

Appendix 1

Contents of Listing Documents

Part D

Structured Products

Note: A stand alone listing document in relation to a structured product issue should contain all the information required by this Appendix. A base listing document and supplemental listing document should, between them, contain all the information set out in this Appendix. In the case of a guaranteed issue, references in this Appendix to the “issuer” should be read as applying equally to the guarantor.

General Information

1. Each base listing document, stand alone listing document, or supplemental listing document shall on the front cover or inside front cover contain the following prominent and legible statements:–
 - (a) “Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.”;
 - (b) “This document, for which the issuer [and the guarantor] accept[s] full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the issuer [and the guarantor]. The issuer [and the guarantor], having made all reasonable enquiries, confirm[s] that to the best of [its] [their] knowledge and belief the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.”;

Note The above statement shall be modified according to whether the issue is or is not a guaranteed issue.

- (c) “Investors are warned that the price of the structured products may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. Prospective purchasers should therefore ensure that they understand the nature of the structured products and carefully study the risk factors set out in this document and, where necessary, seek professional advice, before they invest in the structured products.”; and

Note: This disclosure may be modified in the case of capital protected products.

The expression 'structured products' may be replaced by the name of the product (for example derivative warrants or equity linked instruments) where the listing document relates solely to an issue or issues of that type of product.

(d) in the case of non-collateralised structured products:

"The structured products constitute general unsecured contractual obligations of the issuer and of no other person and if you purchase the structured products you are relying upon the creditworthiness of the issuer [and the guarantor] [and have no rights under the structured products against the company which has issued the underlying securities]."

Note: The above statement shall be modified according to whether the issue is or is not a guaranteed issue and whether or not there are any securities underlying the issue.

The expression 'structured products' may be replaced by the name of the product (for example derivative warrants or equity linked instruments) where the listing document relates solely to an issue or issues of that type of product.

2. The names and addresses of the registrars (if any), trustees (if any), warrant agent (if any) and the transfer office.
3. A statement that:
 - (1) application has been or will be made to the Exchange for listing of, and permission to deal in, the structured products.
 - (2) all necessary arrangements have been made enabling the structured products to be admitted into CCASS or an appropriate negative statement.
4. If known, the date on which dealings in the structured product will commence.
5. Where the listing document includes a statement purporting to be made by an expert, a statement:–
 - (a) specifying the qualifications of such expert and whether such expert has any shareholding in the issuer or any member of the issuer's group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in the issuer or any member of the issuer's group, and, if so, a full description thereof;
 - (b) that the expert has given and has not withdrawn his written consent to the issue of the listing document with the expert's statement included in the form and context in which it is included; and

- (c) of the date on which the expert's statement was made and whether or not it was made by the expert for incorporation in the listing document.
6. A statement as to the tax implications for Hong Kong investors who wish to invest in the structured products including, if applicable, a reference to any duties or taxes payable on exercise, expiry or maturity of the structured products.

Information upon the Issuer

7. For all listing documents the full name of the issuer and, if applicable, the guarantor.
8. The country of incorporation or other establishment of the issuer and, if applicable, the guarantor and the authority under which the issuer and, if applicable, the guarantor was incorporated or otherwise established.
9. In the case of an issuer and, if applicable, a guarantor, not incorporated or otherwise established in Hong Kong, the address of the head office and of the principal place of business (if any) in Hong Kong and of the place of business in Hong Kong registered under Part 16 of the Companies Ordinance, and the name(s) and address(es) of the person(s) in Hong Kong authorised to accept service of process and notices on its behalf.
10. The issuer's or, in the case of a guaranteed issue, the guarantor's published audited consolidated financial statements (including the accompanying notes thereto) and the auditor's report thereon, for the last two financial years.
11. (1) (a) Where published, or if more than 10 months have elapsed since the date to which the latest published audited consolidated financial statements of the issuer or, in the case of guaranteed issues, the guarantor are made up, an interim financial report (the "Interim Report") in respect of the first 6 months of its financial year containing the following information:–
- (i) profits or losses before taxation,
 - (ii) taxation on profits,
 - (iii) profits or losses attributable to non-controlling interests,
 - (iv) profits or losses attributable to shareholders,
 - (v) the balance at the end of the period of share capital and reserves, and
 - (vi) comparative figures for the matters specified in (i) to (v) inclusive for the corresponding previous period.

