general. Instances which are likely to give rise to ~~a suspension of dealings by the Exchange~~ directing a trading halt without a request include, but are not limited to, those set out above and the following:

- unexplained unusual movements in the price or trading volume of the issuer’s listed securities or where a false market for the trading of the issuer’s securities has or may have developed where the issuer’s authorised representative cannot immediately be contacted to confirm 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 or the development of a false market, or where the issuer delays in issuing an announcement in the form required under ~~pursuant to~~ rule 13.10 and where applicable, under the heading “Response to enquiries” in the relevant listing agreements;
- uneven dissemination or leakage of ~~price sensitive~~ inside information in the market giving rise to an unusual movement in the price or trading volume of the issuer’s listed securities.

3A. Grounds for suspension

A suspension request (other than a trading halt) will normally only be acceded to in the following circumstances:

- where an issuer is subject to an offer, but only where terms have been agreed in principle and require discussion with and agreement by one or more major shareholders. Suspensions will only normally be appropriate where no previous announcement has been made. In other cases, either the details of the offer should be announced, or if this is not yet possible, a ‘warning’ announcement indicating that the issuer is in discussions which could lead to an offer, should be issued, without recourse to a suspension;
- to maintain an orderly market;
- certain levels of notifiable transaction, such as substantial changes in the nature, control or structure of an issuer, where publication of full details is necessary to permit a realistic valuation to be made of the securities concerned, or the approval of shareholders is required;
- where an issuer is no longer suitable for listing, or becomes a ‘cash’ company;
- where an issuer is going into receivership or liquidation;
- where an issuer confirms that it will be unable to meet its obligation to disclose periodic financial information in accordance with the Exchange Listing Rules.

4. Restoration of dealings

In the interests of a fair and continuous market, the Exchange requires a trading halt or suspension period to be kept as short as is reasonably possible. This means that an issuer must publish an appropriate announcement as soon as possible after the trading halt or suspension arises. Under normal circumstances, the Exchange will restore dealings as soon as possible following publication of an appropriate announcement, or after specific requirements have been met. Failure by an issuer to make an announcement when required, may, if the Exchange feels it to be appropriate, result in the Exchange issuing its own announcement and a restoration of dealings without an announcement by the issuer.

The Exchange ~~wishes to~~ re-emphasises the importance of proper security within an issuer, and the responsibility of the directors to ensure a proper and timely disclosure of all information necessary to investors to establish a fair and realistic valuation of securities traded in the market.

5. Disclosure of information

The Exchange is also concerned to ensure a issuers' proper and timely disclosure of information. ~~by issuers in accordance with the Exchange Listing Rules.~~ It condemns the practice of allowing information to leak ~~prior to~~ before its announcement proper publication in order to 'test' the market, or to affect the price of the relevant security before details of a proposal are formally announced. It is particularly concerned where ~~unpublished~~ inside information is used to gain a personal advantage. ~~It The Exchange~~ will not hesitate to direct a trading halt or suspend dealings where it considers that improper use is being made of ~~price-sensitive~~ inside information, ~~whether be it~~ by persons connected with the issuer ~~concerned~~ or otherwise. ~~It The Exchange~~ may require a detailed explanation from an issuer as to who may have had access to ~~unpublished~~ inside information, and ~~as to~~ why security had not been properly maintained. If ~~it the Exchange~~ considers the result of its enquiries justifies, ~~justify such action~~, it may publish its findings. ~~It The Exchange~~ places great importance on the responsibility of the directors of an listed issuer, ~~not only~~ to ensure proper security with regard to ~~unpublished~~ inside information, price-sensitive news, ~~but to ensure~~ and that information is disclosed in a proper, equitable manner, in the interests of the market as a whole, not to the benefit of a select group or individual.

Where the Exchange believes that an listed issuer or its advisers have permitted inside price-sensitive information regarding the issue of new securities to leak, ~~before~~ prior to its announcement proper publication, ~~it the Exchange~~ will not normally consider an application for the listing of those securities.

6. The Statutory Rules

In accordance with ~~the provisions of~~ the Statutory Rules the Exchange will continue to notify the Commission of trading halts, suspensions and restorations of dealings, and this Practice Note is issued without prejudice to the statutory powers of the Commission in respect of suspensions.

7. This Practice Note replaces Guidance Note 1 and takes effect from 16th October, 1995.

Hong Kong, 16th October, 1995

Revised on 31st March, 2004

Revised on 25th June, 2007

Revised on 1st January, 2009

Revised on 1 January, 2013

Practice Note 15
to the Rules Governing the Listing of Securities
(the “Exchange Listing Rules”)

Issued pursuant to rule 1.06 of the Exchange Listing Rules

**PRACTICE WITH REGARD TO PROPOSALS SUBMITTED BY
ISSUERS TO EFFECT THE SEPARATE LISTING ON THE EXCHANGE OR
ELSEWHERE OF ASSETS OR BUSINESSES WHOLLY OR PARTLY WITHIN
THEIR EXISTING GROUPS**

3. Principles

The principles, which apply equally whether the entity to be spun off is to be listed in Hong Kong or overseas, are as follows:

(f)...

(g) *Announcement of spin-off*

~~A spin-off listing application is different from an ordinary listing application in that it is of material, price sensitive effect for an existing listed issuer. The Listing Committee accordingly considers that the latest time at which a formal announcement under rule 13.09 should be made is~~ An issuer must announce its spin-off listing application by the time it lodges or lodgement of the Form A1 (or its equivalent in any overseas jurisdiction). Where an overseas jurisdiction requires a confidential filing, the matter should be discussed with the Listing Division prior to any such before the filing. Until the publication of the announcement of the application, in accordance with rule 2.07C, strict confidentiality should be maintained and, in the event of if there is a leakage of information or of a significant, unexplained movement in the price or turnover volume of the Parent’s securities, an earlier announcement would be required.

