

## **Frequently Asked Questions Series 25 (Effective on 1 January 2022)**

### **Listing of Overseas Companies**

#### **Status of “Frequently Asked Questions”**

The following frequently asked questions (“**FAQs**”) are designed to assist applicants and professional advisers to understand and comply with the Listing Rules on the listing of overseas companies, which became effective on 1 January 2022.

The FAQs are not a substitute for the Listing Rules. If there is any discrepancy between these FAQs and the Listing Rules, the Listing Rules prevail. Defined terms used in this document have the same meaning as that given to them in the Listing Rules, unless stated otherwise. You should seek advice from qualified professional advisers, where appropriate.

In formulating our “*responses*”, we may have assumed certain underlying facts, selectively summarised the Listing Rules or concentrated on one particular aspect of the question. They are not definitive and do not apply to all cases where the scenario may at first appear similar. In any given case, regard must be given to all the relevant facts and circumstances.

Please contact the Listing Division at the earliest opportunity with any queries for a confidential consultation.

No.	Relevant Rules and Guidance		Question	Response
	Main Board Rules	GEM Rules		
Application of the new Listing Rules on the listing of overseas issuers				
1.	Chapter 19, Chapter 19C and Appendix 3	Chapter 24 and Appendix 3	What are the changes effective from 1 January 2022?	<p>In March 2021, the Exchange published the consultation paper on the proposals to enhance and streamline the listing regime for Overseas Issuers. The proposals were generally supported by the market and the consultation conclusions were published on 19 November 2021.</p> <p><b>Appendix I</b> sets out for summary of the changes relating to the listing regime for overseas issuers.</p> <p><b>Appendix II</b> sets out for the amended Main Board &amp; GEM Listing Rules to reflect the consequential changes following the consultation conclusions.</p> <p>The Exchange also published two new guidance letters, namely, the Guidance Letter on the guidance for overseas issuers (HKEX-GL111-22) and the Guidance Letter on the change of listing status from secondary listing to dual primary or primary listing on the Main Board (HKEX-GL112-22).</p>

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2.	Nil		What does a new applicant need to do under the new listing regime for overseas issuers?	A new applicant which has not submitted its listing application needs to ensure it complies with all the new requirements and use the applicable revised checklists, forms and templates.
3.	Nil		Does a new applicant which has submitted a listing application need to resubmit the relevant checklists, forms or templates?	No, such applicant only needs to confirm compliance with the core shareholder protection standards set out in Appendix 3 of the Main Board Rules (Appendix 3 of the GEM Rules) (“Core Standards”) based on existing provisions in its constitutional documents, domestic laws, rules and regulations to which it is subject or make appropriate amendments to its constitutional documents.
4.	Nil		What does an existing listed issuer need to be aware of under the new listing regime for overseas issuers?	<p>An existing listed issuer needs to assess whether it has to (i) amend its constitutional documents to conform to the Core Standards; and (ii) publish a Company Information Sheet.</p> <p>Compliance with the previous Appendix 3 and Appendix 13 of the Main Board Rules (Appendix 3 and Appendix 11 of the GEM Rules), or as the case may be, section 1 of the joint policy statement regarding the listing of overseas companies (“Existing Constitutional Documents</p>

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				<p>Requirements”) <u>does not</u> necessarily mean that the Core Standards are fully complied with.</p> <p>This is because not all Core Standards are covered in the Existing Constitutional Documents Requirements.</p> <p>An existing listed issuer shall refer to Appendix 3 of the Main Board Rules (Appendix 3 of the GEM Rules) for the details of the Core Standards and a summary of these are provided in Question 8 below. The issuer should review its constitutional documents against the Core Standards and in case they do not provide all the Core Standards, amendments should be made accordingly unless it can demonstrate to the Exchange that the domestic laws, rules and regulations to which the issuer is subject provide for the same protection.</p>
5.	1.01	1.01	Which companies are considered “overseas issuers” under the Listing Rules?	All companies incorporated outside Hong Kong and the People’s Republic of China are “overseas issuers” under the Listing Rules.
6.	Nil		What are the restrictions in terms of enforcement of shareholders rights against overseas issuers?	The Exchange and/ or the Securities and Futures Commission (the “SFC”) may not have extra-territorial investigation and enforcement jurisdiction over the overseas issuers whose place of incorporation and/ or place of central management and control are outside Hong Kong. Instead,

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				<p>reliance has to be placed on the overseas regulatory regimes to enforce against any corporate governance breaches committed by their subject.</p> <p>It may be difficult for shareholders of an overseas issuer to enforce their shareholder rights against the company or its directors due to complications arising from cross-border access to evidence, legal services, court assistance or the incremental costs related to those services. There may be limitations concerning enforcement of a Hong Kong judgment against the overseas assets, operations and/or directors of an overseas issuer listed on the Exchange and enforcement of an overseas judgment in Hong Kong courts.</p> <p>An appropriate risk factor should be included in an overseas issuer's listing document in this regard. For details, please see paragraph 15(b) of Guidance Letter HKEX-GL111-22.</p>
7.	8.02A, Appendix 3	11.05A, Appendix 3	Are all overseas issuers, regardless of their place of incorporation and/or place of central management and control (if different), eligible to apply for a primary listing, a dual primary listing or a secondary listing on the Exchange?	The Listing Rules require that each of the statutory securities regulator of an overseas issuer's jurisdiction of incorporation and the statutory securities regulator of the place of central management and control must be a full signatory to the IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information.

No.	Relevant Rules and Guidance		Question	Response																				
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				An issuer must also demonstrate how the domestic laws, rules and regulations to which it is subject and its constitutional documents, in combination, provide the protection set out in the Core Standards.																				
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8.	Appendix 3	Appendix 3	What are the Core Standards?	<div>Appendix 3 of the Main Board Rules (Appendix 3 of the GEM Rules) provides a list of 14 Core Standards on the following areas of shareholders’ rights:</div> <table><tr><th>Paragraph no. of Appendix 3 to Main Board Rules &amp; GEM Rules</th><th>Core Standards</th></tr><tr><td colspan="2">Directors</td></tr><tr><td>Paragraph 4(3)</td><td>Removal of directors</td></tr><tr><td>Paragraph 4(2)</td><td>Causal vacancy appointments</td></tr><tr><td colspan="2">General meetings</td></tr><tr><td>Paragraph 14(1)</td><td>Timing of annual general meeting</td></tr><tr><td>Paragraph 14(2)</td><td>Notice of annual general meeting</td></tr><tr><td>Paragraph 14(3)</td><td>Right to speak and vote at general meetings</td></tr><tr><td>Paragraph 14(4)</td><td>Restriction on shareholder voting</td></tr><tr><td>Paragraph 14(5)</td><td>Right to convene an extraordinary general meeting</td></tr></table>	Paragraph no. of Appendix 3 to Main Board Rules & GEM Rules	Core Standards	Directors		Paragraph 4(3)	Removal of directors	Paragraph 4(2)	Causal vacancy appointments	General meetings		Paragraph 14(1)	Timing of annual general meeting	Paragraph 14(2)	Notice of annual general meeting	Paragraph 14(3)	Right to speak and vote at general meetings	Paragraph 14(4)	Restriction on shareholder voting	Paragraph 14(5)	Right to convene an extraordinary general meeting
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9.	Appendix 3	Appendix 3	How should an overseas issuer demonstrate compliance of the Core Standards and when does the issuer have to make such changes?	<p>The Core Standards should be set out in an issuer’s constitutional documents unless the Exchange is satisfied that the domestic laws, rules and regulations to which the issuer is subject provide for the same protection.</p> <p><u>Existing issuers</u> would have until their second annual general meeting following 1 January 2022 to make all necessary amendments to their constitutional documents to conform to the Core Standards.</p> <p>For the avoidance of doubt, GEM transfer applicants are considered as existing issuers.</p>																

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				<p><u>New applicants</u> who will be listed on the Exchange on or after 1 January 2022 are expected to have amended their constitutional documents to conform to the Core Standards prior to listing on the Exchange.</p> <p>For new applicants who may not be able to amend their constitutional documents to conform to the Core Standards prior to listing e.g. they are listed on another exchange and permitted to submit a confidential filing of their listing application with the Exchange, the Exchange may consider a waiver application to have until their next general meeting following their listing on the Exchange to make the necessary amendments to their constitutional documents.</p> <p>Refer to <b>Appendix III</b> for a summary on the compliance of the Core Standards.</p>
10.	Appendix 3	Appendix 3	What factors will the Exchange consider for a waiver of any Core Standards?	<p>A waiver of the Listing Rules (including the Core Standards) will be granted based on the facts and circumstances of an individual case.</p> <p>For example, the Exchange may consider granting a waiver if a Core Standard is legally impossible for an issuer to comply because it conflicts with the laws and regulation of its place of incorporation.</p>



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				<p>Normally a variation of the requirements based on case-specific circumstances will not be granted if the Exchange considers that such variation may be detrimental to shareholder protection.</p> <p>Furthermore, an issuer cannot rely on the statutory minimum requirements under applicable laws that deviate materially from market norms in Hong Kong.</p>
<b>Listing of Overseas Issuers</b>				
11.	Chapter 19 and Chapter 19C	Chapter 24	What are the eligibility requirements for an overseas issuer seeking a primary listing, a dual primary listing or a secondary listing on the Exchange?	Refer to <b>Appendix IV</b> for a summary of the eligibility requirements for a Main Board overseas issuer seeking a primary listing, a dual primary listing or a secondary listing on the Exchange.
12.	19.58, 19C.11	24.25	Will the Exchange continue to grant “automatic waivers” and “common waivers” under the new regime?	<p>Yes, automatic waivers will continue to be available to secondary listed issuers and they should refer to Main Board Rule 19C.11 for details.</p> <p>For common waivers and related conditions, overseas issuers should refer to Main Board Rule 19.58 (GEM Rule 24.25) (for issuers with, or seeking a dual primary listing) and Main Board Rule 19C.11B (for issuers with, or seeking a secondary listing) for details.</p>

No.	Relevant Rules and Guidance		Question	Response
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13.	Chapter 8A, GL93-18 and GL94-18	Nil	Can an overseas issuer with a weighted voting rights structure seek a primary listing, a dual primary listing or a secondary listing on the Exchange?	Yes. Refer to <b>Appendix IV</b> for a summary of the eligibility requirements for a Main Board overseas issuer seeking a primary listing, a dual primary listing or a secondary listing with (and without) a weighted voting rights structure on the Exchange.
14.	GL94-18 and LD43-3	Nil	Can an overseas issuer with a variable interest entity structure seek a primary listing, a dual primary listing or a secondary listing on the Exchange?	Yes. Refer to <b>Appendix V</b> for a flowchart of compliance by an overseas issuer to list with a variable interest entity structure.
15.	GL112-22	Nil	What should an overseas issuer pay attention to when a change of listing status from secondary to primary listing takes place or may take place on the Exchange?	<p>There are three ways a change of listing status from a secondary listing to a primary listing can take place:</p> <ul style="list-style-type: none"> <li>(i) the majority of trading in an overseas issuer's listed shares migrates to the Exchange's markets on a permanent basis;</li> <li>(ii) voluntary conversion to a primary listing; or</li> <li>(iii) delisting from the primary exchange either on a voluntary or involuntary basis.</li> </ul> <p>Refer to <b>Appendix VI</b> for more information.</p>

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16.	19.60, 19C.10B(7), 19C.24 and GL111-22	24.27 and GL111-22	Who needs to publish a Company Information Sheet and what information needs to be included in it?	<p>A Company Information Sheet is required to be prepared by:</p> <ul style="list-style-type: none"> <li>a) all secondary listed issuers;</li> <li>b) an overseas issuer with a primary listing or a dual primary listing that meets any of the following criteria: <ul style="list-style-type: none"> <li>(i) there are novel waiver(s) granted to the issuer, including where the issuer is allowed to have alternative measures to meet any Core Standards and without providing such standards in its constitutional documents;</li> <li>(ii) the laws and regulations in its home jurisdiction and primary market are materially different from those required by Hong Kong laws regarding<sup>1</sup>: <ul style="list-style-type: none"> <li>– the rights of holders of its securities and how they can exercise their rights;</li> <li>– directors' powers and investor protection; and</li> <li>– the circumstances under which its minority</li> </ul> </li> </ul> </li> </ul>

<sup>1</sup> The Exchange considers that, as at the date of publication of the conclusion of the consultations on listing regime for overseas issuers, the laws and regulations in the Cayman Islands and Bermuda regarding those areas are not materially different from those required by Hong Kong laws.

