

Chapter 2A

GENERAL

COMPOSITION, POWERS, FUNCTIONS AND PROCEDURES OF THE LISTING COMMITTEE, THE LISTING APPEALS COMMITTEE AND THE LISTING DIVISION

Application Procedures

New Applicants

2A.05 Subject to rule 2A.05A and rule 2A.05B, every application for listing (including a transfer of listing from GEM to the Main Board) by a new applicant should be submitted to the Listing Division which may reject it or recommend it. However, the Listing Committee has reserved to itself the power to approve all applications for listing (including transfer of listing from GEM to the Main Board) from a new applicant and this means that even if such an application is recommended by the Executive Director – Listing or the Chief Executive of the Exchange it must still be approved by the Listing Committee. The Listing Committee may at the request of the Listing Division give an “in principle” approval, that a particular issuer or its business, or a particular type of security is suitable for listing, at an early stage in the application process (but will again consider the full application after the Listing Division has processed it). Otherwise the Listing Committee will not consider an application from a new applicant until the Listing Division has processed the application. If the Listing Committee approves a listing the Listing Division will issue a formal approval letter, in due course.

Chapter 7

EQUITY SECURITIES

METHODS OF LISTING

Transfer of Listing from GEM

7.35 An issuer already listed on GEM may transfer the listing to the Main Board pursuant to rules and regulations from time to time prescribed by the Exchange for this purpose. The relevant conditions, requirements and procedures are set out in Chapter 9A.

Chapter 8

EQUITY SECURITIES

QUALIFICATIONS FOR LISTING

Preliminary

8.01 This Chapter sets out the basic conditions which have to be met as a pre-requisite to the listing of equity securities. They apply to every method of listing and to both new applicants and listed issuers (including listed issuers that are treated as new applicants under other applicable provisions of the Exchange Listing Rules) except where otherwise stated. Further conditions which have to be met by infrastructure companies, mineral companies, overseas issuers and PRC issuers are set out in rules 8.05B(2), 18.02, 18.03 and Chapters 19 and 19A. For a transfer of listing from GEM, the requirements of this Chapter are applied with modifications as set out in the rules and regulations under Chapter 9A for that purpose. Issuers are reminded:—

(1) that these requirements are not exhaustive and that the Exchange may impose additional requirements in a particular case; and

(2) that the Exchange retains an absolute discretion to accept or reject applications for listing (including application for transfer of listing from GEM to the Main Board) and that compliance with the relevant conditions may not of itself ensure an applicant's suitability for listing.

Prospective issuers, and in particular new applicants, are therefore encouraged to contact the Exchange to seek informal and confidential guidance as to the eligibility of a proposed issue for listing at the earliest possible opportunity.

Chapter 9

EQUITY SECURITIES

APPLICATION PROCEDURES AND REQUIREMENTS

Preliminary

9.01 This Chapter sets out the procedures and requirements for applications for the listing of equity securities, whether by new applicants or by listed issuers. This Chapter does not apply to a transfer of listing from GEM to the Main Board pursuant to Chapter 9A.

Chapter 9A

TRANSFER OF LISTING FROM GEM TO MAIN BOARD

Preliminary

9A.01 Application for a transfer of listing shall be approved by the Listing Committee as set out in rule 2A.05, subject to the relevant review powers.

Qualifications for transfer

9A.02 An issuer may apply for a transfer of listing of its securities from GEM to the Main Board if:

- (1) it meets all the qualifications for listing on the Main Board set out in the Exchange Listing Rules, subject to the exceptions set out in rule 9A.03;
Note: In order to be listed on the Main Board, the applicant must continue to meet the qualifications referred to in rule 9A.02(1) up to the commencement of dealings in its securities on the Main Board.
- (2) once it complies with GEM rule 18.03 in respect of its financial results for the first full financial year commencing after the date of its initial listing; and
- (3) in the 12 months preceding the transfer application and until the commencement of dealings in its securities on the Main Board, it has not been the subject of any disciplinary investigation by the Exchange in relation to a serious breach or potential serious breach of any GEM Listing Rules or Exchange Listing Rules.