- (b) Where the Interim Report does not include items of information referred to in paragraph 11(1)(a) above, the issuer or, in the case of guaranteed issues, the guarantor shall include a statement in respect of the same period as the Interim Report referred to in paragraph 11(1)(a) above which sets out the information specified in paragraph 11(1)(a) above which is not included in the Interim Report.
 - (c) A statement that the Interim Report and the statement in paragraphs 11(1)(a) and (b) above have been prepared in accordance with the issuer's or guarantor's usual accounting policies and procedures.
- (2) Where published, the issuer's or, in the case of guaranteed issues, the guarantor's latest quarterly interim financial report. Where the quarterly report is made up to a date subsequent to the date of the Interim Report above and contains the information required by paragraph 11(1)(a) the Interim Report may be omitted. The quarterly report may be omitted where it is made up to a date prior to the date of any Interim Report included in accordance with paragraph 11(1)(a) above.
- 12. A statement that the issuer undertakes to make available for inspection by the public during the period that any structured products issued by it are listed on the Exchange the issuer's, or in the case of a guaranteed issue, the guarantor's, published audited consolidated financial statements and any more recent published interim and quarterly financial statements. Where the issuer intends to fulfil this obligation by making the information available on a web site the address of that site shall be given.
- 13. In the case of an issue of non-collateralised structured products, a description of the issuer's activities in relation to its use of structured products, derivative warrants, options, futures, swaps and similar instruments covering the following matters:-
 - (1) the purpose for which such instruments are used;
 - (2) the methods employed by the issuer to monitor, evaluate, manage and mitigate the risk arising including market risk, credit risk, concentration risk and operational risk;
 - (3) the role of senior management in the supervision of the risk management process including, the functions and independence of its risk management, credit, finance, internal audit and compliance units;
 - (4) the policy with respect to obtaining collateral, counterparty selection criteria and monitoring; and
 - (5) the imposition of and monitoring of trading and credit limits including the procedures and authorizations necessary for such limits to be exceeded and the procedures in relation to and action which would be taken if limits are exceeded without due authority.

This information is to be included in the same listing document as the annual report in paragraph 10 above.

14. A statement of any material adverse change in the financial or trading position of the group since the end of the period reported on in the auditor's report disclosed pursuant to paragraph 10 to appear in all listing documents. Where there has been no material adverse change an appropriate negative statement must be included in all listing documents.
15. Particulars of any litigation or claims of material importance pending or threatened against the issuer or any member of the issuer's group or an appropriate negative statement. Where particulars are provided in the base listing document they should be updated in the supplemental listing document. Where there are no particulars to disclose an appropriate negative statement must be included in all listing documents.
16.
 - (1) If the issuer is regulated by one of the bodies indicated in rule 15A.13(2) or (3), a statement of that fact, identifying the regulatory body, or, if the issuer is not so regulated, a statement of that fact.
 - (2) If the issuer has been rated by a credit rating agency, a statement of that fact, identifying the credit rating agency and the rating and the date it was awarded. This information shall appear in all listing documents.

Information on the Structured Products

17. The following information:
 - (1) The nature and amount of the issue including the total number of units which have been or will be created and issued.
 - (2) A full description of, including the terms attaching to, the structured products for which listing is sought.
 - (3) The issue price or offer price of the structured products.
 - (4) The maximum number of securities or assets which the issuer or holders (as the case may be) are obliged to transfer upon exercise of the structured products.
 - (5) If applicable, the period during which the structured products may be exercised and the date when this right commences and the date when the structured products mature or expire.
 - (6) If applicable, the amount payable on the exercise of the structured products.

- (7) The arrangements for transfer of the structured products.
- (8) The rights of the holders of the structured product on the liquidation of the issuer.
- (9) A summary of any other material terms of the structured products.
- (10) Particulars of any other stock exchange on which the structured products are or will be listed or an appropriate negative statement.
- (11) The identity of the Liquidity Provider for the issue of the structured product, and the Broker identification number of that Liquidity Provider. A statement that the Liquidity Provider is regulated by the Exchange and the Commission and an explanation of the relationship between the issuer and the Liquidity Provider emphasizing that the Liquidity Provider is acting as agent for the issuer.
- (12) A statement of the method by which liquidity is to be provided for the structured product issue; in particular whether this will be by means of Quote Request or Continuous Quotes.
- (13) Where liquidity is to be provided by means of Quote Request, a telephone number for requesting quotes and the time within which a response will be provided to a quote request.
- (14) A statement of when liquidity will be provided for the structured product and when liquidity will not be provided for the structured product.