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				<p>shareholders may be bought out or may be required to be bought out after a successful takeover or share repurchase;</p> <p>(iii) it is subject to any withholding tax on distributable entitlements or any other tax that is payable by shareholders (e.g. capital gains tax, inheritance or gift taxes);</p> <p>(iv) it is listing depositary receipts; and/or</p> <p>(v) where the Exchange, at its own discretion, require the issuer (including an issuer incorporated in Bermuda or the Cayman Islands) to publish a Company Information Sheet in the view that such publication will be informative to investors (for example, to provide them with information on overseas laws and regulations to which the issuer is subject and which may be unfamiliar to investors in Hong Kong).</p> <p>The information expected to be included in a Company Information Sheet are summarized in sub-paragraphs (i) to (iv) above.</p> <p>For a primary listed or dual primary listed issuer, where any of the criteria stated in sub-paragraphs (i) to (v) above applies, the</p>

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				issuer is only required to include information relevant to that criterion in its Company Information Sheet. For example, where criteria (i) applies, that is, novel waivers are granted to the issuer and none of the other criteria are applicable, the issuer is only required to include a summary of the novel waivers in its Company Information Sheet.
17.	19.60, 19C.10B(7), 19C.24 and GL111-22	24.27 and GL111-22	What are considered to be novel waivers under Main Board Rule 19.60 (GEM Rule 24.27)?	<p>The purpose of a Company Information Sheet is to provide investors with additional information on an issuer to enable them to make informed investment decision taking into account all relevant circumstances of the issuer. An overseas issuer should exercise its judgement in assessing what will constitute novel waivers.</p> <p>Below are non-exhaustive examples of waivers which the Exchange will consider as novel:</p> <p>(a) compliance of any Core Standards or any other Listing Rules which affect shareholders' rights;</p> <p>(b) Main Board Rules 4.10 and 4.11 of, and note 2.1 to paragraph 2 of the Appendix 16 to, the Main Board Rules (GEM Rules 7.11 and 7.12 and 18.04) requiring an issuer to prepare its financial statements in the listing document and the subsequent financial reports issued after listing to be in conformity with: (a) Hong Kong Financial Reporting Standards; (b) International Financial Reporting</p>

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	Main Board Rules	GEM Rules		
				<p>Standards ; or (c) China Accounting Standards for Business Enterprises in the case of companies incorporated in China;</p> <p>(c) Main Board Rules 8.08(1) and 8.09(1) and Rules 13.32 and 13.33 (GEM Rules 11.23(2)(a), 11.23(7), 11.23(11) and note 5 to GEM Rule 11.23) relating to minimum public float and minimum percentage of public holdings requirements;</p> <p>(d) Main Board Rules 10.05 and 10.06 (GEM Rules 13.03 to 13.14) relating to the restrictions and notification requirements on issuers purchasing their own shares on a stock exchange; and</p> <p>(e) any provisions of the Takeovers Code / Securities and Futures Ordinance.</p> <p>In general, the Exchange would not ordinarily regard the following as novel waivers:</p> <p>(a) specific disclosure in the listing document and the offering and/ or placing of shares at the time of IPO e.g. on dealing in shares prior to listing and clawback mechanism; and</p> <p>(b) Chapter 14A of the Main Board Rules (Chapter 20 of the GEM Rules) waivers in respect of the continuing connected transaction.</p>

No.	Relevant Rules and Guidance		Question	Response
	Main Board Rules	GEM Rules		
18.	19.61, 19C.25, Appendix 3, GL111-22	24.28, Appendix 3, GL111-22	When should an overseas issuer publish and update its Company Information Sheet?	<p>Where a new overseas applicant is required to publish a Company Information Sheet, it must do so upon commencement of dealings in its securities on the Exchange.</p> <p>Where an existing listed issuer needs to publish a Company Information Sheet, it should do so within three months but no later than six months after 1 January 2022. An overseas issuer should consult the Listing Division if it is uncertain about or has difficulties complying with the Company Information Sheet requirement.</p> <p>Publication of a Company Information Sheet is an on-going obligation and issuers are required to update its published Company Information Sheet on a timely basis should there be any material change to the information disclosed.</p>
19.	19.61, 19C.25, Appendix 3, GL111-22	24.28, Appendix 3, GL111-22	Where should an overseas issuer publish its Company Information Sheet?	An overseas issuer must (i) submit its Company Information Sheet through HKEx-ESS for publication on the HKEx website; and (ii) upload it on its own website.
20.	4.03, 19.14, Note 4 to 19.14, 19.20,	7.02, 7.14, Note 4 to 7.14, 24.13, Note 4	What are the accounting and auditing related requirements applicable to an overseas issuer?	<u>Qualification requirements for auditors and reporting accountants</u>

No.	Relevant Rules and Guidance		Question	Response
	Main Board Rules	GEM Rules		
	19.25A, 19C.10D, Note 4 to 19C.10D, 19C.16, 19C.23, Note 4 to 19C.23, Note 4 to 19.25A and GL111-22	to 24.18A and GL111-22		<p>Where the preparation of an accountants' report constitutes a PIE Engagement under the Financial Reporting Council Ordinance ("FRCO"), the issuer must normally appoint a firm of practising accountants that is qualified under the Professional Accountants Ordinance and is a Registered PIE Auditor under the FRCO.</p> <p>An overseas issuer is permitted to appoint an overseas audit firm as its reporting accountant for the preparation of the accountants' report, provided that the overseas issuer seeks a waiver from strict compliance with Main Board Rule 4.03 (GEM Rule 7.02), and obtains a Statement of No Objection ("SNO") (in case of a PIE Engagement) from the Exchange.</p> <p>An overseas audit firm is required to be recognised by the FRC before the audit firm can: (a) "undertake" (i.e. accept an appointment to carry out) any PIE Engagement; and (b) carry out any PIE Engagement for an overseas issuer. An issuer is required to apply to the Exchange for, and the Exchange is required to issue, a SNO before the FRC considers an application to recognise an overseas audit firm. The Exchange grants the SNO on a case by case basis.</p> <p>For details of the SNO application (including the auditor after listing), please refer to "Frequently asked questions on recognition of overseas audit firms in relation to the</p>



No.	Relevant Rules and Guidance		Question	Response
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				<p>amendments to the Financial Reporting Council Ordinance – Effective on 1 October 2019" (FAQ No. 059-2019 to 067-2019).</p> <p><u>Preparation of reconciliation statement</u></p> <p>Where the Exchange allows an accountants' report or annual financial statements to be drawn up otherwise than in conformity with HKFRS or IFRS, the accountants' report or annual financial statements will be required to conform with financial reporting standards acceptable to the Exchange. In such cases the Exchange will normally require the accountants' report or, as the case may be, the annual financial statements, to contain a reconciliation statement setting out the financial effect of the material differences (if any) from either HKFRS or IFRS.</p> <p>For US-listed secondary listing applicants, the requirement for the preparation of a reconciliation statement in respect of the accountants' report prepared under US GAAP in a listing document applies to listing applications submitted on or after 1 January 2023.</p> <p>For US-listed issuers with a secondary listing on the Exchange that adopted US GAAP in the preparation of their financial</p>

No.	Relevant Rules and Guidance		Question	Response
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				<p>statements, the requirement for the preparation of a reconciliation statement applies to the first annual financial statements for the financial year commencing on or after 1 January 2022 and subsequent interim and annual financial statements.</p> <p>For details, please refer to Section F of the Guidance Letter on the guidance for overseas issuers (HKEX-GL111-22).</p> <p><u>Requirement to convert to HKFRS or IFRS upon de-listing</u></p> <p>An overseas issuer with a dual primary or secondary listing that adopts one of the alternative overseas financial reporting standards (other than issuers incorporated in a member state of the European Union which have adopted EU-IFRS) for the preparation of its annual financial statements must adopt HKFRS or IFRS if it de-lists from the jurisdiction of that alternative overseas financial reporting standards and must do so for any annual and interim financial statements (and quarterly financial statements for GEM issuer only) that fall due under the Listing Rules, and are published, after the first anniversary of the date of its de-listing.</p>

## Appendix I

### Summary of the changes relating to the listing regime for overseas issuers

	Key features of the listing regime for Overseas Issuers on or prior to 31 December 2021	Key changes to the listing regime for Overseas Issuers effective from 1 January 2022
<b>Shareholder protection standards</b>		
1	<p>Shareholders of non-Hong Kong issuers must be afforded shareholder protection at least “<i>equivalent to</i>” that provided in Hong Kong (<b>Equivalence Requirement</b>).</p> <p>The Exchange has adopted different approaches in evaluating compliance with the Equivalence Requirement:</p> <ul style="list-style-type: none"> <li>Companies incorporated in Acceptable Jurisdictions (e.g. Singapore) are required to demonstrate compliance with the provisions in Appendix 3 to the Listing Rules and the JPS Key Shareholder Protection Standards.</li> <li>Companies incorporated in Recognised Jurisdictions (i.e. the Cayman Islands, Bermuda, the PRC and Hong Kong) are required to <ul style="list-style-type: none"> <li>(i) comply with the provisions in Appendix 3 to the Listing Rules and</li> <li>(ii) incorporate in their articles of association a number of provisions set out in Appendix 13 to the Listing Rules with a view to conforming the provisions relating to shareholder rights to those stipulated under Hong Kong company laws.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The Equivalence Requirement and the distinction between Recognised Jurisdictions and Acceptable Jurisdictions removed.</li> <li>A baseline level of shareholder protection requirements adopted for all issuers (including Hong Kong issuers and PRC issuers<sup>1</sup>) concerning: <ul style="list-style-type: none"> <li>(i) the notice and conduct of general meetings;</li> <li>(ii) members’ right (including HKSCC) to remove directors, requisition a meeting, vote, speak and appoint proxies or corporate representatives;</li> <li>(iii) the reservation of auditor appointment, etc. to an independent committee of the board of director of a company or a majority of the shareholders and the reservation of certain other material matters to super-majority votes by shareholders;</li> <li>(iv) restrictions on the term of a director appointed to fill a casual vacancy;</li> <li>(v) availability of the shareholders’ register for inspection; and</li> <li>(vi) restrictions on shareholder voting on certain matters required by the Listing Rules.</li> </ul> </li> </ul>

<sup>1</sup> PRC issuers should also comply with the Mandatory Provisions.

		<p>The Core Standards are largely derived from the JPS Key Shareholder Protection Standards. They should be set out in the issuer's constitutional documents unless the Exchange is satisfied that the domestic laws, rules and regulations to which the issuer is subject provide for the same protection. Existing listed issuers are to ascertain they are in full compliance with the Core Standards, otherwise, they would have until their second annual general meeting following 1 January 2022 (i.e. the effective date of the rule changes) to make any necessary amendments to their constitutional documents to conform to the Core Standards (other than the exceptions set out in the Consultation Paper).</p>
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	Key features of the listing regime for Overseas Issuers on or prior to 31 December 2021	Key changes to the listing regime for Overseas Issuers effective from 1 January 2022
<b>Secondary listing</b>		
2	<ul style="list-style-type: none"> <li>Companies with a centre of gravity in Greater China are prohibited from secondary listing in Hong Kong except where they meet the stringent requirements for listing under Chapter 19C (e.g. it is an “Innovative Company”, listed on a Qualifying Exchange, with a minimum market capitalisation of HK\$10 billion and revenue of at least HK\$1 billion). This is regardless of whether they have WVR structures.</li> <li>Provisions for the two secondary listing routes are scattered in different documents: <ul style="list-style-type: none"> <li>the route for “innovative” large issuers primary listed on a Qualifying Exchange is set out in Chapter 19C of the Listing Rules; and</li> <li>the route for other issuers listed on a Recognised Stock Exchange (including the Qualifying Exchanges) is set out in the JPS (i.e. outside the Listing Rules).</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Secondary listing requirements for Greater China Issuers without a WVR structure relaxed by removing the “Innovative Company” condition and lowering the market capitalisation requirement to HK\$3 billion (i.e. the same as the minimum market capitalisation required of other secondary listing applicants without a WVR structure).</li> <li>Clarified that the Exchange may reject a secondary listing application if a material part of the applicant’s business was listed on the primary listing market by way of a reverse takeover (as determined by reference to the factors in Chapter 14 of the Listing Rules).</li> <li>The two secondary listing routes codified with modifications (e.g. removing the “Innovative Company” requirement for all companies without a WVR structure as mentioned above).</li> </ul>
3	<p>The Listing Rules do not set out the requirements that apply in the circumstances of: (a) secondary listed issuers that de-list (voluntarily or involuntarily) from their exchange of primary listing; or (b) issuers that voluntarily choose to transfer from a secondary to a dual-primary listing.</p> <ul style="list-style-type: none"> <li>Chapter 19C provides for mandatory conversion to a primary listing status only for <u>Greater China Issuers</u> listed under that</li> </ul>	<ul style="list-style-type: none"> <li>Trading Migration Requirement applied to all secondary listed issuers (including those secondary listed before the introduction of Chapter 19C).</li> <li>Clarified that a secondary listed issuer will be regarded as a primary listed issuer in the event of Overseas De-listing<sup>4</sup> (<i>Route 1</i>), and a dual primary listed issuer in the event</li> </ul>

<sup>4</sup> The stock marker “S” at the end of the stock short name of a secondary listed issuer will cease to apply upon the effective date of the Overseas De-Listing.