9A.03 For the purposes of rule 9A.02(1) and except where expressly required under this Chapter, the following listing qualifications and disclosure requirements do not apply to a transfer of listing from GEM to the Main Board:-

- (1) all requirements relating to application procedures, listing document and prospectus under Chapters 9, 11 and 11A;
- (2) all requirements under chapter 3A relating to the appointment and obligations of a sponsor;
Note: This includes ancillary provisions such as the listing applicant's obligation to assist the sponsor.
- (3) rule 8.06 relating to the latest financial period reported on by the reporting accountants.

9A.04 Where an applicant for transfer of listing under this chapter is an infrastructure company, a mineral company or an investment company to which any of rules 8.05B (1) and (2), Chapter 18 or Chapter 21 applies:

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- (1) it must comply with all listing qualifications set out in rules 8.05B (1) and (2), Chapter 18 or Chapter 21 (as the case may be), with such modifications as the Exchange may determine;
- (2) it must disclose by way of a circular all information required under rule 8.05B(2), Chapter 18 or Chapter 21 (as the case may be) to be disclosed in a listing document, including any statement required to be made by professional adviser(s), with such modifications as the Exchange may determine; and
- (3) the circular must be issued, published and dispatched by the applicant in accordance with rules 2.07C and also distributed to its members and holders of its listed securities in the same manner as prescribed for the distribution of annual reports and accounts under rule 13.46 on the same day as the announcement required under rule 9A.08.

Application for transfer

9A.05 It is the intention of the Exchange, as far as possible, to base any decision to approve or reject a transfer application on the issuer's existing recent public disclosures. Where relevant information is not available or where circumstances otherwise demand, the Exchange may in addition request further information to be supplied by the issuer and/or its management, where appropriate in the form of written confirmation. The Exchange may require such additional information to be disclosed. Issuers are reminded that these requirements are not exhaustive and that the Exchange may impose additional requirements in a particular case.

9A.06 An applicant for transfer of listing under this chapter shall submit to the Exchange the following documents:

- (1) a formal application for listing in the form set out in Form J in Appendix 5, signed by a duly authorised director of the issuer;
- (2) a declaration in the form set out in Form K in Appendix 5, signed by every director and supervisor (if any) of the issuer confirming and declaring compliance with all the requirements for a transfer of listing (save those disapplied under rule 9A.03)
- (3) a checklist prescribed by the Exchange from time to time duly completed and signed by every director and supervisor (if any) of the issuer;
- (4) an advanced draft public announcement, as required under rule 9A.08, to be published by the issuer in relation to the transfer of listing;
- (5) the initial listing fee payable under rule 9.03(1)(b) and paragraph 1(3) of Appendix 8;
- (6) the declaration set out in rule 9.11(7) duly signed by each director/supervisor and proposed director/supervisor;
- (7) where shareholders', board or regulatory approval is required for the transfer of listing (whether under the issuer's constitutive documents or applicable laws or regulations or otherwise), a copy of the relevant approval(s) or resolutions; and

- (8) a written confirmation, together with relevant supporting information, to the Exchange that, for the next 12 months from the date of publication of the announcement under rule 9A.08:
- (a) the working capital available for the group is sufficient for its present requirements, that is for at least the next 12 months from the date of publication of the announcement under rule 9A.08; and
- (b) the issuer's financial advisers or auditors are satisfied that this confirmation has been given after due and careful enquiry and that persons or institutions providing finance have stated in writing that the relevant financing facilities exist.

Note: Supporting information for the purpose of rule 9A.06(8) typically includes cash flow forecast memoranda, profit forecasts and written statements from persons or institutions providing finance.

9A.07 An application for transfer from GEM to the Main Board will not be presented to the Listing Committee for approval until all the documents and fees required under Rule 9A.06 have been duly received by the Exchange.

Announcement of transfer

9A.08 An announcement must be made in accordance with rule 2.07C as soon as reasonably practicable and in any event not later than one business day after the issuer has received from the Exchange formal in-principle approval for transfer of its listing to the Main Board and at least 5 clear business days before the intended date dealings in the issuer's shares on the Main Board are expected to commence.