Note: In normal circumstances an issuer shall provide liquidity in structured products that it has issued from five minutes after the Exchange has opened for trading until it closes.

- (15) A statement of the minimum quantity of structured products for which the liquidity will be provided.

Note: In normal circumstances an issuer shall provide liquidity for a minimum of 20 board lots of the structured product.

- (16) A statement of the maximum spread between the bid and offer prices when liquidity is provided.
- (17) Whether the Liquidity Provider will offer to purchase structured products at less than one cent.
- (18) If applicable, a statement that neither the issuer nor the guarantor is the ultimate holding company of the group to which the issuer belongs and with which the issuer's name is identified.

18. A statement of all risks which are material for an investor to make an informed decision in respect of investing in the structured product.
19. For structured products which provide for settlement wholly in cash, a statement of the issuer's obligation to provide for automatic exercise upon expiry or maturity and a statement of the period in which the issuer may deliver the requisite cash settlement amount.

Information on the underlying securities, indices or assets

20. In the case of structured products relating to securities of a company or companies, the listing document shall include the following information in respect of each of the underlying companies:–
 - (1) in the case of a company listed on the Exchange, an indication of where investors may obtain information on that company including its published audited consolidated financial statements and interim financial statements;
 - (2) in the case of any other company, an indication of where investors may obtain information on that company including its published audited consolidated financial statements and interim financial statements;
 - (3) in the case of companies which are not listed on the Exchange, a description of the principal activities of the relevant companies and their subsidiaries;
 - (4) in the case of companies which are not listed on the Exchange, details of their issued share capital;
 - (5) in the case of companies which are not listed on the Exchange, details of the substantial shareholders' interests;
 - (6) in the case of companies which are not listed on the Exchange, market statistics covering at least the price of the securities at the latest most practicable date, the market capitalisation, the historic price earnings multiple and dividend yield and a brief trading history of the securities over the two years immediately preceding the issue of the listing document;
 - (7) in the case of companies which are not listed on the Exchange, any other information concerning the relevant companies which has been published generally and which is necessary to enable an investor to make an informed assessment of the value of the structured products;
 - (8) the date of and arrangements for adjusting the amount payable on the exercise of such rights or the entitlement due upon exercise to (where applicable) take account of any rights issue, bonus issue, sub-division, consolidation or other alteration to the share capital of the company whose securities underlie the structured product;

- (9) the rights (if any) of the holders to participate in any distributions and/or offers of further securities made by the company whose securities underlie the structured products; and
 - (10) the rights (if any) of the holders of the structured products on the liquidation of the company whose securities underlie the structured products.
21. In relation to structured products which provide for physical settlement of the underlying Exchange listed securities or assets a statement of the period in which the issuer may deliver documents of title (including certificates in the name of the exercising holder) or deliver the underlying Exchange listed securities by electronic transfer, to the holder following a valid exercise or following expiry or maturity.
 22. In the case of structured products in respect of other securities or assets the listing document must contain that information which is necessary to enable an investor to make an informed assessment of the value of the structured products.
 23. In the case of structured products relating to indices:–
 - (1) a description of the index;
 - (2) a description of the constituent stocks (if applicable);
 - (3) the identity of the party which sponsors and/or calculates the index;
 - (4) a description of the method of calculation;
 - (5) the arrangements for calculation if the index is not published by the normal party;
 - (6) the historic highs or lows for the last five years; and
 - (7) the closing spot level at the latest most practicable date.

The information in paragraphs 23(1) to 23(7) may be omitted where the underlying index is the Hang Seng Index or such other index as may be prescribed by the Exchange from time to time.

Information on the Guarantee

24. The full text of the guarantee.

Language

25. Each listing document in a single language, either English or Chinese, must include in a prominent place a description in the other language of how the investor may obtain a listing document in that other language.

Updating

26. In a base listing document, the date of the document and a statement that the base listing document may be updated from time to time.

Inspection of documents

27. Details of a location in Hong Kong (or a web site) where the following may be inspected for so long as any structured products issued under a listing document are listed on the Exchange:–
 - (1) all reports, letters or other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in the listing document;
 - (2) any current and future base listing documents; and
 - (3) the latest published audited consolidated financial statements of the issuer and guarantor and any more recent published interim and quarterly financial statements.