

## **HKE<sub>x</sub> GUIDANCE LETTER**

**HKE<sub>x</sub>-GL31-12 (March 2012) (Updated in August 2012 and March 2014)**

<b>Subject</b>	Typhoon and rainstorm warning arrangements
<b>Listing Rules and Regulations</b>	N/A
<b>Related Publications</b>	N/A
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**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 may consult the Listing Division on a confidential basis for an interpretation of the Listing Rules, or this letter. For the avoidance of doubt, this letter only covers the IPO of equity securities.*

### **1. Purpose (Amended in August 2012)**

1.1 This letter sets out the arrangements in relation to dealings with the Exchange in the event that a typhoon signal no. 8 or above is hoisted and/ or black rainstorm warning is issued on the day of the:

- (a) Issue of an authorization letter for the registration of a prospectus;
- (b) Publication of prospectus;
- (c) Opening or closing of application lists of the public offer;
- (d) Pre-vetting of an announcement re. final offer price, indication of the levels of interest in the placing, the basis of allocation and the results of applications of the public offer shares (“Allocation Announcement”);
- (e) Issue of a listing approval letter; or
- (f) Commencement of dealings in shares.

### **2. Background**

2.1 Listing applicants and the public need a set of formalised guidelines to be clear on the arrangements in case of bad weather.

2.2 This set of guidelines is developed based on the work arrangements of the Exchange in times of bad weather.

### 3. Guidance

#### 3.1 Issue of authorization letter for registration of prospectus

- (a) On the day before the publication of a prospectus (“P-1 Day”), an applicant normally submits relevant documents to the Exchange in the morning to obtain an authorization letter for the registration of the prospectus with the Companies Registry before 4 p.m.
- (b) On the day of the publication of a prospectus (“P Day”), a softcopy of the prospectus is published on the Exchange’s website and hardcopies are available for distribution to the public.
- (c) If a typhoon signal no. 8 or above is hoisted and/ or a black rainstorm warning is issued on **P-1 Day**, the arrangements are as follows:

Time	Status	Typhoon signal no. 8 or above	Black rainstorm warning
Before 9 a.m.	Cancelled at or prior to 1:00 p.m.	<ul style="list-style-type: none"><li>The relevant documents will be reviewed and the authorization letter will be issued after the IPO team in charge at the Exchange (“team in charge”) return to work on P-1 Day.</li></ul>	
Before 9 a.m.	Remains in effect at and after 1:00 p.m.	<ul style="list-style-type: none"><li>The relevant documents will be reviewed by the team in charge on the business day after the bad weather and the authorization letter will be issued as soon as possible.</li></ul>	
After 9 a.m.		<ul style="list-style-type: none"><li>The authorization letter will be issued before the team in charge leaves the office on P-1 Day.</li></ul>	<ul style="list-style-type: none"><li>Team in charge remains in office and no special arrangement is required.</li></ul>

- (d) If the bad weather would cause a delay in the registration of the prospectus with the Companies Registry and:-
- (i) the offer period would become less than 3 days, which is a non-compliance with section 44A(1) of the Companies Ordinance<sup>1</sup>, the applicant should revise its listing timetable to ensure compliance and make an announcement in relation to the revised timetable on the business day after the bad weather. The applicant is not required to issue a supplemental prospectus (***Updated in March 2014***).

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<sup>1</sup> Retitled as the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) with effect from March 2014.

- (ii) the prospectus would be dated earlier than its publication, the applicant should prepare a letter stating that the prospectus was not published, circulated or distributed on the date of the prospectus as a result of the delay caused by bad weather for the purpose of registration with the Companies Registry. The applicant is not required to amend the date of the prospectus.

### 3.1A Publication of prospectus (P Day) (*Added in August 2012*)

- (a) If a typhoon signal no. 8 or above and/ or a black rainstorm warning is in force in Hong Kong at 9:00 a.m. on P Day, the listing applicant must take action necessary to comply with Section 44A(1) of the Companies Ordinance<sup>1</sup> (**Updated in March 2014**).
- (b) If the listing timetable of the public offer set out in the prospectus is amended to comply with Section 44A(1) of the Companies Ordinance<sup>1</sup>, an announcement on the new timetable must be made on the business day after the bad weather, and no pre-vetting by the Exchange is required. The applicant needs not issue a supplemental prospectus (**Updated in March 2014**).