<p>chapter and only if the majority of trading in their securities migrates to the Exchange<sup>2</sup>. Chapter 19C also sets out transitional arrangements<sup>3</sup> such as a 3-year transitional period for certain continuing transactions.</p>	<p>of Migration<sup>5</sup> (<b>Route 2</b>) or Primary Conversion<sup>6</sup> (<b>Route 3</b>).</p> <p><i>Route 1 - For issuers delisted from the overseas exchange:</i></p> <ul style="list-style-type: none"> <li>• An automatic 12-month grace period provided to allow for the preparation of financial statements in accordance with HKFRS/ IFRS in the event of a delisting from the primary listing market (so that the issuer may switch to HKFRS/IFRS, at the latest, by the time it publishes its first financial statements (which may be annual or interim statements (or quarterly for GEM issuers only)) after the first anniversary of its delisting).</li> <li>• Automatic Waivers will be dis-applied in respect of other Listing Rules as soon as a secondary listed issuer is delisted from the primary listing market.</li> <li>• For involuntary delisting from the overseas exchange, transitional arrangements apply for continuing transactions entered into before the issuer's notification of the expected involuntary delisting to the Exchange so that the transactions are exempt from applicable Listing Rules (e.g. annual review, monetary caps) for 3 years<sup>7</sup> from the date of the delisting notification. The Exchange reserves the discretion to modify or not to grant this exemption if the issuer fails to notify the Exchange of the expected involuntary delisting on a timely basis.</li> </ul>
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<sup>2</sup> Trading is considered to have migrated to the Exchange's markets on a permanent basis if trading in Hong Kong represents 55% or more of the worldwide trading volume of the issuer's shares (including depositary receipts) for a full financial year after listing in Hong Kong.

<sup>3</sup> Under existing and proposed revised Chapter 19C, continuing transactions entered into before the date of the Exchange's notice of trading migration are exempt from applicable Listing Rules for three years from the date of the notice.

<sup>5</sup> The stock marker "S" at the end of the stock short name of a secondary listed issuer will cease to apply only when the Migration Issuer is fully complied with the applicable Listing Rules.

<sup>6</sup> The stock marker "S" at the end of the stock short name of a secondary listed issuer will cease to apply upon the effective date of the Primary Conversion.

<sup>7</sup> This is similar to the transitional arrangements in Chapter 19C in respect of continuing transactions entered into by a secondary listed issuer that has become primary listed as a result of trading migration.

		<ul style="list-style-type: none"> <li>• In the event that an Overseas Issuer under Route 1 anticipates difficulty in complying with specific applicable Listing Rules (e.g. insufficient preparation time in view of the delisting timetable), a grace period may be granted in respect of specific Listing Rules on a case-by-case basis (e.g. taking into account the amount of time reasonably needed for the issuer to be able to fully comply with the applicable rules), where the Exchange considers it justifiable to do so. The Exchange reserves the power to require the issuer's stock short name to include a special stock marker (TP) to signify that the issuer is a primary listed issuer under transitional arrangements.</li> </ul> <p><i>Route 2 - For issuers that become primary listed in Hong Kong as a result of Migration:</i></p> <ul style="list-style-type: none"> <li>• All Automatic Waivers will be revoked upon reclassification as a dual primary listed issuer subject to the existing transitional arrangements of Chapter 19C (e.g. continuing transactions entered into before the Exchange's notice of trading migration are exempt from the applicable Listing Rules for a period of 3 years from the date of the notice).</li> </ul> <p><i>Route 3 - For issuers that become dual primary listed in Hong Kong as a result of Primary Conversion: ,</i></p> <ul style="list-style-type: none"> <li>• All automatic Waivers will be revoked upon the effective date of Primary Conversion and a grace period for full compliance with the Listing Rules will not normally be granted.</li> </ul>
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4	<ul style="list-style-type: none"> <li>• “Grandfathered”<sup>8</sup> Greater China Issuers and Non-Greater China Issuers primary listed on Qualifying Exchanges may retain their existing WVR<sup>9</sup> and/ or VIE structures without amending them to comply with all Exchange requirements<sup>10</sup> provided that they meet the stringent eligibility requirements of Chapter 19C. This does not prevent the Exchange from imposing additional requirements under Rule 2.04 if necessary.</li> <li>• Greater China Issuers controlled by corporate WVR beneficiaries and listed on a Qualifying Exchange as at 30 October 2020 considered Grandfathered Greater China Issuers and so may also retain their existing WVR and/ or VIE structures by virtue of the special concession announced on 30 October 2020 provided that they also meet the stringent eligibility requirements for secondary listing of Chapter 19C.</li> </ul>	<ul style="list-style-type: none"> <li>• Clarified that the WVR and/ or VIE structures<sup>11</sup> of Grandfathered Greater China Issuers will continue to be grandfathered following conversion to primary listing status (as a result of Migration, Primary Conversion or Overseas De-listing from the overseas exchanges after their secondary listings in Hong Kong).</li> <li>• Clarified that the existing WVR and/ or VIE structures (if any) of such issuers will also be grandfathered if they apply for dual primary listing directly.</li> <li>• Codified the special concession for Greater China Issuers controlled by corporate WVR beneficiaries as announced on 30 October 2020 by expanding the definition of “Grandfathered Greater China Issuers” in the Listing Rules.</li> </ul>
<b>Conditional waivers and principles</b>		
5	<p>Conditional waivers commonly granted to dual primary listed / secondary listed overseas issuers on a case-by-case basis are set out in the JPS (i.e. outside the Listing Rules).</p>	<ul style="list-style-type: none"> <li>• Guiding principles in granting waivers to issuers with a dual primary listing / secondary listing codified in the Listing Rules (e.g. if strict compliance with both the Listing Rules and similar overseas regulations in respect of a particular regulatory area would be unduly burdensome).</li> </ul> <p>Conditional waivers commonly granted to issuers with, or seeking, a dual primary listing / secondary listing codified in the Listing Rules.</p>

<sup>8</sup> This refers to those Greater China Issuers primary listed on a Qualifying Exchange on or before 15 December 2017.

<sup>9</sup> The Exchange reserves the right, in its absolute discretion, to refuse a listing of securities of an Overseas Issuer if its WVR structure represents an extreme case of non-conformance with corporate governance norm.

<sup>10</sup> An example of the requirements in Hong Kong concerning VIE structures is that if the PRC rules and regulations allow foreign investors to own a maximum of 49% of the equity interests in a local business, the Exchange will normally expect the listing applicant to control at least 49% of the equity interests in the relevant “subsidiary” through direct legal ownership (as opposed to contractual arrangements). In addition, the listing applicant must include in the relevant contracts certain prescribed provisions covering liquidation and power of attorney as detailed in LD43-3.

<sup>11</sup> This refers to the WVR and VIE structures in effect at the time the issuer becomes listed in Hong Kong.



# AMENDMENTS TO MAIN BOARD LISTING RULES

## Chapter 1

### GENERAL

#### INTERPRETATION

...

- 1.01 Throughout these Rules, the following terms, except where the context otherwise requires, have the following meanings:

...

**“centre of gravity in Greater China”**

the following are some of the non-exhaustive factors that the Exchange will consider in determining whether an overseas issuer has its centre of gravity in Greater China:

- (a) whether the issuer has a listing in Greater China;
- (b) the issuer’s history;
- (c) where the issuer is incorporated;
- (d) where the issuer is headquartered;
- (e) the issuer’s place of central management and control;
- (f) the location of the issuer’s main business operations and assets;
- (g) the location of the issuer’s corporate and tax registration; and
- (h) the nationality or country of residence of the issuer’s management and controlling shareholder

...

**“Company Information Sheet”**

the document required to be published under rule 19.60 or 19C.24 for publication on the Exchange’s website and the overseas issuer’s website

...

**“controlled by corporate WVR beneficiaries”**

means a single corporate WVR beneficiary (or a group of corporate WVR beneficiaries acting in concert) holds the largest share of the voting power in the listed issuer, which must amount to at least 30% of shareholders’ votes carried by the issuer’s share capital

...

**“dual primary listing”**

a primary listing on the Exchange where the issuer either: (i) also has a primary listing on one or more overseas stock exchange(s); or (ii) is simultaneously applying to list on the Exchange and one or more overseas stock exchange(s)

...

**“EU- IFRS”**

IFRS as adopted by the European Union

...

**“Financial Reporting Council” or “FRC”**

the Financial Reporting Council established by section 6(1) of the Financial Reporting Council Ordinance

**“Financial Reporting Council Ordinance” or “FRCO”**

the Financial Reporting Council Ordinance (Cap. 588) as amended from time to time

...

**“FRC Transaction Levy”**

means the levy payable to the Financial Reporting Council pursuant to the provisions of section 50A of the Financial Reporting Council Ordinance

**“Grandfathered Greater China Issuer”**

a Greater China Issuer that was: (a) primary listed on a Qualifying Exchange on or before 15 December 2017; or (b) primary listed on a Qualifying Exchange after 15 December 2017, but on or before 30 October 2020 and controlled by corporate WVR beneficiaries as at 30 October 2020

**“Greater China Issuer”**

a Qualifying Issuer with its centre of gravity in Greater China

...

**“IOSCO”**

International Organization of Securities Commissions

**“IOSCO MMOU”**

IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information

...

**“Mandatory Provisions”**

the Mandatory Provisions for Companies Listing Overseas set forth in Zheng Wei Fa (1994) No. 21 issued on 27 August 1994 by the State Council Securities Policy Committee and the State Commission for Restructuring the Economic System

...

**“Non-Grandfathered Greater China Issuer”**

a Greater China Issuer that is not a Grandfathered Greater China Issuer

**“Non-Greater China Issuer”**

a Qualifying Issuer that is not a Greater China Issuer

...

**“overseas issuer”**

an issuer that is neither a Hong Kong issuer nor a PRC issuer incorporated or otherwise established outside Hong Kong

...

**“PIE Auditor”**

has the same meaning as in section 3A of the FRCO, that is:

(a) a Registered PIE Auditor; or

(b) a Recognised PIE Auditor

*Note: Under the FRCO, only an issuer incorporated outside Hong Kong is permitted to appoint a Recognised PIE Auditor for a PIE Engagement. A Mainland auditor recognised under section 20ZT of the FRCO can only carry out a PIE engagement for a PRC issuer.*

**“PIE Engagement”**

has the same meaning as an engagement specified in Part 1 of Schedule 1A of the FRCO, that is any of the following types of engagement carried out by an auditor or a reporting accountant:

(a) an auditors’ report on a PIE’s annual financial statements required by the Companies Ordinance, the Listing Rules or any relevant code issued by the Commission;

(b) a specified report required to be included in (i) a listing document for the listing of the shares or stocks of a corporation seeking to be listed or a listed corporation; or (ii) a listing document of a Collective Investment Scheme seeking to be listed or a listed Collective Investment Scheme; and

(c) an accountants’ report required under the Listing Rules to be included in a circular issued by a PIE for a reverse takeover or a very substantial acquisition

**“place of central management and control”**

the Exchange will consider the following factors to determine an issuer’s place of central management and control:

(a) the location from where the issuer’s senior management direct, control, and coordinate the issuer’s activities;

(b) the location of the issuer’s principal books and records; and

(c) the location of the issuer’s business operations or assets

...

**“Professional Accountants Ordinance” or “PAO”**

the Professional Accountants Ordinance (Cap. 50) as amended from time to time

...

**“Public Interest Entity” or “PIE”**

has the same meaning as in section 3(1) of the FRCO, that is a listed corporation with listed shares or stocks or a listed Collective Investment Scheme in Hong Kong

*Note: A listed corporation with listed debt securities but no listed shares or stocks is not a PIE.*

...

