

The Main Board Listing Rules have been amended as marked.

1.01

“Hong Kong Financial Reporting Standards” or “HKFRS”

~~financial reporting standards approved~~ Standards and interpretations issued by the ~~Council of the Hong Kong Society~~ Institute of Certified Public Accountants (“HKICPSA”). They comprise (i) Hong Kong Financial Reporting Standards, (ii) Hong Kong Accounting Standards (formerly Statement of Standard Accounting Practice), and (iii) Interpretations ~~and includes all Statements of Standard Accounting Practice (“SSAP”) and interpretations of HKFRS approved by the HKSA from time to time~~

3.21

Notes: 2 For further guidance on establishing an audit committee, listed issuers may refer to “A Guide for Effective Audit Committees” published by the Hong Kong ~~Society~~ Institute of Certified Public Accountants (formerly known as the Hong Kong Society of Accountants) in February 2002. Listed issuers may adopt the terms of reference set out in that guide, or they may adopt any other comparable terms of reference for the establishment of an audit committee.

3.24 Every listed issuer must ensure that, at all times, it employs an individual on a full time-basis. The responsibility of such individual must include oversight of the issuer and its subsidiaries in connection with its financial reporting procedures and internal controls and compliance with the requirements under the Exchange Listing Rules with regard to financial reporting and other accounting-related issues. The individual must be a member of the senior management of the listed issuer (preferably an executive director) and must be a qualified accountant and a ~~fellow or associate member of~~ certified public accountant registered with the Hong Kong ~~Society~~ Institute of Certified Public Accountants or a similar body of accountants recognised by that ~~Society~~ Institute for the purpose of granting exemptions from the examination requirement for membership of that ~~Society~~ Institute. This rule does not apply to a listed issuer of debt securities, the equity securities of which are not listed on the Exchange.

4.03 All accountants’ reports must be prepared by ~~professional~~ certified public accountants who are qualified under the Professional Accountants Ordinance for appointment as auditors of a company and who are independent both of the issuer and of any other company concerned to the same extent as that required of an auditor under the Companies Ordinance and in accordance with the requirements on independence issued by the Hong Kong ~~Society~~ Institute of Certified Public Accountants, provided that, in the case of a circular issued by a listed issuer in connection with the acquisition of an

overseas company, the Exchange may be prepared to permit the accountants' report to be prepared by a firm of accountants which is not so qualified but which is acceptable to the Exchange. Such a firm must normally have an international name and reputation and be a member of a recognised body of accountants.

4.08(3) the accountants' report must state that it has been prepared in accordance with the Auditing Guideline – Prospectuses and the reporting accountant (Statement 3.340) issued by the Hong Kong Society Institute of Certified Public Accountants;

10.07(3) Any share lending arrangement entered into by a controlling shareholder pursuant to an agreement in relation to the public offering of equity securities to facilitate settlement of over-allocations shall not be subject to the restrictions of rule 10.07(1) provided the following requirements are complied with:

(a) the share lending arrangement is fully described in the initial listing public offering document and must be for the sole purpose of covering any short position prior to the exercise of the underwriter's over-allotment option in the initial public offering placing;

(b) the maximum number of shares to be borrowed from the controlling shareholder by the underwriter is the maximum number of shares that may be issued upon full exercise of the over-allotment option;

(c) the same number of shares so borrowed is returned to the controlling shareholder or its nominee (as the case may be) within 3 business days after the last day on which the over-allotment option may be exercised or, if earlier, the date on which the over-allotment option is exercised in full;

(d) borrowing of shares pursuant to the share lending arrangement will be effected in compliance with applicable listing rules, laws and other regulatory requirements; and

(e) no payments will be made to the controlling shareholder by the underwriter in relation to the share lending arrangement.

14A.11.....

(4) (c)

Notes: 1. *A company which is an “associate” of a person referred to in rules 14A.11(1), (2) or (3) only because that person has an indirect interest in the company through its shareholding in the listed issuer is not a connected person.*

2. *A non wholly-owned subsidiary will not be regarded as an associate of a substantial shareholder of that non wholly-owned subsidiary if such substantial shareholder is a*

connected person only by virtue of being a director of the non wholly-owned subsidiary and/or is a substantial shareholder in the non wholly-owned subsidiary concerned.