9A.09 The announcement published under rule 9A.08 must contain at least the following information:-

- (1) on the front cover or on the top of the announcement a prominent and legible disclaimer statement as follows:—
- “The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.”;
- (2) a statement of responsibility and confirmation on the part of the directors in the form set out in paragraph 2 of Appendix 1, Part A (where the issuer is to be listed under Chapter 21, the statement of responsibility must also be given by the persons set out in Exchange Listing Rule 21.10);
- (3) a statement confirming that all pre-conditions for a transfer of listing, from GEM to the Main Board have, insofar as applicable, been fulfilled in relation to the issuer and the securities of the issuer;
- (4) the reasons for the transfer of listing;
- (5) a statement that the following documents are available for viewing on the Exchange's website and the issuer's own website, giving details as to where on these websites

such documents are to be found (to the fullest extent known at the time of publication of the announcement):-

- (a) the issuer's published directors' report and annual accounts for the latest financial year.
 - (b) the issuer's latest half-year report or summary half-year report (if any) and (if more recent) the latest quarterly report,
 - (c) the issuer's constitutional documents;
 - (d) any prospectuses and circulars to shareholders issued by the issuer in the immediately preceding full financial year (if any); and
 - (e) announcements and other corporate communications as required under the Exchange Listing Rules
- (6) a statement that approval has been granted by the Exchange for the issuer's securities to be listed on the Main Board and de-listed from GEM, together with the date on which dealings will commence on the Main Board and terminate on GEM;
- (7) the issuer's respective stock codes on the Main Board and GEM;
- (8) a statement that subject to continued compliance with the stock admission requirements of HKSCC, the relevant securities will continue to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the Central Clearing and Settlement System ("CCASS") once dealings in the relevant securities on the Main Board commence, and that all activities under CCASS are subject to the General Rules of the CCASS and CCASS Operational Procedures in effect from time to time;
- (9) if applicable, a statement that the listing of any options, warrants or similar rights or convertible equity securities issued by the issuer will also be transferred to the Main Board pursuant to rule 9A.10, accompanied by information on the nature of the shares offered by way of conversion, exchange or subscription, the rights attaching thereto, the conditions of and procedures for conversion, exchange or subscription and details of the circumstances in which they may be amended;
- (10) if applicable, the information required under rule 8.10(1) and (2) to be disclosed in a listing document, in relation to any competing or potentially competing business of a controlling shareholder or director of the applicant;
- (11) the name of each director of the issuer as required under rule 2.14; and
- (12) such other information as directed by the Exchange to be included in the announcement.

Effect of transfer

9A.10 Upon successful transfer of listing of an issuer's equity securities from GEM to the Main Board, the listing on GEM of any options, warrants or similar rights or convertible equity securities in the same issuer will normally be automatically transferred to the Main Board.

9A.11 An application for a transfer of listing must normally relate to all classes of securities (if more than one) already listed on GEM, including all further securities of the relevant classes issued or proposed to be issued.

9A.12 Unless otherwise directed by the Exchange, an issuer that successfully transfers from GEM to the Main Board under this Chapter need not re-comply with the continuing obligations under Chapter 3, 3A, 4, 13, 14, 14A or 17 to the extent :-

(1) of any continuing obligation under an Exchange Listing Rule which is equivalent or comparable to a continuing obligation under a GEM Listing Rule, where the Exchange has previously granted a waiver to the issuer in respect of such obligation and there has been no change in the relevant facts or circumstances; or

(2) that any such obligation has ceased by virtue of shareholders' approvals or independent shareholders' approvals (as applicable) having been obtained by the issuer while it was listed on GEM for the relevant transaction(s) or corporate activity(ies).

The effect of the waivers or shareholders' approvals shall continue for the purpose of continuing obligations until its original expiry date since grant, notwithstanding the transfer from GEM to the Main Board.

9A.13 The continuous requirement relating to the appointment of a Compliance Adviser for the period specified in GEM rule 6A.19 will survive an issuer's transfer to the Main Board. Where the transfer takes effect before the expiry of the requirement under GEM rule 6A.19, this GEM requirement will continue for any remaining term notwithstanding that the issuer had been transferred to and listed on the Main Board. The requirement under rule 3A.19 is not applicable in the case of a listed issuer transferring from GEM to the Main Board.