**“Qualifying Exchange”**

The New York Stock Exchange LLC, Nasdaq Stock Market or the Main Market of the London Stock Exchange plc (and belonging to the UK Financial Conduct Authority’s “Premium Listing” segment)

**“Qualifying Issuer”**

an overseas issuer primary listed on a Qualifying Exchange

**“Recognised PIE Auditor”**

an overseas auditor recognised under Division 3 of Part 3 of the FRCO, including a Mainland auditor recognised under section 20ZT of the FRCO

**“Recognised Stock Exchange”**

the main market of a stock exchange that is included in a list of Recognised Stock Exchanges published on the Exchange’s website as updated from time to time. The Qualifying Exchanges are also Recognised Stock Exchanges

**“Registered PIE Auditor”**

a practice unit registered under Division 2 of Part 3 of the FRCO

...

**“SFC Transaction Levy”**

means the levy payable to the Commission pursuant to the provisions of section 394 of the SFO

...

**“US GAAP”**

Generally Accepted Accounting Principles in the United States of America

...

## Chapter 2

### GENERAL

#### INTRODUCTION

...

#### General Principles

...

- 2.04 It is emphasised that the Exchange Listing Rules are not exhaustive and that the Exchange may impose additional requirements or make listing subject to special conditions whenever it considers it appropriate. Conversely, the Exchange may waive, modify or not require compliance with the Exchange Listing Rules in individual cases (to suit the circumstances of a particular case), as a variety of circumstances may exist which require it to make ad hoc decisions. However, any waiver or modification of, or decision not to require compliance with, a rule, which is intended to have general effect (i.e. to affect more than one issuer and its subsidiaries at the same time) may only be granted with the prior consent of the Commission. The Exchange will not grant an individual waiver or modification of a rule, or agree not to require compliance with a rule, on a regularly recurring basis so as to create the same result as a general waiver. Consequently, both new applicants and listed issuers and, in the case of a guaranteed issue, guarantors are encouraged to seek informal and confidential guidance from the Exchange at all times.

*Note: Issuers must fully disclose details of any waivers or modifications granted (including the conditions thereof) in the relevant listing document (or in other announcement or circular as the Exchange considers appropriate). The Exchange reserves the right to revoke or modify any waivers or modifications granted if there are any material changes in the information provided or circumstances thereunder.*

...

#### Use of Electronic Means

...

- 2.07C (4) (a) Announcement or notice must not be published on the Exchange's website:
- between 8:30 a.m. and 12:00 noon and between 12:30 p.m. and 4:30 p.m. on a normal business day; and
  - between 8:30 a.m. and 12:30 p.m. on the eves of Christmas, New Year and the Lunar New Year when there is no afternoon session,

except for:

...

- (vi) announcements relating to suspension and resumption of a Mixed Media Offer applicable to public offers of equity securities, CIS and debt securities (see rules 12.11A, 20.19A and 25.19B).

Note: The Exchange may consider an application for a waiver from strict compliance with rule 2.07C(4)(a) for issuers with, or seeking, a dual primary listing or a secondary listing, subject to the conditions that:–

- (a) the issuer discloses in the listing document a clear indication of the impact of the waiver on potential investors;
- (b) the issuer shall inform the Exchange, in the first instance, in the event of any material change being made to the overseas regime on the disclosure of inside/ price sensitive information;
- (c) there is a minimal overlap between Hong Kong market hours and that of the overseas exchange(s) on which the issuer's securities are also traded;
- (d) the issuer notifies the Exchange of a pending announcement and the expected time of release (of both English and Chinese versions) at least ten minutes before the release; and
- (e) the announcement shall be in relation to inside/ price sensitive information and the issuer is required, for reasons not within its control, under the overseas regime to publish such announcement within the period prohibited under rule 2.07C(4)(a).

...

- (b) Any publication by an issuer pursuant to this rule 2.07C must be made in both the English and Chinese language unless otherwise stated.

*Note: This paragraph does not apply to documents to be published on the Exchange's website and the issuer's own website pursuant to rule 4.14, rule 5.01B(1)(b), rule 5.02B(2)(b), rule 15A.21(4), rule 17.02(2), ~~rule 19.05(6)(a)(ii)~~, rule 19.10(5)(e), rule 19.10(6), rule ~~19C.10B~~36(3), rule 19A.27(4), rule 19A.50, rule 29.09, rule 36.08(3), paragraph 53 of*

*Part A of Appendix 1, paragraph 43 of Part B of Appendix 1, paragraph 54 of Part C of Appendix 1, paragraphs 12 and 27 of Part D of Appendix 1, paragraph 76 of Part E of Appendix 1, paragraph 66 of Part F of Appendix 1, paragraph 9(b)(i) of Appendix 4, and paragraphs 5 and 15 of Part H of Appendix 7, paragraphs 1 and 5 in Section 2 of Part A of Appendix 13 and paragraphs 1 and 5 in Section 2 of Part B of Appendix 13.*

...

## **Listing Fees and Other Charges**

- 2.12 The details of the initial listing fee, annual listing fee, subsequent issue fee and other charges together with details of the brokerage charge, ~~transaction levies~~ and trading fees on new issues are set out in Appendix 8.

...

## **Chapter 4**

### **GENERAL**

#### **ACCOUNTANTS' REPORTS AND PRO FORMA FINANCIAL INFORMATION**

...

#### **Reporting Accountants**

- 4.03 ~~All accountants' reports must normally be prepared by certified public accountants who are qualified under the Professional Accountants Ordinance for appointment as auditors of a company and who are~~Reporting accountants must be 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 Institute of Certified Public Accountants, ~~provided that, or~~ the International Federation of Accountants. Subject to rules 4.03(1) and 4.03(2), accountants' reports must normally be prepared by certified public accountants who are qualified under the PAO for appointment as auditors of a company.

- (1) Where the preparation of an accountants' report constitutes a PIE Engagement under the FRCO, the issuer must normally appoint a firm of practising accountants that is qualified under the PAO and is a Registered PIE Auditor under the FRCO. In the case of such a PIE Engagement that is a reverse takeover or a very substantial acquisition circular issued by a listed issuer incorporated outside Hong Kong relating to the acquisition of an overseas company, the Exchange may be prepared to accept the appointment of an overseas firm of practising accountants that is not qualified under the PAO but is a Recognised PIE Auditor of that issuer under the FRCO.

Notes:

1. The preparation of an accountants' report included in (a) a listing document for the listing of the shares or stocks of a corporation seeking to be listed or a listed corporation; or (b) a circular issued by a PIE for a reverse takeover or a very substantial acquisition is a PIE Engagement under the FRCO.
2. In relation to an application for the recognition of an overseas firm of practising accountants under the FRCO, on a request made by an issuer incorporated outside Hong Kong, the Exchange may provide a statement of no objection to that issuer appointing an overseas firm of practising accountants to carry out a PIE Engagement for that issuer under section 20ZF(2)(a) of the FRCO. Such firm must normally:
  - (a) have an international name and reputation;
  - (b) be a member of a recognised body of accountants; and
  - (c) be subject to independent oversight by a regulatory body of a jurisdiction that is a full signatory to the IOSCO MMOU. It would be acceptable if the relevant audit oversight body is not a signatory to the IOSCO MMOU but the securities regulator in the same jurisdiction is a full signatory to the IOSCO MMOU.

That issuer must provide the specific reasons supporting its request for a statement of no objection, for example:



- such firm has a geographical proximity and familiarity with the businesses of that issuer or the target;
- that issuer or the target is listed on a Recognised Stock Exchange, and such firm is the auditor of that issuer or the target; and
- such firm is the statutory auditor of that issuer or the target.

If applicable, this statement of no objection is also subject to the Commission granting a certificate of exemption from strict compliance with the relevant requirement concerning the qualification of the reporting accountants under the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

The Exchange retains a discretion to accept or reject an application for a statement of no objection, and reserves the right to withdraw the statement of no objection pursuant to section 20ZF(2)(a) of the FRCO.

(2) ~~if~~ In the case of an extreme transaction or a major transaction 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 practising accountants ~~which~~ that is not ~~so-~~qualified under the PAO 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.~~

- (a) have an international name and reputation;
- (b) be a member of a recognised body of accountants; and
- (c) be subject to independent oversight by a regulatory body of a jurisdiction that is a full signatory to the IOSCO MMOU. It would be acceptable if the relevant audit oversight body is not a signatory to the IOSCO MMOU but the securities regulator in the same jurisdiction is a full signatory to the IOSCO MMOU.

...

## **Overseas Issuers and PRC Issuers**

- 4.20 ~~Special requirements apply in the case of~~ Overseas issuers and PRC issuers must also comply with the requirements which are set out in Chapters 19, 19A, 19C and 36.

...

## **Chapter 8**

### **EQUITY SECURITIES**

#### **QUALIFICATIONS FOR LISTING**

...

##### **Basic Conditions**

- 8.02 The issuer must be duly incorporated or otherwise established under the laws of the place where it is incorporated or otherwise established and must be in conformity with those laws and its memorandum and articles of association or equivalent documents.
- 8.02A Each of the statutory securities regulator of an issuer's jurisdiction of incorporation and the statutory securities regulator of the place of central management and control must be a full signatory to the IOSCO MMOU. This is to enable the Commission to seek regulatory assistance and information from overseas statutory securities regulators to facilitate the Commission's investigations and enforcement actions where an issuer has its records, business operations, assets and management outside Hong Kong.
- 8.02B The Exchange may waive rule 8.02A in an individual case only with the Commission's explicit consent having regard to whether there are adequate arrangements to enable the Commission to access financial and operational information (such as books and records) on an issuer's business in the relevant place of incorporation and place of central management and control for its investigation and enforcement purposes.

...

## Chapter 8A

### EQUITY SECURITIES

#### WEIGHTED VOTING RIGHTS

...

##### Scope

The Exchange Listing Rules (including Chapter 8) apply as much to issuers with or seeking a listing with a WVR structure, as other issuers of equity securities. This Chapter sets out rules and modifications to existing rules applicable to issuers with, or seeking, a listing with a WVR structure. For overseas issuers with a WVR structure~~Qualifying Issuers~~ with, or seeking, a secondary listing, the rules in this Chapter are subject to modification by rule 8A.46~~19C.12~~.

Issuers are encouraged to contact the Exchange if they envisage any difficulties in complying fully with the relevant requirements.

...

#### CORPORATE GOVERNANCE

...

##### Resolutions Requiring Voting on a One Vote per Share Basis

8A.24 Any weighted voting rights attached to any class of shares in a listed issuer must be disregarded and must not entitle the beneficiary to more than one vote per share on any resolution to approve the following matters:

(1) ...

...

*Note: The purpose of rule 8A.24 is to protect non-WVR shareholders from resolutions being passed by WVR beneficiaries without their consent and not to enable non-WVR shareholders to remove or further constrain weighted voting rights. The weighted voting rights attached to a class of issued shares may be varied only with the consent of the holders of that class of shares as stipulated by the regulations and/or laws to which the issuer is subject. Where the regulations and/or laws do not require such approval, the Exchange will require such approval to be included in its constitutional documents to the extent it is not prohibited under the laws of its incorporation ~~(for issuers incorporated in Bermuda or~~*

~~the Cayman Islands see Appendix 13a, paragraph 2(1) and Appendix 13b, paragraph 2(1)).~~

...

**Additional Exceptions to the Rules for Certain Overseas Issuers with a WVR structure**

8A.45 Rules 8A.04 to 8A.06 do not apply to a Qualifying Issuer with a WVR structure seeking a secondary listing under Chapter 19C.

8A.46 Rules 8A.07 to 8A.36, 8A.43 and 8A.44 do not apply to a Grandfathered Greater China Issuer or a Non-Greater China Issuer with a WVR structure that has or is seeking:–

- (a) a dual primary listing on the Exchange under Chapter 19, on the condition that the issuer satisfies the qualification requirements under rule 8A.06 and has a track record of good regulatory compliance of at least two full financial years on a Qualifying Exchange of primary listing; or
- (b) a secondary listing under Chapter 19C.

Notes:

- (1) In accordance with Rule 2.06, the Exchange reserves the right, in its absolute discretion, to refuse a listing of securities of an overseas issuer, for example, if its WVR structure represents an extreme case of non-conformance with corporate governance norms.
- (2) This exemption is only applicable to the WVR structure in effect at the time of the issuer's dual primary listing or secondary listing on the Exchange.

**Chapter 9**

**EQUITY SECURITIES**

**APPLICATION PROCEDURES AND REQUIREMENTS**

**Preliminary**

...