- 19.21 The accounts must be audited to a standard comparable to that required by the Hong Kong ~~Society~~ Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board of the International Federation of Accountants.
- 19.48 The accounts must be audited to a standard comparable to that required by the Hong Kong ~~Society~~ Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board of the International Federation of Accountants.
- 19A.32 The accounts must be audited to a standard comparable to that required by the Hong Kong ~~Society~~ Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board of the International Federation of Accountants.
- 21.04(3) (e) that the investment company's auditors are independent of the investment company, any management company and any custodian, to the same extent as that required of an auditor under the Companies Ordinance and in accordance with the requirements on independence issued by the Hong Kong ~~Society~~ Institute of Certified Public Accountants and that, in the case of an overseas investment company, the accounts of the investment company are audited to a standard comparable to that required in Hong Kong and all reports conform to International Financial Reporting Standards;

Paragraph 8(3)(b)8.2(1) and 8.2(2) of Appendix 7C

- (3) (b) ...
- 8.2 (1) *The annual accounts are required to conform with accounting standards acceptable to the Exchange which will normally be at least the international accounting standards as promulgated from time to time by the International Accounting Standards Board Committee.*
- 8.2 (2) *Where the Exchange allows accounts to be drawn up otherwise than in conformity with accounting standards approved by the Hong Kong ~~Society~~ Institute of Certified Public Accountants, or the International Accounting Standards Board Committee, the Exchange may, having regard to the jurisdiction in which the overseas issuer is incorporated, require the accounts to contain a statement of the financial effect of the material differences (if any) from either of those standards.*

Paragraph 8(3)(b)8.2(4) and 8.3(4) of Appendix 7C

(3) (b) ...

8.2 (4) *The accounts must be audited to a standard comparable to that required by the Hong Kong ~~Society~~ Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board Practices Committee of the International Federation of Accountants.*

8.3 (4) *An auditors' report which conforms to the requirements of the International Auditing Guidelines issued by the International Auditing and Assurance Standards Board Practice Committee of the International Federation of Accountants is acceptable.*

Note 9.4 to Paragraph 9(1)(h) of Appendix 7C

(1)

(h)

9.4 *The Exchange supports the policy of the Hong Kong ~~Society~~ Institute of Certified Public Accountants in formulating and publishing ~~accounting~~ financial reporting standards for Hong Kong. The Exchange expects the accounts of issuers incorporated or otherwise established in Hong Kong to comply with Hong Kong ~~accounting~~ Financial Reporting Standards being those laid down in the ~~statements of standard accounting practice~~ issued from time to time by the ~~Hong Kong Society of Accountants~~. Issuers should also normally have regard to ~~statements of recommended practice~~ issued by that Society.*

Paragraph 5(2) of Appendix 8

5. Transaction Levy on New Issues

- (2) The transaction levy together with the investor compensation levy shall be calculated on an aggregated basis at the aggregate rate of 0.007 per cent. (rounded to the nearest cent) ~~(or such other rate or by applying the percentage rates as specified from time to time in the Securities and Futures (Levy) Order and the Securities and Futures (Investor Compensation - Levy) Rules)~~ of to the total consideration payable to the issuer by a subscriber/purchaser for each security under the relevant Qualifying Transaction.

Note 4 to Paragraph C.3.3 of Appendix 14

C.3.3

(n) ...

Notes: 4 For further guidance on the duties of an audit committee, issuers may refer to the “Principles of Auditor Independence and the Role of Corporate Governance in Monitoring an Auditor’s Independence” issued by the Technical Committee of the International Organization of Securities Commissions in October 2002 and “A Guide for Effective Audit Committees” published by the Hong Kong ~~Society~~ Institute of Certified Public Accountants (as it was ~~then known~~ formerly known as the Hong Kong Society of Accountants) in February 2002. Issuers may also adopt the terms of reference set out in those guides, or they may adopt any other comparable terms of reference for the establishment of an audit committee.

Paragraph 8(3) of Appendix 16

- (3) Where a listed issuer includes in its annual report particulars of a ~~connected~~ related party transaction or continuing ~~connected~~ related party transaction (as the case may be) in accordance with the Statement of Standard Accounting Practice “Related Party Disclosures” or Hong Kong Accounting Standard “Related Party Disclosures”, as appropriate, issued by the Hong Kong ~~Society~~ Institute of Certified Public Accountants or applicable International Financial Reporting Standards, it must specify whether or not the transaction falls under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) in Chapter 14A of the Exchange Listing Rules. The listed issuer must also confirm whether or not it has complied with the disclosure requirements in accordance with Chapter 14A of the Exchange Listing Rules.