

HKEX GUIDANCE LETTER
HKEX-GL16-09 (October 2009) (updated in July 2010 and June 2016)

Summary	
Subject	Pre-vetting of documents and announcements in IPO cases and post-vetting announcements relating to price stabilization actions
Listing Rules	See paragraph 2.1 below
Related Publications	Listing Decision HKEX-LD34-2; Guide on Practices and Procedures for Post-vetting Announcement of Listed Issuers and Handling Matters Involving Trading Arrangements Prior to Publication of Announcements
Author	IPO Transactions Team

Important note: *This letter does not override the Listing Rules and is not a substitute for advice from qualified professional advisers. If there is any conflict or inconsistency between this letter and the Listing Rules, the Listing Rules prevail. You can consult the Listing Department on a confidential basis for interpretation of the Listing Rules, or this letter.*

1. Purpose

This letter clarifies what materials require pre-vetting in a new listing application.

2. Pre-vetting requirements for IPO Applicants

2.1 The following documents or announcements may only be issued after the IPO Transactions Team has confirmed to the IPO applicant or its sponsor that it has no further comments:

Documents/Announcements Requiring Pre-vetting	Main Rules	Board	GEM Rules
Publicity material released relating to an issue of securities	9.08		12.10
Listing documents	9.07, 12.01, 20.12, Appendix 7G-para 6		12.15, 16.01
Supplementary listing documents in relation to significant change or new matter after the	11.13		14.24

issue of listing document and before commencement of dealings in securities. Clarification announcements issued after the listing documents / prospectus are also included		
Prospectuses	11A.04, 11A.10	15.04, 15.10
Extracts from or abridged version of a prospectus	11A.04, 11A.10	15.04, 15.10
Formal notice – offer for subscription, offer for sale and introduction (<i>updated in July 2010</i>)	12.02, 12.03, 12.05	16.07, 16.08, 16.10
Allotment results and basis of allotment	12.08	16.13, 17.31
Announcement of striking price – offer for subscription, offer for sale, and offer for sale by tender	12.09	16.14

3. Price stabilization announcements do not require pre-vetting

- 3.1 Currently, announcements by an IPO applicant relating to price stabilizing actions required to be published under Securities and Futures (Price Stabilization) Rules, Cap 571 are pre-vetted by the IPO Transactions Team.
- 3.2 From the issue of this letter, we will no longer pre-vet these announcements.
- 3.3 Sponsors and IPO applicants must ensure that the information disclosed in these announcements are accurate and complete in all material respects and not misleading and deceptive.
- 3.4 IPO applicants and their advisers should refer to our Guide on Practices and Procedures for Post-vetting Announcement of Listed Issuers and Handling Matters Involving Trading Arrangements Prior to Publication of Announcements at https://www.hkex.com.hk/eng/rulesreg/listrules/guidref/documents/ai_postvet.pdf

4. Ancillary Matters

- 4.1 The exercise of over-allotment option by the stabilizing manager which involves an issue of new shares might constitute price-sensitive information under the Listing Rules. If the IPO applicant considers the exercise of an over-allotment option to be price-sensitive, it should arrange for the exercise outside trading hours and make a prompt announcement to avoid a suspension.
- 4.2 The exercise of an over-allotment option may trigger the obligation to file a Next Day Disclosure Return under Main Board Rule 13.25A or GEM Rule 17.27A.
- 4.3 Notwithstanding that publishing an announcement or a notice in the newspapers is on a voluntary basis, IPO applicants and their advisers should ensure that all announcements or notices published in the newspapers, irrespective of whether the pre-vetting requirement applies or not, use legible font size and paragraph spacing. Where the IPO Transactions Team determines that a relevant publication is illegible, the IPO applicant will be required to re-publish the relevant announcement or notice which may result in a delay of listing timetable. ***(Updated in June 2016)***