9.09 There must be no dealing in the securities for which listing is sought by any core connected person of the issuer (except as permitted by rule 7.11):

- (a) in the case of listing application by listed issuers, from the time of submission of the formal application for listing until listing is granted; and
- (b) in the case of a new applicant, from 4 clear business days before the expected hearing date until listing is granted.

The directors of the issuer for whose securities listing is being sought shall forthwith notify the Exchange of any such dealing or suspected dealing of which they become aware. If any of the directors or their close associates are found to have engaged in such dealing, the application may be rejected.

Note: The Exchange may consider an application for a waiver from strict compliance with rule 9.09 for issuers with, or seeking, a dual primary listing or a secondary listing, subject to the following conditions:—

- (a) the core connected persons have no influence over the listing process and are not in possession of inside information;
- (b) the issuer promptly releases any inside information to the public in its overseas jurisdiction(s) in accordance with the relevant laws and regulations;
- (c) it is beyond the issuer's control that the core connected person(s) conduct dealings in the issuer's securities on markets outside the Exchange (e.g. a public investor who may become a substantial shareholder before the issuer lists on the Exchange); and
- (d) the issuer has systems in place to identify the dealings by any of its core connected persons during the restricted period and notifies the Exchange of breaches of dealing restriction by any of its core connected persons other than those who have already been exempted from strict compliance with rule 9.09 during the restricted period.

...

- 9.11 The following documents must be lodged with the Exchange by a new applicant in connection with its listing application:—

...

**At least 4 clear business days before the expected hearing date**

- ...
- (20) a confirmation from the new applicant's legal advisers that the new applicant's articles of association (i) conform with the relevant parts of Appendixes 3 and (for overseas issuers) the related guidance materials, and (where applicable) Appendix 13, and (ii) on the whole, are not inconsistent with the Exchange Listing Rules and the laws of the place where the new applicant is incorporated or otherwise established;
- ...

## Chapter 10

### EQUITY SECURITIES

#### RESTRICTIONS ON PURCHASE AND SUBSCRIPTION

##### Restrictions and Notification Requirements on Issuers Purchasing their own Shares on a Stock Exchange

- ...
- 10.06 (1) (a) ...
- ...
- (6) General
- ...
- (c) for the purposes of rules 10.05, 10.06, and 19.16 ~~and 19.43~~ "shares" shall mean shares of all classes and securities which carry a right to subscribe or purchase shares, of the issuer provided that the Exchange may waive the requirements of those rules in respect of any fixed participation shares which are, in the opinion of the Exchange, more analogous to debt securities than equity securities. References to purchases of shares include purchases by agents or nominees on behalf of the issuer or subsidiary of the issuer, as the case may be.
- ...

## Chapter 11

### EQUITY SECURITIES

#### LISTING DOCUMENTS

##### Contents

- 11.06 Subject to rule 11.09 and rule 11.09A, listing documents must contain all of the specific items of information which are set out in either Part A, B, E or F of

Appendix 1 (as the case may be). In those cases where listing is sought for securities of an issuer no part of whose share capital is already listed the items of information specified in Part A or E (as the case may be) must be included; in those cases where listing is sought for securities of an issuer some part of whose share capital is already listed the items of information specified in Part B or F (as the case may be) must be included.

Note: The Exchange may consider an application for a waiver from the disclosure requirement of the issue price or offer price under rule 11.06, paragraph 15(2)(c) of Appendix 1A and paragraph 49(2)(c) of Appendix 1E (as applicable) for issuers with, or seeking, a dual primary listing or a secondary listing, subject to the conditions that:–

- (a) the Commission grants a certificate of exemption from strict compliance with the relevant requirements of the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) the listing document discloses (i) the maximum offer price (also in the application forms); (ii) when the final offer price will be determined and how it will be published; (iii) the issuer's historical share prices during the trading record period and up to the latest practicable date; (iv) trading liquidity; and (v) the determinants of the final offer price; and
- (c) investors will be able to access the latest market price of the issuer's shares.

...

## **Chapter 13**

### **EQUITY SECURITIES**

#### **CONTINUING OBLIGATIONS**

...

#### **GENERAL MATTERS RELEVANT TO THE ISSUER'S SECURITIES**

##### **Changes in issued shares – next day disclosure return and monthly return**

...

- 13.25B A listed issuer shall, by no later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the fifth business day next following the end of each calendar month, submit

through HKEx-EPS, or such other means as the Exchange may from time to time prescribe, for publication on the Exchange's website, a monthly return in relation to movements in the listed issuer's equity securities, debt securities and any other securitised instruments, as applicable, during the period to which the monthly return relates, in such form and containing such information as the Exchange may from time to time prescribe (irrespective of whether there has been any change in the information provided in its previous monthly return). Such information includes, among other things, the number as at the close of such period of equity securities, debt securities and any other securitised instruments, as applicable, issued and which may be issued pursuant to options, warrants, convertible securities or any other agreements or arrangements.

*Note: The Exchange may consider an application for a waiver from strict compliance with rule 13.25B for issuers with, or seeking, a secondary listing under Chapter 19C, subject to the issuer meeting one of the following three conditions:*

- (a) it has received a relevant partial exemption from Part XV of the SFO;*
- (b) it publishes a "next day disclosure" in strict compliance with rule 13.25A;*  
*or*
- (c) it is subject to overseas laws or regulations that have a similar effect to rule 13.25B and any differences are not material to shareholder protection.*

...

### **Purchase of securities**

- 13.31 (1) ...
- (2) A PRC issuer shall not issue any redeemable shares unless the Exchange is satisfied that the relative rights of the holders of overseas listed foreign shares are adequately protected.

*Notes:*

...

2. *Issuers may only purchase their own securities on the Exchange in accordance with the provisions of rule 10.06 (which is, in the case of an overseas issuer, subject to rule ~~19.43~~19C.11 if the*



*issuer's primary listing is or is to be on another stock exchange; and in the case of a PRC issuer, amended by the provisions of Chapter 19A).*

...

### **Pre-emptive rights**

- 13.36 (1) (a) Except in the circumstances mentioned in rule 13.36(2), the directors of the issuer (other than a PRC issuer, to which the provisions of rule 19A.38 apply) shall obtain the consent of shareholders in general meeting prior to allotting, issuing or granting:—

...

- (2) No such consent as is referred to in rule 13.36(1)(a) shall be required:—

- (a) for the allotment, issue or grant of such securities pursuant to an offer made to the shareholders of the issuer which excludes for that purpose any shareholder that is resident in a place outside Hong Kong provided the directors of the issuer consider such exclusion to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place and, where appropriate, to holders of other equity securities of the issuer entitled to be offered them, pro rata (apart from fractional entitlements) to their existing holdings; or

...

- (b) if, but only to the extent that, the existing shareholders of the issuer have by ordinary resolution in general meeting given a general mandate to the directors of the issuer, either unconditionally or subject to such terms and conditions as may be specified in the resolution, to allot or issue such securities or to grant any offers, agreements or options which would or might require securities to be issued, allotted or disposed of, whether during the continuance of such mandate or thereafter, subject to a restriction that the aggregate number of securities allotted or agreed to be allotted must not exceed the aggregate of (i) 20% of the number of issued shares of the issuer as at the date of the resolution granting the general mandate (or in the case of a scheme of arrangement involving an introduction in the circumstances set out in rule 7.14(3), 20% of the number of issued shares of an overseas issuer

following the implementation of such scheme) and (ii) the number of such securities repurchased by the issuer itself since the granting of the general mandate (up to a maximum number equivalent to 10% of the number of issued shares of the issuer as at the date of the resolution granting the repurchase mandate), provided that the existing shareholders of the issuer have by a separate ordinary resolution in general meeting given a general mandate to the directors of the issuer to add such repurchased securities to the 20% general mandate.

*Notes: 1. Other than where independent shareholders' approval has been obtained, an issue of securities to a connected person pursuant to a general mandate given under rule 13.36(2)(b) is only permitted in the circumstances set out in rule 14A.92.*

*2. ~~[Repealed 1 January 2022]An overseas issuer does not have to comply with rule 13.36 if its primary listing is or is to be on another stock exchange and it is not subject to any other statutory or other requirement giving pre-emptive rights to shareholders over further issues of share capital.~~*

...

## MEETINGS

...

### Voting of directors at board meetings

13.44 ~~Subject to the exceptions set out in paragraphs (1), (2), (4) and (5) of Note 1 to Appendix 3, a~~ director of the issuer shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his close associates has a material interest nor shall he be counted in the quorum present at the meeting subject to the following exceptions:-

(1) the giving of any security or indemnity either:—

(a) to the director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the issuer or any of its subsidiaries;  
or

- (b) to a third party in respect of a debt or obligation of the issuer or any of its subsidiaries for which the director or his close associate(s) has himself/ themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (2) any proposal concerning an offer of shares or debentures or other securities of or by the issuer or any other company which the issuer may promote or be interested in for subscription or purchase where the director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (3) any proposal or arrangement concerning the benefit of employees of the issuer or its subsidiaries including:—
  - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the director or his close associate(s) may benefit; or
  - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to the director, his close associate(s) and employee(s) of the issuer or any of its subsidiaries and does not provide in respect of any director, or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (4) any contract or arrangement in which the director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the issuer by virtue only of his/their interest in shares or debentures or other securities of the issuer.

...

## NOTIFICATION

### Changes

13.51 An issuer must publish an announcement as soon as practicable in regard to: —

- (1) ...

Notes: ...

2. *An issuer shall not at any time permit or cause any amendment to be made to its memorandum or articles of association or bye-laws which would cause the same to cease to comply with the provisions of Appendix 3 or Section 1 of Part A or Part B (where appropriate) of Appendix 13.*

...

### **Circulars to holders of securities**

- 13.55 (1) In the event of a circular being issued to the holders of any of the issuer's securities, the issuer shall issue a copy or summary of such circular to the holders of all its other securities (not being bearer securities) unless the contents of such circular are of no material concern to such other holders.

Notes:

1. *Where there is a class of listed securities in bearer form, it may be sufficient to publish an announcement in accordance with rule 2.07C referring to the circular and giving an address or addresses from which copies can be obtained.*
2. *The Exchange may consider an application for a waiver from strict compliance with rule 13.55(1) for issuers with, or seeking, a secondary under Chapter 19C, subject to the condition that the issuer is subject to overseas laws and regulations that have a similar effect (i.e. that circulars are provided to Hong Kong shareholders) and any differences are not material to shareholder protection.*

...

### **GENERAL**

...

### **Nomination of directors**

- 13.70 An issuer must give its shareholders the opportunity to lodge a notice with it proposing a person for election as a director at a general meeting. The issuer shall publish an announcement in accordance with rule 2.07C or issue a supplementary circular upon receipt of a any such notice from a shareholder ~~to propose a person for election as a director at the general meeting where~~

such notice is received by the issuer after publication of the notice of meeting. The issuer shall include particulars of the proposed director in the announcement or supplementary circular. The issuer must give shareholders at least seven days to consider the relevant information disclosed in such an announcement or supplementary circular prior to the date of the meeting of the election.

*Note: The issuer must assess whether or not it is necessary to adjourn the meeting of the election to give shareholders a longer period of at least 10 business days to consider the relevant information disclosed in the announcement or supplementary circular.*

### **Notices**

- 13.71 An issuer shall send notices to all holders of its listed securities whether or not their registered address is in Hong Kong.
- 13.72 Any notice to be given by an issuer under this Chapter shall be in writing and any notice to the holder of a bearer security may be given by being published in accordance with rule 2.07C.
- 13.73 In addition to any direction of the court, the issuer shall ensure that notice of every meeting of its shareholders or its creditors concerning the issuer (e.g. for winding up petitions, schemes of arrangement or capital reduction) is published in accordance with rule 2.07C. The issuer shall despatch a circular to its shareholders at the same time as (or before) the issuer gives notice of the general meeting to approve the transaction referred to in the circular. The issuer shall provide its shareholders with any material information on the subject matter to be considered at a general meeting that comes to the directors' attention after the circular is issued. The issuer must provide the information either in a supplementary circular or by way of an announcement in accordance with rule 2.07C not less than 10 business days before the date of the relevant general meeting to consider the subject matter. The meeting must be adjourned before considering the relevant resolution to ensure compliance with this 10 business day requirement by the chairman or, if that is not permitted by the issuer's constitutional documents, by resolution to that effect (see also rule 13.41).