~~These above are set forth as general principles intended to assist the market. The Listing Division should be consulted at an early stage of any spin-off proposal for clarification as to the application thereof.~~

...

Revised on 1st January, 2009

Revised on 1 January, 2013

The Stock Exchange of Hong Kong Limited

Practice Note 17

to the Rules Governing the Listing of Securities
(the “Exchange Listing Rules”)

Issued pursuant to rule 1.06 of the Exchange Listing Rules

SUFFICIENCY OF OPERATIONS AND DELISTING PROCEDURES

3. Delisting Procedures

3.1 The Exchange will follow a four-stage procedure as set out below.

- ~~For~~ During the initial period of six months following the suspension, the Exchange will monitor developments. ~~During this interval~~ ~~the issuer must will be expected to make periodic announcements of developments under rule 13.24A. to shareholders, in accordance with the provisions of rule 13.09, to advise shareholders of developments.~~ At the end of this six months period, the Exchange will determine whether it is appropriate to extend this ~~the~~ initial period or to proceed to the second stage.
- The second stage would involve the Exchange in writing to the issuer, drawing attention to its continued failure to meet rule 13.24 and requiring it advising that the issuer is required to submit resumption proposals within the next six months. During this period, the Exchange will continue to monitor developments of the issuer and will require from its ~~the issuer’s~~ directors monthly progress reports. At the end of this ~~the six month~~ period, the Exchange will consider the issuer’s proposals and determine whether it is appropriate to proceed to the third stage. ~~In making this determination, the Exchange will consider any proposals made by or on behalf of the issuer.~~
- Where the Exchange determines to proceed to the third stage, it will announce ~~publish an announcement naming the issuer, indicating that the issuer~~ ~~it~~ does not have sufficient assets or operations for listing, and imposing a deadline (generally six months) for submitting ~~the submission~~ of resumption proposals. During the third stage, the issuer would again be required to provide monthly progress reports to the Exchange.

- At the end of the third stage, ~~if where~~ no resumption proposals have been received ~~for resumption~~, the listing will be cancelled. ~~This would be announced by~~ Both the Exchange and the issuer concerned would announce this.

...

Revised on 31st March, 2004

Revised on 1 January, 2013

**The Stock Exchange of Hong Kong Limited
Practice Note 21**

to the Rules Governing the Listing of Securities
(the “Exchange Listing Rules”)

Issued pursuant to rule 1.06 of the Exchange Listing Rules

**DUE DILIGENCE BY SPONSORS IN RESPECT OF
INITIAL LISTING APPLICATIONS**

Due diligence

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:

- a) assessing the new applicant’s accounting and management systems that are relevant to:
 - (i) ~~to~~ the obligations of the new applicant and its directors under ~~to~~ ~~comply with~~ the Exchange Listing Rules and other legal and regulatory requirements, in particular the financial reporting, disclosure of ~~price sensitive information and~~ notifiable and connected transaction and inside information requirements; and
 - (ii) ~~to~~ the directors’ ability to make a proper assessment of the financial position and prospects of the new applicant and its subsidiaries, both before and after listing.

Such assessment should cover the new applicant’s compliance manuals, policies and procedures including corporate governance policies and any letters from ~~given by~~ the reporting accountants to the new applicant ~~that~~ commenting on the new applicant’s accounting and management systems or other internal controls; and

- b) ...

Appendix 5
Declaration and Undertaking with regard to Directors
Form B

Part 2
UNDERTAKING

The particulars referred to in this Part 2 are:-

- (a) ...
- (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 Parts XIVA and XV of 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;
本人在行使發行人董事的權力及職責時，將盡力遵守《證券及期貨條例》第XIVA 及 XV部、《公司收購及合併守則》、《股份購回守則》及香港所有其他不時生效的有關證券的法例及規例，本人並會盡力促使發行人遵守上述各項；
- (c)

Appendix 5
Declaration and Undertaking with regard to Directors of an Issuer
incorporated in the People's Republic of China ("PRC")
Form H

Part 2
UNDERTAKING

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:-
- (iv) ...
- (v) comply to the best of my ability with Parts XIVA and XV of 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 cause the issuer to so comply; and
盡力遵守《證券及期貨條例》第XIVA及XV部、《公司收購及合併守則》、《股份購回守則》及香港所有其他不時生效的有關證券的法例與規例，本人並會盡力促使發行人遵守上述各項；及

(vi) ...

Appendix 5
Declaration and Undertaking with regard to Supervisors of an Issuer
incorporated in the People's Republic of China ("PRC")
Form I

Part 2
UNDERTAKING

The particulars referred to in this Part 2 are:—

(a) in the exercise of my powers and duties as a supervisor of

(Insert the name of the issuer) I, the undersigned, shall:—

(iv) ...

(v) comply to the best of my ability, as if the same applied to me to the same extent as it does to directors of the issuer, with: (a) Parts XIVA and XV of the Securities and Futures Ordinance; (b) the Model Code for Securities Transactions by Directors of Listed Companies set out in Appendix 10 of the Listing Rules; (c) the Code on Takeovers and Mergers; (d) the Code on Share Repurchases; and (e) all other relevant securities laws and regulations from time to time in force in Hong Kong;

盡力遵守下列條例及規則，猶如該條例適用於本人，如同其適用於公司董事般：(a) 《證券及期貨條例》第 XIVA及XV部；(b) 《上市規則》附錄十列出的《上市公司董事進行證券交易的標準守則》；(c) 《公司收購及合併守則》；(d) 《股份購回守則》；以及(e)香港所有其他不時生效的有關證券法例與規例；

(vi) ...