Chapter 10

EQUITY SECURITIES

RESTRICTIONS ON PURCHASE AND SUBSCRIPTION

Restrictions on disposal of shares by controlling shareholders following a new listing

10.07 (4) The provisions of 10.07(1)(a) and (b) shall not apply to an issuer that has successfully transferred its listing from GEM to the Main Board pursuant to Chapter 9A.

No further issue of securities within 6 months of listing

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

(1) the issue of shares, the listing of which has been approved by the Exchange, pursuant to a share option scheme under Chapter 17;

(2) the exercise of conversion rights attaching to warrants issued as part of the initial public offering;

(3) any capitalisation issue, capital reduction or consolidation or sub-division of shares; ~~and~~

(4) the issue of shares or securities pursuant to an agreement entered into before the commencement of dealing, the material terms of which have been disclosed in the listing document issued in connection with the initial public offering; ~~and~~

(5) the issue of shares or securities to be traded on the Main Board by a listed issuer that has successfully transferred its listing from GEM to the Main Board pursuant to Chapter 9A.

Chapter 14

EQUITY SECURITIES

NOTIFIABLE TRANSACTIONS

Material changes

14.89 With the exception of a listed issuer that has successfully transferred its listing from GEM to the Main Board pursuant to Chapter 9A, in the period of 12 months from the date on which dealings in the securities of a listed issuer commence on the Exchange, the listed issuer shall not effect any acquisition, disposal or other transaction or arrangement, or a series of acquisitions, disposals or other transactions or arrangements, which would result in a fundamental change in the principal business activities of the listed issuer as described in the listing document issued at the time of its application for listing.

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:

(b) No spin-off within three years of Parent's original listing

In recognition that the original listing of the Parent will have been approved on the basis of the Parent's portfolio of businesses at the time of listing, and that the expectation of investors at that time would have been that the Parent would continue to develop those businesses, the Listing Committee would not normally consider a spin-off application within three years of the date of listing of the Parent.

Note: For a listed issuer that has transferred from GEM to the Main Board under chapter 9A, its original listing date on GEM shall be regarded for the purpose of (b) as the date of listing of the Parent.

Appendix 5

Formal Application
for Transfer of Listing of Equity Securities
from the Growth Enterprise Market to the Main Board

Form J

This form must be duly completed and lodged in compliance with the provisions of Chapter 9A.

To: The Head of the Listing Division
The Listing Division,
The Stock Exchange of Hong Kong Limited,
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Dear Sir,

1. We [Limited] hereby apply for the listing of and for permission to deal in the securities referred to in paragraph 3 below subject to the listing rules of The Stock Exchange of Hong Kong Limited entitled "Rules Governing the Listing of Securities" (the "Listing Rules"). (Note 1)

2. SHARE CAPITAL

<u>Authorised \$</u>				<u>Issued (and paid up) inclusive of present issue</u>
.....	in	.....	<u>Stock/Shares of</u>	.....
.....	in	.....	<u>Stock/Shares of</u>	.....
.....	in	.....	<u>Stock/Shares of</u>	.....
.....	in	.....	<u>Stock/Shares of</u>	.....
\$				\$

3. Amounts and descriptions of securities for which application is now made [including, if applicable, amounts and descriptions of any options, warrants or convertible instruments relating to such securities for which transfer application is made simultaneously] (include distinctive numbers if any)
.....
.....
.....

4. The securities for which application is now made are proposed to be listed by way of transfer of listing from the Growth Enterprise Market to the Main Board.

5. So far as is known, or can be ascertained after reasonable enquiry, by the directors of the issuer, the undermentioned is/are substantial shareholder(s) of the company or of its holding company (Note 2):—

<u>Name</u>	<u>Address</u>	<u>Extent of holding and which company</u>
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The following are the directors, chief executive and secretary of the issuer (Note 2).