Notes:

1. *The issuer must assess the scale of revisions or updating required and materiality of the new information, revisions or updating required that has come to its attention since publication of the circular when deciding whether to issue a revised or supplementary circular or to publish an announcement in accordance with rule 2.07C. Where the revisions or updating required are significant, the issuer must consider carefully whether it would be better to publish a revised or supplementary circular rather than provide particulars of the changes in an announcement. The issuer should not overwhelm or confuse investors with lengthy announcements describing changes to information contained in the original circular.*
2. *The Exchange may consider an application for a waiver from strict compliance with rules 13.71 to 13.73 for issuers with, or seeking, a secondary listing under Chapter 19C, subject to the condition that the issuer is subject to overseas laws and regulations that have a similar effect (i.e. that notices are provided to Hong Kong shareholders) and any differences are not material to shareholder protection in Hong Kong.*

...

**Independent financial advisers**

- 13.80 An independent financial adviser appointed under rule 13.39(6)(b), rule 14A.44 or rule 19.05(6)(a)(iii) must take all reasonable steps to satisfy itself that:

...

- 13.81 The issuer must:
- (1) afford any independent financial adviser it appoints pursuant to rule 13.39(6)(b), rule 14A.44 or rule 19.05(6)(a)(iii) full access at all times to all persons, premises and documents relevant to the independent financial adviser's performance of its duties as set out in the Exchange Listing Rules. In particular, terms of engagement with experts retained to perform services related to the transaction should contain clauses entitling the independent financial adviser access to:

...

## Chapter 15A

### STRUCTURED PRODUCTS

...

#### Application Procedures and Requirements

...

15A.64 The following documents must be supplied to the Exchange as soon as practicable after the launch of the structured product but before the listing of the structured product:—

...

- (2) a remittance in respect of the listing fee, ~~transaction~~ levy and trading fees as determined pursuant to Appendix 8;

...

## Chapter 19

### EQUITY SECURITIES

#### PRIMARY LISTINGS OF OVERSEAS ISSUERS

##### Preliminary

19.01 The Exchange Listing Rules apply as much to overseas issuers as they do to Hong Kong issuers, ~~subject to~~ This Chapter sets out the additional requirements, modifications or exceptions set out or referred to in this Chapter that apply to an overseas issuer whose primary listing is or is to be on the Exchange. This includes an overseas issuer that has a dual primary listing.

19.02 ~~The Exchange Listing Rules for overseas issuers are different, depending on whether their primary listing is or is to be on the Exchange or on another stock exchange. The first section deals with rules for primary listings, and the second section deals with secondary listings.~~ may exercise its power under rule 2.04 to waive, modify or not require compliance with an Exchange Listing Rule for issuers with, or seeking, a listing under this chapter, on a case by case basis.

...

## **PRIMARY LISTINGS**

- 19.04 ~~[Repealed 1 January 2022]~~ This section sets out the additional requirements, modifications or exceptions which apply to an overseas issuer whose primary listing is or is to be on the Exchange.

### **Qualifications for Listing**

- 19.05 The following additional requirements apply:—

- (1) the Exchange reserves the right, in its absolute discretion, to refuse a listing of securities of an overseas issuer if it believes that it is not in the public interest to list them;—

- (a) ~~[Repealed 1 January 2022]~~ it believes that it is not in the public interest to list them; or

- (b) ~~[Repealed 1 January 2022]~~ the Exchange is not satisfied that the overseas issuer is incorporated or otherwise established in a jurisdiction where the standards of shareholder protection are at least equivalent to those provided in Hong Kong;

~~Note: Where the Exchange believes that the jurisdiction in which the overseas issuer is incorporated is unable to provide standards of shareholder protection at least equivalent to those provided in Hong Kong, but that it is possible by means of varying the overseas issuer's constitutive documents to provide standards of shareholder protection equivalent to those provided in Hong Kong, then the Exchange may approve the listing of securities of the overseas issuer subject to the overseas issuer making such variations to its constitutive documents as the Exchange may require.~~

...

- (6) where an overseas issuer wishes to obtain its primary listing on the Exchange by way of an introduction in the circumstances set out in rule 7.14(3):—, it must, if requested to do so by the Exchange, appoint an independent financial adviser acceptable to the Exchange to confirm that the proposals are in the interests of the holders of the securities of the existing listed company or companies.

- (a) ~~[Repealed 1 January 2022]~~ it must comply with the following additional requirements:—



- ~~(i) provide the Exchange with details of the relevant regulatory provisions (statutory or otherwise) in its place of incorporation or other establishment and demonstrate that the standards of shareholder protection provided by that jurisdiction are not lower than those pertaining in Hong Kong;~~
  - ~~(ii) include in the listing document a summary of the above-mentioned regulatory provisions in a form to be decided or agreed upon by the Exchange on a case by case basis and in the Exchange's absolute discretion, provided that, in the case of an overseas issuer which is incorporated or otherwise established in a jurisdiction in respect of which additional requirements are set out in Appendix 13, the summary need only be published on the Exchange's website and the issuer's own website (see Appendix 13); and~~
  - ~~(iii) with the exception of those overseas issuers which are incorporated or otherwise established in any jurisdiction in respect of which additional requirements are set out in Appendix 13, if requested to do so by the Exchange, appoint an independent financial adviser acceptable to the Exchange to confirm that the proposals are in the interests of the holders of the securities of the existing listed company or companies;~~
- (b) [Repealed 1 January 2022]in addition the overseas issuer must comply with such other requirements as the Exchange may on a case by case basis impose, in order to ensure that Hong Kong investors will be afforded the same level of protection as exists in Hong Kong in relation to the holding of securities in a Hong Kong issuer. The additional requirement currently imposed by the Exchange in respect of certain jurisdictions are set out in Appendix 13. The Exchange may add to or waive, modify or not require compliance with these requirements on a case by case basis; and
- (c) [Repealed 1 January 2022]attention is particularly drawn to the requirement in rule 7.14(3) that any reorganisation by way of scheme of arrangement or by any other means whereby securities are issued by an overseas issuer in exchange for the securities of

~~one or more listed Hong Kong issuers and the listing of the latter issuer or issuers is withdrawn at the same time as the securities of the overseas issuer are listed, must first be approved by a special resolution of the shareholders of the listed Hong Kong issuer or issuers.~~

...

## **Listing Documents**

19.08 ~~[Repealed 1 January 2022]~~Attention is particularly drawn to:—

- ~~(1) the requirement to include a statement of responsibility (see rule 11.12);~~
- ~~(2) the fact that the Exchange may require disclosure of such additional or alternative items of information as it considers appropriate in any particular case (see rule 11.11);~~
- ~~(3) the requirement to include a summary of the provisions of the constitutive documents of the overseas issuer and the relevant regulatory provisions (statutory or otherwise) of the jurisdiction in which the overseas issuer is incorporated or otherwise established, in the listing document (see rules 19.10(2) and (3) and 19.10A); and~~
- ~~(4) the modifications and additional requirements which apply in the case of an introduction in the circumstances set out in rule 7.14(3), where the overseas issuer is incorporated or otherwise established in certain named jurisdictions, and which are set out in Appendix 13.~~

...

19.10 The following modifications and additional requirements apply:—

...

- (2) the listing document must contain a summary of all provisions of the constitutive documents of the overseas issuer in so far as they may affect shareholders' rights and protections and directors' powers ~~(using the same subject headings as is required by Section 2 of Appendix 13 in respect of certain named jurisdictions)~~. This requirement is modified in the case of an overseas issuer which is incorporated or otherwise established in a jurisdiction in respect of which additional requirements are set out in Appendix 13 and which is applying for listing by way of an introduction in the circumstances set out in rule 7.14(3) ~~(see Appendix 13);~~

Note: An overseas issuer can refer to Section 2 of Appendix 13 Part D (The People's Republic of China) for guidance on the subject headings that should be used to provide this summary.

- (3) the listing document must contain a summary of the relevant regulatory provisions (statutory or otherwise) of the jurisdiction in which the overseas issuer is incorporated or otherwise established in a form to be agreed upon by the Exchange on a case by case basis and in the Exchange's absolute discretion. ~~This requirement is modified in the case of an overseas issuer which is incorporated or otherwise established in a jurisdiction in respect of which additional requirements are set out in Appendix 13 and which is applying for listing by way of an introduction in the circumstances set out in rule 7.14(3) (see Appendix 13);~~

...

- (5) for an introduction in the circumstances in rule 7.14(3), the following modifications, exceptions and additional requirements apply:—

- (a) the following may be published on the Exchange's website and the issuer's own website rather than set out in the listing document: the listing document must contain (but

- (i) (without in any way limiting the scope of the summary required by rule 19.10(2)) a comparison between the provisions of the listed Hong Kong issuer's existing articles of association and the proposed content of the constitutive documents of the overseas issuer ~~(in the same format as is set out in Section 2 of Appendix 13 in respect of certain named jurisdictions)~~. This requirement is modified in the case of an overseas issuer which is incorporated or otherwise established in a jurisdiction in respect of which additional requirements are set out in Appendix 13 (see Appendix 13);

Notes:

1. In such cases the details of the articles of association or equivalent document required to be set out in the listing document by paragraph 7 of Part A of Appendix 1 may be limited to a summary of the changes, if any, between the Hong Kong issuer's articles of association and the overseas issuer's proposed constitutive documents, in respect of each

of the areas set out in that paragraph, provided that the summary also includes details of any differences or additional provisions in the proposed new constitutive documents which confer on directors of the overseas issuer any special powers, the exercise of which would affect the rights or interests of the shareholders.

2. An overseas issuer can refer to Section 2 of Appendix 13 Part D (The People's Republic of China) for guidance on the format that should be used to provide this comparison.

(ii) a summary of the provisions of the constitutive documents of the overseas issuer, which is required by rule 19.10(2); and

(iii) a summary of the relevant regulatory provisions (statutory or otherwise) of the jurisdiction in which the overseas issuer is incorporated or otherwise established which is required by rule 19.10(3) together with a copy of all relevant statutes and/or regulations;

...

- (6) the documents to be published on the Exchange's website and the issuer's own website will be the documents corresponding to those mentioned in paragraph 53 of Part A and paragraph 43 of Part B of Appendix 1. Unless otherwise provided by the Companies (Winding Up and Miscellaneous Provisions) Ordinance, where any of such documents are not in the English language, certified English translations thereof must be published on the Exchange's website and the issuer's own website. In addition, where rule 19.10(3) applies, the overseas issuer must publish on the Exchange's website and the issuer's own website a copy of any statutes or regulations which are relevant to the summary of the regulatory provisions of the jurisdiction in which the overseas issuer is incorporated or otherwise established. In particular cases, the Exchange may require other additional documents to be published on the Exchange's website and the issuer's own website; and

Note: The Exchange may consider an application for a waiver from strict compliance with the requirement to publish on the Exchange's website and the issuer's own website the relevant statutes or regulations under rule 19.10(6) for issuers having a

dual primary listing, subject to the conditions that the website addresses of the relevant statutes and regulations applicable to the issuer are disclosed in the listing document; and these websites are easily accessible to the public free of charge.

...

### **Accountants' Reports**

19.11 ~~[Repealed 1 January 2022]~~Attention is particularly drawn to the requirement for the reporting accountant to be independent both of the overseas issuer and of any other company concerned (see rule 4.03).

19.12 An accountants' report will not normally be regarded as acceptable unless the relevant accounts have been audited to a standard comparable to that required in ~~Hong Kong~~required by the Hong Kong Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board of the International Federation of Accountants.

Note: A list of alternative overseas auditing standards that are considered comparable to the standards set out in this rule is published on the Exchange's website, as amended from time to time.

19.13 Accountants' Reports ~~will normally be~~ are required to conform with financial reporting standards acceptable to the Exchange, which are normally HKFRS or IFRS~~the requirements as to accounting standards set out in rules 4.11 to 4.13.~~

19.14 Where the Exchange allows a report to be drawn up otherwise than in conformity with ~~Hong Kong Financial Reporting Standards~~HKFRS or ~~International Financial Reporting Standards~~IFRS, the report will be required to conform with ~~accounting~~financial reporting standards acceptable to the Exchange. In such cases the Exchange will normally require the report to contain a reconciliation statement of setting out the financial effect of the material differences (if any) from either ~~of the above accounting standards~~HKFRS or IFRS.

#### Notes:

1. The suitability of alternative overseas financial reporting standards depends on whether there is any significant difference between the overseas financial reporting standards and IFRS, and whether there is

any concrete proposal to converge or substantially converge the overseas financial reporting standards with IFRS.

2. A list of alternative overseas financial reporting standards that are considered comparable to HKFRS or IFRS is published on the Exchange's website, as amended from time to time.