Appendix 7

Part C

Type of Security: Debt

Type of Issuer: Incorporated or otherwise established in Hong Kong or elsewhere except States, Supranationals, State Corporations, Banks and debt issues to professional investors only

The following is the text of the Listing Agreement...

DISCLOSURE

General matters

2. Generally and apart from compliance with all the specific requirements of this Agreement, the Issuer must comply with the followings shall:—

(1) ~~keep the Exchange and holders of its listed debt securities informed as soon as reasonably practicable of any information relating to the group (including information on any major new developments in the group's sphere of activity which is not public knowledge) which:—~~

(a) ~~is necessary to enable them and the public to appraise the position of the group; [Repealed 1 January 2013]~~

(b) Without prejudice to paragraph 24, where in the view of the Exchange there is or there is likely to be is necessary to avoid the establishment of a false market in its listed debt securities, the Issuer must, as soon as reasonably practicable after consultation with the Exchange, announce the information necessary to avoid a false market in its securities; and

Note: If the Issuer believes that there is likely to be a false market in its listed debt securities, it must contact the Exchange as soon as reasonably practicable.

(c) ~~might be reasonably expected to significantly affect its ability to meet its commitments; and [Repealed 1 January 2013]~~

2.1 ~~Information should not be divulged outside the Issuer and its advisers in such a way as to place in a privileged dealing position any person or class or category of persons. Information should not be released in such a way that~~

~~Exchange transactions may be entered into at prices which do not reflect the latest available information. Without in any way derogating from these principles, issuers may, in appropriate circumstances, give advance information in strict confidence to persons with whom negotiations are taking place with a view to the making of a contract or the raising of finance, e.g. to prospective underwriters of an issue of debt securities or providers of funds on loan. In any such case the persons receiving such information will be expected not to deal in the Issuer's debt securities until the information has been released. [Repealed 1 January 2013]~~

2.2 ~~When developments are on hand which are likely to have a significant effect on the ability of the Issuer to meet its commitments it is **the direct responsibility of the directors to ensure that such information is kept strictly confidential** until a formal announcement is published in accordance with rule 2.07C of the Exchange Listing Rules. To this end the directors must ensure that the strictest security is observed within the Issuer and its advisers and if at any time it is felt that the necessary degree of security cannot be maintained or that security may have been breached, an announcement should be published in accordance with rule 2.07C of the Exchange Listing Rules. The lack of an announcement in some situations may lead to the establishment of a false market. [Repealed 1 January 2013]~~

2.3 ~~The Issuer may be obliged (by statute or otherwise) to impart information to a third party. If such information thereby enters the public domain and is of a price-sensitive nature, it should be simultaneously released to the market. [Repealed 1 January 2013]~~

2.4 ~~The question of timing of the release of an announcement to the market is crucial, having regard to its possible effect on the market price of the Issuer's listed debt securities. The overriding principle is that information which is expected to be price-sensitive should be announced immediately it is the subject of a decision. Failure to follow this principle may result in the Exchange imposing a temporary suspension of dealings. [Repealed 1 January 2013]~~

- 2.5 *References in this Agreement to informing the Exchange mean delivery of the relevant information to the Exchange in the manner determined by the Exchange from time to time and promulgated by way of a practice note to the Exchange Listing Rules.*
- 2.6 *Any obligation to inform holders of the Issuer's debt securities or the public will be satisfied by an announcement being published in accordance with rule 2.07C of the Exchange Listing Rules except where this Agreement requires some other form of notification. Certain such announcements must first have been reviewed by the Exchange in accordance with paragraph 17 of this Agreement.*
- 2.7 ~~*Where it is proposed to announce at any meeting of holders of listed debt securities information which might affect the market price of the Issuer's debt securities, arrangements should be made for the release of that information to the market simultaneously or immediately after the meeting. [Repealed 1 January 2013]*~~
- 2.8 ~~*If the directors consider that disclosure of information to the public might prejudice the Issuer's business interests, the Exchange must be consulted as soon as possible. [Repealed 1 January 2013]*~~
- 2.9 ~~*Information should be released before the stage when it needs to be made available outside the directors, employees and advisers necessarily concerned. The date of the requisite board meeting should be fixed with this consideration in mind; if a suitable date cannot be fixed, it may be necessary for the board to delegate its power of approval to a committee so that the appropriate announcement can be made at the proper time. [Repealed 1 January 2013]*~~
- 2.10 ~~*If, during the profit forecast period, an event occurs which, had it been known at the time the profit forecast was made, would have caused any of the assumptions upon which the forecast is based to have been materially different, the issuer shall notify shareholders promptly of the occurrence of such event. In any such announcement the issuer shall give an indication of its view of the likely impact of that event on the profit forecast. [Repealed 1 January 2013]*~~

2.11 If:—

- ~~(i) — income or loss generated by some activity outside the ordinary and usual course of its business; and~~
- ~~(ii) — which income or loss was not disclosed as anticipated in the document in which the profit forecast was contained,~~

~~contributes materially in the calculation of the profits for the period to which the profit forecast related, then this information must be disclosed to shareholders, including an indication of the level to which such unusual activity has contributed to the profit achieved.~~

~~A disclosure obligation arises as soon as the issuer becomes aware that it is likely that the contribution in the calculation of profits made or to be made by income or loss generated or to be generated as aforesaid will be material. [Repealed 1 January 2013]~~

