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香港交易所

**The Stock Exchange of Hong Kong Limited**  
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

Our Ref.: 20070510-00016

11 May 2007

To: Main Board Listed Issuers (Attn: Authorised Representatives)  
GEM Listed Issuers (Attn: Authorised Representatives)  
Market practitioners

Dear Sirs

**Closure of books**

**Rule 13.66 of the Main Board Listing Rules and Rule 17.78 of the GEM Listing Rules**

Rule 13.66 of the Main Board Listing Rules and Rule 17.78 of the GEM Listing Rules require a listed issuer to publish a notice of the closure of its transfer books or register of members at least 14 days prior to such closure, and where there is an alteration of book closing dates, give further notice at least six days before the closure. Generally the book close period is used to determine the identity of the listed issuer's registered holders of shares entitled to attend and vote at its general meetings, qualify for distributions (such as dividends and bonus issues) and for preferential entitlements to subscribe for securities of the listed issuer.

During its recent monitoring of disclosure, the Exchange has noted a number of instances where the underlying purpose or purposes for the book closure were not disclosed in the same notice announcing the book closure dates, or there was a lack of clarity in the disclosure made. In particular, details concerning deadlines for shareholders to take action to secure entitlements, or when such information will be disclosed by the listed issuer were not clearly disclosed in its notice. Unclear or fragmented disclosure of book closure dates and the related entitlement dates can lead to unnecessary confusion.

In response to these findings we are writing to you to set out the Exchange's expectations of best disclosure practice and to encourage listed issuers to disclose information on book closure dates, corporate actions and related entitlements in their corporate communications in a manner that is clear and informative.

Whilst the requirement to publish notices on book close under Rule 13.66 of the Main Board Listing Rules and Rule 17.78 of the GEM Listing Rules represents a minimum requirement under the Listing Rules, listed issuers should strive to disclose relevant and complete information relating to its corporate actions to allow its shareholders and investors to easily ascertain the implications of these corporate actions on their holdings of securities.

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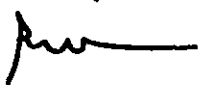
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In this regard, in addition to a basic statement of the book closure dates, listed issuers should disclose in an adjacent statement other relevant information including the underlying purpose or purposes for the book close and the other related dates, including (where appropriate) but not limited to record dates, general meeting dates and any deadlines for shareholder actions to secure entitlements. Listed issuers should also give clear directions on the actions shareholders should take as well as the relevant deadlines.

The recommendations above are particularly relevant where information related to a corporate action or actions is disseminated over a period of time and in various corporate communications.

Please do not hesitate to contact the responsible case officer at the Listing Division if you have any questions on the above.

Yours faithfully,  
For and on behalf of  
The Stock Exchange of Hong Kong Limited



Richard Williams  
Head of Listing