3. The reconciliation statement must be reviewed by the reporting accountant that reports on the relevant financial statements.

4. An overseas issuer with a dual primary listing that adopts one of the alternative standards referred to in Note 2 above (other than issuers incorporated in a member state of the European Union which have adopted EU-IFRS) for the preparation of its accountants' reports must adopt HKFRS or IFRS if it de-lists from the jurisdiction of that alternative standard and must do so for any annual and interim financial statements that fall due under the Exchange Listing Rules, and are published, after the first anniversary of the date of its de-listing.

...

### **Continuing Obligations**

19.17 ~~[Repealed 1 January 2022]~~ Whilst Chapter 13 and Appendix 16 apply equally to overseas issuers, the Exchange may be prepared to agree to such modifications as it considers appropriate in a particular case.

19.18 ~~[Repealed 1 January 2022]~~ Conversely, the Exchange may impose additional requirements in a particular case. In particular, the Exchange may impose such additional requirements as it considers necessary to ensure that investors have the same protection as that afforded to them in Hong Kong. The additional requirements currently imposed by the Exchange in respect of certain jurisdictions are set out in Appendix 13. The Exchange may add to or waive, modify or not require compliance with, these requirements on a case by case basis in its absolute discretion.

### **Annual report and accounts and auditors' report**

...

19.20 The annual accounts must be audited by a person, firm or company who must be a practising accountant of good standing. Such person, firm or company must also be independent of the overseas issuer to the same extent as that

required of an auditor under the Companies Ordinance and in accordance with the statements requirements on independence issued by the International Federation of Accountants and, if the overseas issuer's primary listing is or is to be on the Exchange, must be either:—

- (1) qualified under the ~~Professional Accountants Ordinance~~ PAO for appointment as an auditor of a company and a Registered PIE Auditor under the FRCO; or
- (2) ~~a firm of accountants acceptable to the Exchange which has an international name and reputation and is a member of a recognised body of accountants~~ an overseas firm of practising accountants that is a Recognised PIE Auditor of that issuer under the FRCO.

*Note: In relation to an application for the recognition of an overseas firm of practising accountants under the FRCO, on a request made by an overseas issuer, the Exchange may provide a statement of no objection to that issuer for appointing an overseas firm of practising accountants to carry out a PIE Engagement for that issuer under section 20ZF(2)(a) of the FRCO (see note 2 to rule 4.03(1)).*

19.21 The annual accounts must be audited to a standard comparable to that required by the Hong Kong Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board of the International Federation of Accountants.

*Note: A list of alternative overseas auditing standards that are considered comparable to the standards set out in this rule is published on the Exchange's website, as amended from time to time.*

...

19.25A The annual accounts are required to conform with financial reporting standards acceptable to the Exchange, which are normally HKFRS or IFRS. Where the Exchange allows annual accounts to be drawn up otherwise than in conformity with HKFRS or IFRS, the annual accounts will be required to conform with financial reporting standards acceptable to the Exchange. In such cases the Exchange will normally require the annual accounts to contain a reconciliation statement setting out the financial effect of the material differences (if any) from either HKFRS or IFRS.

Notes:

1. The suitability of alternative overseas financial reporting standards depends on whether there is any significant difference between the overseas financial reporting standards and IFRS, and whether there is any concrete proposal to converge or substantially converge the overseas financial reporting standards with IFRS.
2. A list of alternative overseas financial reporting standards that are considered comparable to HKFRS or IFRS is published on the Exchange's website, as amended from time to time.
3. An overseas issuer is also required to include a reconciliation statement in its interim report. The reconciliation statement contained in the annual accounts or interim report must be reviewed by its auditor.
4. An overseas issuer with a dual primary listing that adopts one of the alternative standards referred to in Note 2 above (other than issuers incorporated in a member state of the European Union which have adopted EU-IFRS) for the preparation of its annual accounts must adopt HKFRS or IFRS if it de-lists from the jurisdiction of that alternative standard and must do so for any annual and interim financial statements that fall due under the Exchange Listing Rules, and are published, after the first anniversary of the date of its de-listing.

**Listing Fees**

- 19.26 ~~[Repealed 1 January 2022]Details of the initial listing fee, annual listing fee, subsequent issue fee and other charges together with details of the brokerage charge, transaction levies and trading fees on new issues are set out in Appendix 8.~~

...

**SECONDARY LISTINGS**

- 19.29 ~~[Repealed 1 January 2022]This section sets out the additional requirements, modifications or exceptions which apply to an overseas issuer whose primary listing is or is to be on another stock exchange.~~

**Qualifications for Listing**

- 19.30 ~~[Repealed 1 January 2022]The following additional requirements apply:—~~



~~(1) the Exchange reserves the right, in its absolute discretion, to refuse a listing of securities of an overseas issuer if:—~~

~~(a) it believes that it is not in the public interest to list them; or~~

~~(b) it is not satisfied that the overseas issuer's primary listing is or is to be on an exchange where the standards of shareholder protection are at least equivalent to those provided in Hong Kong;~~

~~*Note: Where the Exchange believes that the jurisdiction in which the overseas issuer is incorporated is unable to provide standards of shareholder protection at least equivalent to those provided in Hong Kong, but that it is possible by means of varying the overseas issuer's constitutive documents to provide standards of shareholder protection equivalent to those provided in Hong Kong, then the Exchange may approve the listing of securities of the overseas issuer subject to the overseas issuer making such variations to its constitutive documents as the Exchange may require.*~~

~~(2) the overseas issuer must normally appoint, and maintain throughout the period the overseas issuer's securities are listed on the Exchange the appointment of, a person authorised to accept service of process and notices on its behalf in Hong Kong, and must notify the Exchange of his appointment and any termination of his appointment and details of:—~~

~~(a) his address for service of process and notices;~~

~~(b) if different, his place of business or, if he does not maintain a place of business, his residential address;~~

~~(c) his business or residential telephone number, as the case may be;~~

~~(d) his email address and facsimile number (if available); and~~

~~(e) any change in the above particulars;~~

~~*Note: The person appointed under this rule may also be the person authorised to accept service required to be appointed under Part 16 of the Companies Ordinance, if*~~

~~applicable.~~

- ~~(3) listing on the overseas issuer's primary exchange must have been granted before listing on the Exchange can be granted;~~
- ~~(4) (a) in the case of registered securities (other than those transferable by endorsement and delivery), provision must be made for a register of holders to be maintained in Hong Kong, or such other place as the Exchange may agree, and for transfers to be registered locally. The Exchange may, however, consider an alternative proposal for registering transfers for Hong Kong holders in exceptional circumstances provided that adequate arrangements are made to have a share transfer agent in Hong Kong; and~~
  - ~~(b) in the case of bearer securities, provision must be made for the payment of dividends or interest and repayment of capital in Hong Kong, or such other place as the Exchange may agree;~~
- ~~(5) unless the Exchange otherwise agrees only securities registered on the Hong Kong register may be traded on the Exchange; and~~
- ~~(6) where two or more share registers are maintained it will not be necessary for the Hong Kong register to contain particulars of the shares registered on any other register.~~

19.31 ~~[Repealed 1 January 2022]The requirement in rule 8.08 that a prescribed percentage of any class of listed securities must at all times be held by the public does not apply.~~

#### **~~Application Procedures and Requirements~~**

19.32 ~~[Repealed 1 October 2013]~~

19.33 ~~[Repealed 1 January 2022]The following modifications apply:—~~

- ~~(1) in rules 9.09, 9.11(3a), 9.11(3b), 9.11(17b), 9.11(28), 9.11(38) and 9.20(1) the references to “directors” should be read as references to members of the overseas issuer's governing body;~~
- ~~(2) the one signed copy of the listing document lodged with the Exchange pursuant to rule 9.11(29)(a) may be signed by two members of the~~

overseas issuer's governing body or by their agents authorised in writing rather than by or on behalf of every director or proposed director; and

- ~~(3) the declaration and undertaking to be lodged under rule 9.11(38) may require adjustment by virtue of the laws to which the overseas issuer is subject.~~

### **Listing Documents**

19.34 ~~[Repealed 1 January 2022]~~Attention is particularly drawn to:—

- ~~(1) the requirement to include a statement of responsibility (see rule 11.12); and~~
- ~~(2) the fact that the Exchange may require disclosure of such additional or alternative items of information as it considers appropriate in any particular case (see rule 11.11). In particular, the Exchange may require the listing document to contain a summary of the relevant regulatory provisions (statutory or otherwise) which apply to companies with a primary listing on the overseas issuer's primary stock exchange, in a form to be agreed upon by the Exchange on a case by case basis.~~

19.35 ~~[Repealed 1 January 2022]~~The Exchange may be prepared to permit the omission of information where it considers it appropriate. In considering requests for any such omissions, the Exchange will have regard to:—

- ~~(1) whether the overseas issuer has its primary listing on a regulated, regularly operating, open stock market recognised for this purpose by the Exchange and conducts its business and makes disclosure according to the accepted standards in Hong Kong; and~~
- ~~(2) the nature and extent of the regulatory standards and controls to which the overseas issuer is subject on its primary exchange.~~

~~Overseas issuers who want to omit any of the prescribed information should therefore consult the Exchange at the earliest possible opportunity.~~

19.36 ~~[Repealed 1 January 2022]~~The following modifications and additional requirements apply:—

- ~~(1) some of the items of information specified in Parts A and B of Appendix 1 may be inappropriate. In such a case, the item should be appropriately adapted so that equivalent information is given;~~

- ~~(2) if the overseas issuer does not have a board of directors, the statement of responsibility required under paragraph 2 of Parts A and B of Appendix 1 must be made by all the members of the overseas issuer's equivalent governing body and the listing document should be modified appropriately;~~
- ~~(3) the documents to be published on the Exchange's website and the issuer's own website will be the documents corresponding to those mentioned in paragraph 53 of Part A and paragraph 43 of Part B of Appendix 1. Unless otherwise provided by the Companies (Winding Up and Miscellaneous Provisions) Ordinance, where any of such documents are not in the English language, certified English translations thereof must be published on the Exchange's website and the issuer's own website. In particular cases, the Exchange may require additional documents to be published on the Exchange's website and the issuer's own website;~~
- ~~(4) overseas issuers which are subject to public reporting and filing obligations in their country of incorporation or other establishment (or primary listing, if different) may be permitted to incorporate in listing documents relevant documents so published. Such documents must be in English, or accompanied by a certified English translation. For example, overseas issuers subject to Securities and Exchange Commission filing requirements in the United States of America may be able to utilise such documents. The Exchange should be consulted in such cases;~~
- ~~(5) the listing document need not be accompanied by a Chinese translation, unless required to do so by section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, but must be in the English language or be accompanied by a certified English translation; and~~
- ~~(6) for the purposes of rule 2.11, the overseas issuer need only appoint one authorised representative who need not be a director or secretary but must be a person acceptable to the Exchange. The authorised representative may also be the person authorised to accept service required to be appointed under the provisions of rule 19.30(2). The authorised representative should act as the principal channel of communication between the overseas issuer and the Exchange.~~

### **Accountants' Reports**

- 19.37 ~~[Repealed 1 January 2022]~~Attention is particularly drawn to the requirement for the reporting accountant to be independent both of the overseas issuer and of any other company concerned (see rule 4.03).
- 19.38 ~~[Repealed 1 January 2022]~~A report will not normally be regarded as acceptable unless the relevant accounts have been audited to a standard comparable to that required in Hong Kong.
- 19.39 ~~[Repealed 1 January 2022]~~Reports are required to conform with accounting standards acceptable to the Exchange which will normally be:—
- ~~(a) Hong Kong Financial Reporting Standards; or~~
  - ~~(b) International Financial Reporting Standards; or~~
  - ~~(c) generally accepted accounting principles in the United States of America ("US GAAP").~~

~~Where the Exchange allows reports to be drawn up otherwise than in conformity with the accounting standards set out in this rule, the Exchange may, having regard to the exchange on which the overseas issuer has its primary listing, require the report to contain a statement of the financial effect of the material differences (if any) from either of the accounting standards referred to in rule 4.11.~~

- 19.40 ~~[Repealed 1 January 2022]~~As indicated in rules 4.14 to 4.16, where the figures in the report differ from those in the audited annual accounts, a statement of adjustments must be submitted to the Exchange enabling the figures to be reconciled.

### **Options, Warrants and Similar Rights**

- 19.41 ~~[Repealed 1 January 2022]~~The Exchange may be prepared to vary the limit in rule 15.02(1) for an overseas issuer if the issuer's primary listing is or is to be on another stock exchange where such a limit does not apply.