- (d) (i) Where the Issuer is required to disclose inside information under the Inside Information Provisions of the Securities and Futures Ordinance, it must also simultaneously announce the information.**
- (ii) The Issuer must simultaneously copy to the Exchange any application to the Commission for a waiver from disclosure under the Inside Information Provisions, and promptly upon being notified of the Commission's decision copy the Exchange with the Commission's decision.**
- (e) The Issuer and its directors must take all reasonable steps to maintain strict confidentiality of inside information until it is announced.**
- (f) The Issuer must not divulge any information in such a way as to place in a privileged dealing position any person or class or category of persons. It must not release any information in such a way that Exchange transactions may be entered into at prices which do not reflect the latest available information.**
- (g) The Issuer and its directors must seek to ensure that dealings do not take place between parties one of whom does not have inside information which the other possesses.**

(h) If, during the profit forecast period, an event occurs which, had it been known when the profit forecast was made, would have caused any of the assumptions upon which the forecast is based to have been materially different, the Issuer must promptly announce the event. In the announcement, the Issuer must also indicate its view of the likely impact of that event on the profit forecast already made.

(i) If profit or loss generated by some activity outside the Issuer's ordinary and usual course of business which was not disclosed as anticipated in the document containing the profit forecast, materially contributes to or reduces the profits for the period to which the profit forecast related, the Issuer must announce this information, including an indication of the level to which the unusual activity has contributed to or reduced the profit.

The Issuer must announce the information as soon as it becomes aware that it is likely that the contribution to or reduction in the profits made or to be made by profit or loss generated or to be generated as aforesaid will be material.

- (2) ~~ensure that, it releases information to the Hong Kong market at the same time as the information is released to any other stock exchange on which its debt securities are listed; and if debt securities of the Issuer are also listed on other stock exchanges, information released to any of such other exchanges is released to the market in Hong Kong at the same time as it is released to the other markets;~~
- (3) ~~comply with~~ the Exchange Listing Rules in force from time to time.

2A. Where the debt securities are guaranteed, the Guarantor must announce, as soon as reasonably practicable, any information which may have a material effect on its ability to meet the obligations under the debt securities.

NOTIFICATION

After board meetings

11. The Issuer shall inform the Exchange immediately after approval by or on behalf of the board of directors or other governing body of:—
- (1) and (2)
- (3) any new issues of debt securities and, in particular, any guarantee or security in respect thereof;

11.2 The notification of a new issue may be delayed while a marketing or underwriting is in progress ~~(see also Note 2.1)~~.

(4) and (5) ...

11.3 In discharging the obligations ~~as set out~~ in this paragraph ~~H~~, regard ~~should be had~~ to Note 2.5, and in particular to the Exchange's requirements from time to time in respect of the communication of information of an urgent nature, is required.

Response to enquiries

24. Where the Exchange makes enquiries ~~The 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~~ the Issuer's listed debt securities, the possible development of a false market in the securities, or any other matters, the Issuer shall respond promptly as follows: by

- (1) giving such relevant ~~provide to the Exchange and, if requested by the Exchange, announce, any information relevant to the subject matter(s) of the enquiries which~~ as is available to it, so as to inform the market or to clarify the situation; the Issuer or,
- (2) if, and only if, the directors of the Issuer, having made such enquiry with respect to the Issuer as may be reasonable in the circumstances, are not aware of any matter or development that is or may be relevant to the unusual trading movement of its listed debt securities, or information necessary to avoid a false market, or any inside information which needs to be disclosed under the Securities and Futures Ordinance, appropriate, by issuing and if requested by the Exchange, make an announcement containing a statement to the ~~that 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 debt securities and shall also respond promptly to any other enquiries made of the Issuer by the Exchange.~~

Notes: 1. The Issuer does not need to disclose inside information under the Rules if disclosure of the information is exempted under the Inside Information Provisions.

2. The Exchange reserves the right to direct a trading halt of the Issuer's securities if an announcement under paragraph 24(1) or 24(2) cannot be made promptly.

Trading halt or trading suspension

24A. Without prejudice to the Exchange's ability to direct the halt, suspension and resumption of trading in the Issuer's listed debt securities, the Issuer and/or the Guarantor must, as soon as reasonably practicable, apply for a trading halt or a trading suspension in any of the following circumstances where an announcement cannot be made promptly:

- (1) the Issuer and/or the Guarantor has information which must be disclosed under paragraph 2(1)(b) or 2A; or**
- (2) the Issuer and/or the Guarantor reasonably believes that there is inside information which must be disclosed under the Inside Information Provisions; or**
- (3) circumstances exist where it reasonably believes or it is reasonably likely that confidentiality may have been lost in respect of inside information which:**
 - (a) is the subject of an application to the Commission for a waiver; or**
 - (b) falls within any of the exceptions to the obligation to disclose inside information under the Inside Information Provisions in section 307D(2) of the SFO.**

Note: The Issuer and/or the Guarantor does not need to disclose inside information under the Rules if disclosure of the information is exempted under the Inside Information Provisions.

Appendix 7

Part D

Type of Security: Debt

Type of Issuer: States and Supranationals

The following is the text of the Listing Agreement...

DISCLOSURE

General matters

2. Generally and apart from compliance with all the specific requirements of this Agreement, the Issuer shall must comply with the following:—

(1) ~~keep the Exchange and holders of its listed debt securities informed as soon as reasonably practicable of any information relating to the Issuer (including information on any major new developments in its sphere of activity which are not public knowledge) which:—~~

(a) ~~is necessary to enable them and the public to appraise the position of the Issuer; [Repealed 1 January 2013]~~

(b) Where in the view of the Exchange there is or there is likely to be is necessary to avoid the establishment of a false market in its listed debt securities, the Issuer must, as soon as reasonably practicable after consultation with the Exchange, announce the information necessary to avoid a false market in its securities; and

Note: If the Issuer believes that there is likely to be a false market in its listed debt securities, it must contact the Exchange as soon as reasonably practicable.