### 3.2 Opening or closing of application lists

- (a) The bad weather arrangements in relation to the opening or closing of application lists are normally included in the prospectus. If a typhoon signal no. 8 or above and/ or a black rainstorm warning is in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on the scheduled date of the opening of application lists (“A Day”), the lists will not be opened on that day.
- (b) Application lists will be opened between 11:45 a.m. and 12:00 noon on the next business day (“A+1 Day”) which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon.
- (c) No announcement is required if the above arrangement is stated in the prospectus. If an announcement is to be made, no pre-vetting by the Exchange is required.

### 3.3 Pre-vetting of Allocation Announcement

- (a) The team in charge reviews and approves the publication of an Allocation Announcement by close of business 2 days before listing (“L-2 Day”). The Allocation Announcement is posted on the Exchange’s website between 4:15 p.m. to 11:00 p.m on L-2 Day or between 6:00 a.m. to 8:30 a.m. on the day before listing (“L-1 Day”).

(b) If a typhoon signal no. 8 or above is hoisted and/ or a black rainstorm warning is issued on **L-2 Day**, the arrangements are as follows:

<b>Time</b>	<b>Status</b>	<b>Typhoon signal no. 8 or above</b>	<b>Black rainstorm warning</b>
Before 9 a.m.	Cancelled at or prior to 1:00 p.m.	<ul style="list-style-type: none"> <li>The pre-vetting would be done after the team in charge returns to work on L-2 Day.</li> </ul>	
Before 9 a.m.	Remains in effect at and after 1:00 p.m.	<ul style="list-style-type: none"> <li>The results of allocation could be posted before 8:30 a.m. on L-1 Day on the Exchange's website. The Allocation Announcement would be post-vetted on L-1 Day, after which a supplemental Allocation Announcement may be required to be published if material information was previously omitted. Other measures may be required to be performed by the applicant to ensure the incorrect information disseminated is addressed to the Exchange's satisfaction so that there will not be a disorderly market on the listing date. Otherwise, the applicant may need to consider delaying its listing timetable and make an announcement in relation to the revised timetable on L-1 Day.</li> <li>If the applicant is unable to post the results of allocation before 8:30 a.m. on L-1 Day on the Exchange's website, the applicant may need to revise its listing timetable and make an announcement in relation to the revised timetable on L-1 Day.</li> </ul>	
After 9 a.m.		<ul style="list-style-type: none"> <li>The pre-vetting will be done before the team in charge leaves the office on L-2 Day.</li> </ul>	<ul style="list-style-type: none"> <li>Team in charge remains in office and no special arrangement is required.</li> </ul>

### 3.4 Issue of listing approval letter

- (a) The listing approval letter is normally issued by 4 p.m. on L-1 Day.
- (b) If a typhoon signal no. 8 or above is hoisted and/ or a black rainstorm warning is issued on **L-1 Day**, the arrangements are as follows:

<b>Time</b>	<b>Status</b>	<b>Typhoon signal no. 8 or above</b>	<b>Black rainstorm warning</b>
Before 9 a.m.	Cancelled at or prior to 1:00 p.m.	<ul style="list-style-type: none"><li>The approval letter is to be issued by the end of L-1 Day.</li></ul>	
Before 9 a.m.	Remains in effect at and after 1:00 p.m.	<ul style="list-style-type: none"><li>The approval letter is to be issued on L-2 Day if bad weather is anticipated, or before 9:15 a.m. on the day of listing (“L Day”) which does not have either of those warnings in force.</li></ul>	
After 9 a.m.		<ul style="list-style-type: none"><li>The approval letter will be issued before the team in charge leaves the office on L-1 Day.</li></ul>	<ul style="list-style-type: none"><li>Team in charge remains in office and no special arrangement is required.</li></ul>

### 3.5 Day of listing (L Day)

- (a) Dealings would commence at the time when trading resumes even if it is only for half a day. Please refer to the “Trading Arrangement for Securities and Derivatives Markets” on the Exchange’s website for details of the timing of resumption of trading at:  
<http://www.hkex.com.hk/eng/market/typhoons/tradingarrangement.htm>
- (b) No announcement is required as trading arrangement in the event of bad weather is posted on the Exchange’s website.

### 3.6 In order to have greater clarity about the above bad weather arrangements and to avoid possible market confusion, listing applicants should ensure their listing documents set out the emergency arrangements in case of bad weather which may disrupt their listing timetable.

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