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6. We declare, to the best of our knowledge, information and belief, that:—

(1) all the qualifications for transfer of listing set out in the relevant chapters of the Listing Rules have, insofar as applicable and required to be met or fulfilled prior to application, been met or fulfilled in relation to the issuer and the securities of the issuer referred to in paragraph 3 above;

(2) all information required to be included in the documents accompanying or incorporated by reference in this application by virtue of the Listing Rules and the Securities and Futures (Stock Market Listing) Rules has been included therein or, if the final version has not yet been submitted (or reviewed), will be included therein before it is so submitted;

(3) all the requirements of the Securities and Futures (Stock Market Listing) Rules, insofar as applicable and required to be fulfilled at the time of application, have been fulfilled in relation to the issuer and the securities of the issuer referred to in paragraph 3 above; and

(4) there are no other facts bearing on the issuer's application for listing of and permission to deal in such securities which, in our opinion, should be disclosed to The Stock Exchange of Hong Kong Limited.

7. ISSUER'S SOLE UNDERTAKING

We, Limited, undertake to comply with the Listing Rules from time to time so far as applicable to the issuer.

Yours faithfully,

Signed

Name:
Director, for and on behalf of
[Issuer's Name]
(Note 3)

NOTES

Note 1 *Insert name of issuer of securities. If it is an overseas issuer, the place of incorporation or other establishment and the applicable law under which it is incorporated or otherwise established must be stated.*

Note 2 *These paragraphs apply only to companies and:—*

“chief executive” means a person who either alone or together with one or more other persons is or will be responsible under the immediate authority of the board of directors for the conduct of the business of the issuer.

“substantial shareholder” means a person entitled to exercise, or control the exercise of, ten % or more of the voting power at any general meeting of the issuer.

Note 3 *This form must be signed by a duly authorised director of the issuer.*

Appendix 5

Form K

Declaration of Directors and Supervisors with Regard to a Transfer of Listing From GEM to the Main Board

The undersigned jointly and individually declare to the best of our knowledge, information and belief that all pre-conditions for a transfer of listing from the Growth Enterprise Market to the Main Board of The Stock Exchange of Hong Kong Limited as specified under Chapter 9A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited have, insofar as applicable, been fulfilled in relation to the Issuer and the securities of the Issuer.

Notes:

This form must be accompanied by a checklist to aid cross-checking of compliance with the transfer requirements, issued for this purpose from time to time by The Stock Exchange of Hong Kong Limited. Both documents must be signed by each director and supervisor (if any) of the issuer.

Signed by : _____
[Name of Director/Supervisor], [Date]

Signed by : _____
_____ [Name of Director/Supervisor], [Date]

Signed by : _____
_____ [Name of Director/Supervisor], [Date]

Signed by : _____
_____ [Name of Director/Supervisor], [Date]

Appendix 8

Listing Fees, transaction Levies and Trading Fees on New Issues and Brokerage

1. Initial Listing Fee

(3) In a transfer of listing from GEM to the Main Board, the new applicant shall pay the initial listing fee at 50% discount to the scaled fees set out in 1(1), in accordance with the provisions of Chapter 9A.

Appendix 24

Headline categories

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

Equity

1. Headline Categories for Announcements and Notices (as set out in Schedule 1)
2. Headline Categories for Circulars (as set out in Schedule 2)
3. Headline Categories for Listing Documents (as set out in Schedule 3)
4. Headline Categories for Financial Statements (as set out in Schedule 4)
5. Headline Category – Share Buyback Reports
6. Headline Category – Proxy Forms
7. Headline Category – Company Information Sheet (GEM)
8. Headline Category – Trading Information of Exchange Traded Funds
9. Headline Category – Constitutional Documents

Debt and Structured Products

- 9 10. Headline Categories for Debt and Structured Products (as set out in Schedule 5)

Schedule 1

Headline Categories for Announcements and Notices

New Listings (Listed Issuers/New Applicants)

Allotment Results
Formal Notice
Listing of Securities by way of Introduction
Striking Price on Offer for Subscription or for Sale by Tender
Supplemental Information regarding IPO
Transfer of listing from GEM to Main Board