(c) ~~might be reasonably expected to significantly affect its ability to meet its commitments. [Repealed 1 January 2013]~~

2.1 ~~The question of timing of the release of an announcement to the market is crucial, having regard to its possible effect on the market price of the Issuer's listed debt securities. The overriding principle is that information which is expected to be price sensitive should be announced immediately it is the subject of a decision. Failure to follow this principle may result in the Exchange imposing a temporary suspension of dealings. [Repealed 1 January 2013]~~

2.2 ~~References in this Agreement to informing the Exchange mean delivery of the relevant information to the Exchange in the manner determined by the Exchange from time to time and promulgated by way of a practice note to the Exchange Listing Rules.~~

2.3 ~~Any obligation to inform holders of the Issuer's listed debt securities or the public will be satisfied by the information being published in an announcement in accordance with rule 2.07C of the Exchange Listing Rules except where this Agreement requires some other form of notification. Certain such announcements must first have been reviewed~~

by the Exchange in accordance with paragraph 7 of this Agreement.

2.4 ~~If the Issuer considers that disclosure of information to the public might prejudice its interests, the Exchange must be consulted as soon as possible. [Repealed 1 January 2013]~~

(d) (i) Where the Issuer is required to disclose inside information under the Inside Information Provisions of the Securities and Futures Ordinance, it must also simultaneously announce the information.

(ii) The Issuer must simultaneously copy to the Exchange any application to the Commission for a waiver from disclosure under the Inside Information Provisions, and promptly upon being notified of the Commission's decision copy the Exchange with the Commission's decision.

(e) The Issuer and its directors must take all reasonable steps to maintain strict confidentiality of inside information until it is announced.

(f) The Issuer must not divulge any information in such a way as to place in a privileged dealing position any person or class or category of persons. It must not release any information in such a way that Exchange transactions may be entered into at prices which do not reflect the latest available information.

(g) The Issuer and its directors must seek to ensure that dealings do not take place between parties one of whom does not have inside information which the other possesses.

(2) ~~ensure that, it releases information to the Hong Kong market at the same time as the information is released to any other stock exchange on which its debt securities are listed; if debt securities of the Issuer are also listed on other stock exchanges, information released to any of such other exchanges is released to the market in Hong Kong at the same time as it is released to the other markets; and~~

(3) ~~comply with the Exchange Listing Rules in force from time to time.~~

2A. Where the debt securities are guaranteed, the Guarantor must announce, as soon as reasonably practicable, any information which may have a material effect on its ability to meet the obligations under the debt securities.

3. **The Issuer must inform the Exchange immediately after the approval of:--**

- (1)
- (2)
- (3)

3.2 *In discharging the obligations ~~as set out~~ in paragraph 3, regard ~~should be had~~ to Note 2.2, and in particular to the Exchange's requirements from time to time in respect of the communication of information of an urgent nature, is required.*

Appendix 7

Part E

Type of Security: Debt

Type of Issuer: State Corporations and Banks

The following is the text of the Listing Agreement denoted in bold type, each paragraph being followed (where appropriate) by notes denoted in italics on its interpretation and application-

DISCLOSURE

General matters

2. **Generally and apart from compliance with all the specific requirements of this Agreement, the Issuer must comply with the following shall:—**

(1) ~~keep the Exchange and holders of its listed debt securities informed as soon as reasonably practicable of any information relating to the Issuer (including information on any major new developments in its sphere of activity which are not public knowledge) which:—~~

(a) ~~is necessary to enable them and the public to appraise the position of the Issuer; [Repealed 1 January 2013]~~

(b) **Where in the view of the Exchange there is or there is likely to be is necessary to avoid the establishment of a false market in its listed debt securities, the Issuer must, as soon as reasonably practicable, announce the information necessary to avoid a false market in its securities; and**

Note: If the Issuer believes that there is likely to be a false market in its listed debt securities, it must contact the Exchange as soon as reasonably practicable.

(c) ~~might reasonably be expected to significantly affect its ability to meet its commitments.~~ **[Repealed 1 January 2013]**

2.1 ~~Information should not be divulged outside the Issuer and its advisers in such a way as to place in a privileged dealing position any person or class or category of persons. Information should not be released in such a way that Exchange transactions may be entered into at prices which do not reflect the latest available information. Without in any way derogating from these principles, issuers may, in appropriate circumstances, give advance information in strict confidence to persons with whom negotiations are taking place with a view to the making of a contract or the raising of finance, e.g. to prospective underwriters of an issue of debt securities or providers of funds on loan. In any such case the persons receiving such information will be expected not to deal in the Issuer's listed debt securities until the information has been released.~~ **[Repealed 1 January 2013]**

2.2 ~~When developments are on hand which are likely to have a significant effect on the ability of the Issuer to meet its commitments **it is the direct responsibility of the directors to ensure that such information is kept strictly confidential** until a formal announcement is published in accordance with rule 2.07C of the Exchange Listing Rules. To this end the directors must ensure that the strictest security is observed within the Issuer and its advisers and if at any time it is felt that the necessary degree of security cannot be maintained or that security may have been breached, an announcement should be published in accordance with rule 2.07C of the Exchange Listing Rules. The lack of an announcement in some situations may lead to the establishment of a false market.~~ **[Repealed 1 January 2013]**

2.3 ~~The Issuer may be obliged (by statute or otherwise) to impart information to a third party. If such information thereby enters the public domain and is of a price-sensitive nature, it should be simultaneously released to the market.~~ **[Repealed 1 January 2013]**

- 2.4 ~~The question of timing of the release of an announcement to the market is crucial, having regard to its possible effect on the market price of the Issuer's listed debt securities. The overriding principle is that information which is expected to be price sensitive should be announced immediately it is the subject of a decision. Failure to follow this principle may result in the Exchange imposing a temporary suspension of dealings. — [Repealed 1 January 2013]~~
- 2.5 References in this Agreement to informing the Exchange mean delivery of the relevant information to the Exchange in the manner determined by the Exchange from time to time and promulgated by way of a practice note to the Exchange Listing Rules.
- 2.6 Any obligation to inform holders of the Issuer's debt securities or the public will be satisfied by the information being published in an announcement in accordance with rule 2.07C of the Exchange Listing Rules except where this Agreement requires some other form of notification. Certain such announcements must first have been reviewed by the Exchange in accordance with paragraph 12 of this Agreement.
- 2.7 ~~Where it is proposed to announce at any meeting of holders of listed debt securities information which might affect the market price of the Issuer's debt securities, arrangements should be made for the release of that information to the market simultaneously or immediately after the meeting. [Repealed 1 January 2013]~~
- 2.8 ~~If the directors consider that disclosure of information to the public might prejudice the Issuer's business interests, the Exchange must be consulted as soon as possible. [Repealed 1 January 2013]~~
- 2.9 ~~Information should be released before the stage when it needs to be made available outside the directors, employees and advisers necessarily concerned. The date of the requisite board meeting should be fixed with this consideration in mind; if a suitable date cannot be fixed, it may be necessary for the board to delegate its power of approval to a committee so that the appropriate announcement can be made at the proper time. — [Repealed 1 January 2013]~~

(d) (i) Where the Issuer is required to disclose inside information under the Inside Information Provisions of the Securities and Futures Ordinance, it must also simultaneously announce the information.

(ii) The Issuer must simultaneously copy to the Exchange any application to the Commission for a waiver from disclosure under the Inside Information Provisions, and promptly upon being notified of the Commission's decision copy the Exchange with the Commission's decision.

(e) The Issuer and its directors must take all reasonable steps to maintain strict confidentiality of inside information until it is announced.

(f) The Issuer must not divulge any information in such a way as to place in a privileged dealing position any person or class or category of persons. It must not release any information in such a way that Exchange transactions may be entered into at prices which do not reflect the latest available information.

(g) The Issuer and its directors must seek to ensure that dealings do not take place between parties one of whom does not have inside information which the other possesses.

~~(2) ensure that, it releases information to the Hong Kong market at the same time as the information is released to any other stock exchange on which its debt securities are listed; if debt securities of the Issuer are also listed on other stock exchanges, information released to any of such other exchanges is released to the market in Hong Kong at the same time as it is released to the other markets; and~~

~~(3) comply with the Exchange Listing Rules in force from time to time.~~

2A. Where the debt securities are guaranteed, the Guarantor must, as soon as reasonably practicable, announce any information which may have a material effect on its ability to meet the obligations under the debt securities.

NOTIFICATION

After board meetings

5. The Issuer shall inform the Exchange immediately after approval by or on behalf of the board of directors or other governing body of:—

(1) and (2) ...

(3) any new issues of listed debt securities and, in particular, any guarantee or security in respect thereof;

5.2 *The notification of a new issue may be delayed while a marketing or underwriting is in progress (see also Note 2.1).*

5.3 *In discharging the obligations ~~as set out~~ in this paragraph, ~~5 regard should be had~~ to Note 2.5, and in particular to the Exchange's requirements from time to time in respect of the communication of information of an urgent nature, is required.*

Winding-up and liquidation

10. The Issuer shall inform the Exchange on the happening of any of the events of default under the terms and conditions of any listed debt securities as soon as the same shall come to its ~~the attention of the Issuer~~.

10.1 *In the circumstances referred to in Note 2.8, the Exchange may be prepared to give a dispensation from the requirement to make the information public. However, the Exchange must be informed in any event. [Repealed 1 January 2013]*

Appendix 7

Part H

Type of Security: Structured Products

The following is the text of the Listing Agreement...

DISCLOSURE

General matters

2. Generally and apart from compliance with all the specific requirements of this Agreement, each of the Issuer and the Guarantor must comply with the following shall:—

(1) ~~keep the Exchange and holders of its listed securities informed as soon as reasonably practicable of any information relating to the Issuer's and/or the Guarantor's group which:—~~

(a) ~~might be reasonably expected to significantly affect the Issuer's or the Guarantor's ability to meet its commitments; [Repealed 1 January 2013]~~

(b) Without prejudice to paragraph 26, where in the view of the Exchange there is or there is likely to be is necessary to avoid the establishment of a false market in the Issuer's its listed securities, the Issuer and the Guarantor must, as soon as reasonably practicable after consultation with the Exchange, announce the information necessary to avoid a false market in the securities; and

Note: If the Issuer believes that there is likely to be a false market in its listed securities, it must contact the Exchange as soon as reasonably practicable.

(c) ~~might be reasonably expected materially to affect market activity in and the price of its listed securities; and [Repealed 1 January 2013]~~

2.1 ~~When developments are on hand which are likely to have a significant effect on market activity in or the price of any listed securities, it is the direct responsibility of the directors to ensure that such information is kept strictly confidential until a formal announcement is made. To this end the directors must ensure that the strictest security is observed within the Issuer and the Guarantor and their respective advisers and if at any time it is felt that the necessary degree of security cannot be maintained or that security may have been breached, an announcement should be made. [Repealed 1 January 2013]~~

2.2 ~~The question of timing of the release of an announcement to the market is crucial, having regard to its possible effect on the market price of the Issuer's listed securities. The overriding principle is that information which is expected to be price sensitive should be announced immediately it is the subject of a decision. Failure to follow this principle may result in the Exchange imposing a temporary suspension of dealings. [Repealed 1 January 2013]~~

- 2.3 *References in this Agreement to informing the Exchange mean delivery of the relevant information to the Exchange in the manner determined by the Exchange from time to time and promulgated by way of a practice note to the Exchange Listing Rules.*
- 2.4 *Any obligation to inform holders of the Issuer's listed securities or the public will be satisfied by the information being published on the web site of the Exchange except where this Agreement requires some other form of notification. Certain such announcements must first have been reviewed by the Exchange in accordance with paragraph 14 of this Agreement.*
- 2.5 ~~*Where it is proposed to announce at any meeting of holders of listed securities information which might affect the market price of the Issuer's listed securities, arrangements should be made for the release of that information to the market simultaneously or immediately after the meeting. [Repealed 1 January 2013]*~~
- 2.6 ~~*If the directors consider that disclosure of information to the public might prejudice the Issuer's or the Guarantor's business interests, the Exchange must be consulted as soon as possible. [Repealed 1 January 2013]*~~
- (d) (i) Where the Issuer is required to disclose inside information under the Inside Information Provisions of the Securities and Futures Ordinance, the Issuer and the Guarantor must also simultaneously announce the information.**
- (ii) The Issuer and the Guarantor must simultaneously copy to the Exchange any application to the Commission for a waiver from disclosure under the Inside Information Provisions, and promptly upon being notified of the Commission's decision copy the Exchange with the Commission's decision.**
- (e) The Issuer and the Guarantor must take all reasonable steps to maintain strict confidentiality of inside information until it is announced.**

(f) The Issuer and the Guarantor must not divulge any information in such a way as to place in a privileged dealing position any person or class or category of persons. They must not release any information in such a way that Exchange transactions may be entered into at prices which do not reflect the latest available information.

(g) The Issuer and the Guarantor must seek to ensure that dealings do not take place between parties one of whom does not have inside information which the other possesses.

~~(2) ensure that, inform the Exchange of, and release to the Hong Kong market, information at the same time as the information is released to any other stock exchange on which the Issuer's securities are listed; if listed securities of the Issuer are also listed on other stock exchanges, the Exchange is simultaneously informed of any information relating to the listed securities which is released to any of such other exchanges and that such information is released to the market in Hong Kong at the same time as it is released to the other markets;~~

~~(3) to (4)...~~

~~(5) comply with the Exchange Listing Rules in force from time to time.~~

2A. Where the securities are guaranteed, the Guarantor must, as soon as reasonably practicable, announce any information which may have a material effect on its ability to meet the obligations under the securities.

GENERAL

Response to enquiries

26. Where the Exchange makes enquiries ~~The Issuer and the Guarantor shall respond promptly to any enquiries made of the Issuer or the Guarantor by the Exchange concerning unusual movements in the price or trading volume of its the Issuer's listed securities, the possible development of a false market in the securities, or any other matters, the Issuer and/or Guarantor shall respond promptly as follows:~~ by

(1) ~~giving such relevant~~ provide to the Exchange and, if requested by the Exchange, announce, any information relevant to the subject matter(s) of the enquiries which as is available to the Issuer and the Guarantor;
or,

(2) if, and only if, the Issuer and/or the Guarantor (as the case may be), having made such enquiry with respect to the Issuer and/or the Guarantor as may be reasonable in the circumstances, are not aware of any matter or development that is or may be relevant to the unusual trading movement of its listed securities, or information necessary to avoid a false market, or any inside information which needs to be disclosed under the Securities and Futures Ordinance, appropriate, by issuing and if requested by the Exchange, make an announcement containing a statement to the that effect (see note 1 below). that the Issuer and the Guarantor (as the case may be) 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 or the Guarantor by the Exchange.

26.1 *If the enquiry relates to unusual movements in the price or trading volume of securities and the Issuer or the Guarantor are aware of any matter that might have relevance to such movements, an announcement clarifying the situation should be issued. If it is not possible to make such an announcement, a temporary suspension of dealings in the Issuer's listed securities may be necessary. [Repealed 1 January 2013]*

26.2 *If the Issuer is 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 or such other form as required by the Exchange [Repealed 1 January 2013]*

Notes: 1. The form of the announcement referred to in paragraph 26(2) is as follows:

"This announcement statement is made at the request of The Stock Exchange of Hong Kong Limited.

We have noted [the recent increases/decreases in the price [or trading volume] of the structured products issued by the Company] or [We refer to the subject matter of the Exchange's enquiry]. Having made such enquiry with respect to the Issuer and/or Guarantor as is reasonable in the circumstances, we confirm that and wish to state that we are not aware of [any reasons for such increases/decreases] or of any information which must be announced to avoid a false market in the Issuer's structured products or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance."

~~We are not aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price sensitive nature."~~

The above statement may be given on a corporate basis.

- ~~2. The Issuer and/or the Guarantor does not need to disclose inside information under the Rules if disclosure of the information is exempted under the Inside Information Provisions.~~
- ~~3. The Exchange reserves the right to direct a trading halt of the Issuer's securities if an announcement under paragraph 26(1) or 26(2) cannot be made promptly.~~

Trading halt or trading suspension

26A. Without prejudice to the Exchange's ability to direct the halt, suspension and resumption of trading in the Issuer's listed securities, the Issuer and/or the Guarantor must, as soon as reasonably practicable, apply for a trading halt or a trading suspension in any of the following circumstances where an announcement cannot be made promptly:

- (1) the Issuer and/or the Guarantor has information which must be disclosed under paragraph 2(1)(b) or 2A; or**
- (2) the Issuer and/or the Guarantor reasonably believes that there is inside information which must be disclosed under the Inside Information Provisions; or**
- (3) circumstances exist where the Issuer and/or the Guarantor reasonably believes or it is reasonably likely that confidentiality may have been lost in respect of inside information which:**
 - (a) is the subject of an application to the Securities and Futures Commission for a waiver; or**
 - (b) falls within any of the exceptions to the obligation to disclose inside information under the Inside Information Provisions in section 307D(2) of the SFO.**

Note: The Issuer and/or the Guarantor does not need to disclose inside information under the Rules if disclosure of the information is exempted under the Inside Information Provisions.

Appendix 10

Model Code for Securities Transactions by Directors of Listed Issuers

Basic Principles

5. The single most important thrust of this code is that directors who are aware of or privy to any negotiations or agreements related to intended acquisitions or disposals which are notifiable transactions under Chapter 14 of the Exchange Listing Rules or connected transactions under Chapter 14A of the Exchange Listing Rules or any ~~price-sensitive~~ inside information must refrain from dealing in the ~~listed~~ issuer's securities as soon as they become aware of them or privy to them until the information has been announced ~~proper disclosure of the information in accordance with the Exchange Listing Rules~~. Directors who are privy to relevant negotiations or agreements or any inside ~~price-sensitive~~ information should caution those directors who are not so privy that there may be ~~unpublished~~ inside ~~price-sensitive~~ information and that they must not deal in the ~~listed~~ issuer's securities for a similar period.

RULES

A. Absolute prohibitions

1. A director must not deal in any of the securities of the ~~listed~~ issuer at any time when he possesses ~~is in possession of unpublished~~ inside ~~price-sensitive~~ information in relation to those securities, or where clearance to deal is not otherwise conferred upon him under rule B.8 of this code.

Note: "Price sensitive information" means information described in rule 13.09(1) and the notes thereunder. In the context of this code, rule 13.09(1)(c) and its notes 9, 10 and 11 are of particular relevance.

2. A director must not deal in the securities of an listed issuer when by virtue of his position as a director of another ~~listed~~ issuer, he possesses ~~is in possession of unpublished~~ inside ~~price-sensitive~~ information in relation to those securities.

B. Notification

8. A director must not deal in any securities of the ~~listed~~ issuer without first notifying in writing the chairman or a director (otherwise than himself) designated by the board for the specific purpose and receiving a dated written acknowledgement... The designated director must not deal in any securities of the ~~listed~~ issuer without first notifying the chairman and receiving a dated written acknowledgement....

Note: For the avoidance of doubt, the restriction under A.1 of this code applies ~~in the event that price sensitive~~ if inside information develops following the grant of clearance.

13. The directors of a company must as a board and individually endeavour to ensure that any employee of the company or director or employee of a subsidiary company who, because of his office or employment in the company or a subsidiary, is likely to possess ~~be in possession of unpublished price-sensitive~~ inside information in relation to the securities of any ~~listed~~ issuer does not deal in those securities ~~at a time~~ when he would be prohibited from dealing by this code if he were a director.

Appendix 14

CORPORATE GOVERNANCE CODE AND CORPORATE GOVERNANCE REPORT

A.6 Responsibilities of directors

Code Provisions

- A.6.4 The board should establish written guidelines no less exacting than the Model Code for relevant employees in respect of their dealings in the issuer's securities. "Relevant employee" includes any employee or a director or employee of a subsidiary or holding company who, because of his office or employment, is likely to possess ~~be in possession of unpublished price-sensitive~~ inside information in relation to the issuer or its securities.

C. ACCOUNTABILITY AND AUDIT

C.1 Financial reporting

Code Provisions

- C.1.5 The board should present a balanced, clear and understandable assessment in annual and interim reports, ~~other price-sensitive announcements~~ and other financial disclosures required by the Listing Rules. It should also do so for reports to regulators and information disclosed under statutory requirements.

RECOMMENDED DISCLOSURES

S. INTERNAL CONTROLS

- (a) Where an issuer includes a directors' statement that they have conducted a review of its internal control system in the annual report under paragraph C.2.1, it is encouraged to disclose the following:
- (i) ...
 - (ii) procedures and internal controls for the handling and dissemination of ~~price-sensitive~~ inside information;
 - (iii)

Appendix 19

SPONSOR'S DECLARATION

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

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

Pursuant to rule 3A.13 we declare to The Stock Exchange of Hong Kong Limited (the "Exchange") that:

- (b) having made reasonable due diligence inquiries, we have reasonable grounds to believe and do believe that:
- (iv)
 - (v) the Company has established procedures, systems and controls (including accounting and management systems) which are adequate having regard to the obligations of the Company and its directors under to comply with the Listing Rules and other relevant legal and regulatory requirements (in particular rules 13.09, 13.10, 13.46, 13.48 and 13.49, Chapters 14 and 14A and Appendix 16, and Part XIVA of the Securities and Futures Ordinance) and which are sufficient to enable the Company's directors to make a proper assessment of the financial position and prospects of the Company and its subsidiaries, both before and after listing; and
 - (vi) ...

Appendix 24

Headline Categories

The following documents are submitted by issuers for publication on our website as listed companies information:–

Schedule 1

Headline Categories for Announcements and Notices

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

...

Suspension

Trading Halt

Miscellaneous

...

~~Price Sensitive~~ Inside Information

...