### **Share Schemes**

- 19.42 ~~[Repealed 1 January 2022]~~The Exchange may be prepared to vary the

~~requirements applicable to schemes involving the issue of or grant of options over shares or other securities by listed issuers to, or for the benefit of, executives and/or employees set out in Chapter 17 for an overseas issuer if its primary listing is or is to be on another stock exchange where different (or no such) requirements apply.~~

### **Restrictions and Notification Requirements on Overseas Issuers Purchasing their own Shares on a Stock Exchange**

19.43      [Repealed 1 January 2022]

~~(1) An overseas issuer may purchase its own shares on the Exchange in accordance with the relevant provisions of rule 10.06, provided that the Exchange will be prepared to waive some or all of the applicable dealing restrictions set out in rule 10.06(2) if the overseas issuer's primary exchange already imposes equivalent dealing restrictions on the overseas issuer in respect of purchases of shares on the Exchange.~~

~~(2) The Exchange will be prepared to waive the requirement to cancel and destroy the documents of title of purchased shares in the case of an overseas issuer whose primary exchange permits treasury stock, provided that the overseas issuer must apply for the relisting of any such shares which are reissued as if it were a new issue of those shares.~~

### **Continuing Obligations**

19.44      [Repealed 1 January 2022] Whilst Chapter 13 and Appendix 16 apply equally to overseas issuers, the Exchange will be prepared to agree to such modifications as it considers appropriate in a particular case. In particular, in the case of an overseas issuer whose primary listing is on another regulated, regularly operating, open stock market recognised for this purpose by the Exchange, the Exchange may accept such modifications which provide for equivalent continuing obligations to those imposed by that other stock market.

19.45      [Repealed 1 January 2022] Conversely, the Exchange may impose additional requirements in a particular case. In particular, if the overseas issuer's primary listing is or is to be on an exchange with regulatory requirements which the Exchange is not satisfied provide equivalent shareholder protection to that provided in Hong Kong, the Exchange may impose such additional requirements as it considers necessary to ensure that the overseas issuer will

~~provide equivalent standards of shareholder protection.~~

***Annual report and accounts and auditors' report***

- 19.46 ~~[Repealed 1 January 2022]The following modifications and additional requirements apply to Appendix 16 insofar as an issuer is an overseas issuer. To the extent such modifications and additional requirements conflict with the provisions of Appendix 16, the following provisions shall apply.~~
- 19.47 ~~[Repealed 1 January 2022]The annual accounts must be audited by a person, firm or company who must be a practising accountant of good standing. Such person, firm or company must also be independent of the overseas issuer to the same extent as that required of an auditor under the Companies Ordinance and in accordance with the statements on independence issued by the International Federation of Accountants and, if the overseas issuer's primary listing is or is to be on the Exchange, must be either:—~~
- ~~(1) qualified under the Professional Accountants Ordinance for appointment as an auditor of a company; or~~
- ~~(2) a firm of accountants acceptable to the Exchange which has an international name and reputation and is a member of a recognised body of accountants.~~
- 19.48 ~~[Repealed 1 January 2022]The accounts must be audited to a standard comparable to that required by the Hong Kong Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board of the International Federation of Accountants.~~
- 19.49 ~~[Repealed 1 January 2022]The report of the auditors must be annexed to all copies of the annual accounts and indicate whether in the opinion of the auditors the accounts give a true and fair view:—~~
- ~~(1) in the case of the overseas issuer's balance sheet, of the state of its affairs at the end of the financial year and in the case of the overseas issuer's profit and loss account, of the profit or loss and cash flows for the financial year; and~~
- ~~(2) in the case where consolidated accounts are prepared, of the state of affairs and profit or loss of the overseas issuer and cash flows of the group.~~

- 19.50 ~~[Repealed 1 January 2022]~~The report of the auditors must indicate the act, ordinance or other legislation in accordance with which the annual accounts have been drawn up and the authority or body whose auditing standards have been applied.
- 19.51 ~~[Repealed 1 January 2022]~~If the overseas issuer is not required to draw up its accounts so as to give a true and fair view but is required to draw them up to an equivalent standard, the Exchange may allow its accounts to be drawn up to that standard. Reference must, however, be made to the Exchange. If an overseas issuer is in doubt as to what more detailed and/or additional information should be provided, it should contact the Exchange for guidance.
- 19.52 ~~[Repealed 1 January 2022]~~An auditors' report which conforms to the requirements of the International Standards on Auditing issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants is acceptable.
- 19.53 ~~[Repealed 1 January 2022]~~An auditors' report in a different form may be applicable in the case of banking and insurance companies. The wording of such an auditors' report should make it clear whether or not profits have been stated before transfers to or from undisclosed reserves.

### **~~Listing Fees~~**

- 19.54 ~~[Repealed 1 January 2022]~~Details of the initial listing fee, annual listing fee, subsequent issue fee and other charges together with details of the brokerage charge, transaction levies and trading fees on new issues are set out in paragraph 11 of Appendix 8.

### **~~General~~**

- 19.55 ~~[Repealed 1 January 2022]~~All documents furnished by an overseas issuer, including accounts, which are in a language other than English must be accompanied by a certified English translation. If the Exchange so requires, an additional translation must be prepared in Hong Kong at the overseas issuer's expense by such person or persons as the Exchange shall specify.
- 19.56 ~~[Repealed 1 January 2022]~~Information to be supplied by overseas issuers in a listing document or accounts notwithstanding any obligation in the Exchange Listing Rules, the Statutory Rules or any obligation imposed by the laws of



Hong Kong shall not be less than that required to be supplied by the overseas issuer in its place of incorporation or other establishment.

19.57 ~~[Repealed 1 January 2022]~~If, in the sole opinion of the Exchange, the majority of trading in the overseas issuer's securities is likely to be on the Exchange, then:—

- ~~(1) the overseas issuer's primary listing must be on a regulated, regularly operating, open stock market which is recognised for this purpose by the Exchange;~~
- ~~(2) the overseas issuer must have an adequate nexus with that market; and~~
- ~~(3) the primary regulator in that market must have entered into a written agreement with the Exchange governing the parties' respective roles in the regulation of the overseas issuer, in a form acceptable to the Exchange, after prior consultation with the Commission.~~

~~Note 1: London Stock Exchange plc and the Irish Stock Exchange Limited are recognised for this purpose by the Exchange. If an overseas issuer's primary listing will be on a different stock market, in these circumstances, then the overseas issuer must satisfy the Exchange that the proposed stock market should be recognised by the Exchange for this purpose.~~

~~Note 2: Overseas issuers should note that in these circumstances the Exchange reserves the right to charge the same amounts in listing fees as are payable in the case of a primary listing (see paragraph 11 of Appendix 8).~~

~~Note 3: An adequate nexus will be shown where there is an established trading market in the overseas issuer's securities in the primary market. In determining whether there is an established trading market the Exchange will normally expect, inter alia, at least 10 per cent. of worldwide trading volume or HK\$1 billion of trading by value in the overseas issuer's securities to have taken place on the overseas issuer's primary exchange during the 12 month period preceding the application for a secondary listing.~~

### **Common Waivers**

19.58 The Exchange will consider applications for waivers from issuers with, or seeking, a dual primary listing under this chapter, based on the underlying principle that the issuer can demonstrate that strict compliance with both the relevant Exchange Listing Rules and the overseas regulations would be unduly burdensome or unnecessary (including where the requirements under the Exchange Listing Rules contradict the applicable overseas laws or regulations and strict compliance with the Exchange Listing Rules would result in a breach of applicable overseas laws or regulations) and that the granting of such waivers by the Exchange will not prejudice the interest of the investing public. In particular, the Exchange will consider applications for waivers from strict compliance with rules 2.07C(4)(a), 9.09, 11.06, 19.10(6), paragraph 15(2)(c) of Appendix 1A and paragraph 49(2)(c) of Appendix 1E from overseas issuers with, or seeking, a dual primary listing under this chapter. The Exchange will consider these applications on individual merit based on all relevant facts and circumstances, including compliance with the prescribed conditions as set out in the relevant rules.

19.59 An overseas issuer may apply for waivers from the requirements of other rules which the Exchange will consider on a case by case basis, based on the general principles set out in Chapter 2 and rule 19.02.

### **Company Information Sheet**

19.60 An overseas issuer with a primary listing or dual primary listing that meets any of the following criteria should publish a Company Information Sheet on the relevant information as soon as possible on the Exchange's website and the overseas issuer's website:

- (1) there are novel waiver(s) granted to the issuer (for example, where an overseas issuer is allowed to take alternative measures to meet any core shareholder protection standards set out in Appendix 3 without providing such standards in its constitutional documents);
- (2) the laws and regulations in its home jurisdiction and primary market are materially different from those required by Hong Kong laws regarding:
  - (a) the rights of holders of its securities and how they can exercise their rights;

(b) directors' powers and investor protection; and

(c) the circumstances under which its minority shareholders may be bought out or may be required to be bought out after a successful takeover or share repurchase;

(3) it is subject to any withholding tax on distributable entitlements or any other tax that is payable by shareholders (e.g. capital gains tax, inheritance or gift taxes); or

(4) it is listing depositary receipts.

The Exchange may also at its own discretion require an issuer to publish a Company Information Sheet if it is of the view it will be informative to investors.

Notes:

1. The purpose of the Company Information Sheet is to enable investors to easily locate specific information on the differences between the overseas requirements to which an overseas issuer is subject and the Hong Kong requirements.

2. The relevant information to be disclosed under Rule 19.60(3) includes details of the relevant tax(es) and whether Hong Kong investors have any tax reporting obligations.

3. The relevant information to be disclosed under Rule 19.60(4) includes a summary of the terms and conditions in the depositary agreement and deed poll.

19.61 An overseas issuer that is required to publish a Company Information Sheet must update it from time to time to reflect any material change to the information disclosed within it as soon as practicable after such a change occurs.

**Chapter 19A**  
**EQUITY SECURITIES**  
**ISSUERS INCORPORATED**  
**IN THE PEOPLE'S REPUBLIC OF CHINA**

**Preliminary**

...

19A.02 This Chapter sets out the additional requirements, modifications and exceptions which apply to PRC issuers seeking or maintaining a primary listing on the Exchange. Rules 19.01 to 19.28~~61~~ (inclusive) do not apply in the case of such PRC issuers.

19A.02A The Exchange may exercise its power under rule 2.04 to waive, modify or not require compliance with an Exchange Listing Rule for a PRC issuer with, or seeking, a listing under this chapter on a case by case basis. For PRC issuers with, or seeking, a dual primary listing under this chapter, the Exchange will consider applications for waivers from strict compliance with an Exchange Listing Rule based on the underlying principle that the issuer can demonstrate that strict compliance with both the relevant Exchange Listing Rule and the regulations of the other exchange of primary listing would be unduly burdensome or unnecessary (including where the requirements under the Exchange Listing Rules contradict the applicable overseas laws or regulations and strict compliance with the Exchange Listing Rules would result in a breach of applicable overseas laws or regulations) and that the granting of such waivers by the Exchange will not prejudice the interest of the investing public.

...

**Chapter 4 — Accountants' Reports and Pro Forma Financial Information**

19A.08 The reporting accountants for a PRC issuer must normally be qualified and be independent to the same extent as required under rule 4.03 for the reporting accountants of any other issuer. The Exchange also accepts, under the mutual recognition agreement, a PRC firm of practising accountants which has been approved by the China Ministry of Finance and the China Securities Regulatory Commission as being suitable to act as an auditor or a reporting accountant for a PRC incorporated company listed in Hong Kong on the condition that the PRC issuer has adopted CASBE for the preparation of its annual financial statements. Such a PRC firm of practising accountants must be independent

to the same extent as required under rule 4.03 for the reporting accountants of any other issuer.

Notes:

1. The mutual recognition agreement means the agreement between the Mainland of China and Hong Kong in 2009 for mutual recognition of qualified auditors from either jurisdiction (home jurisdiction) to act as auditors of corporations incorporated in the home jurisdiction and listed in the other jurisdiction.
2. Where the preparation of an accountants' report constitutes a PIE Engagement under the FRCO, that PRC firm of practising accountants must also be regulated under the FRCO and be a Recognised PIE Auditor under section 20ZT of the FRCO.

...

## **Chapter 10 — Restrictions on Purchase and Subscription**

- 19A.24 A PRC issuer may purchase its own shares on the Exchange in accordance with the provisions of this rule and rules 10.05 and 10.06. Although the share repurchase provisions of rules 10.05 and 10.06 normally apply to a PRC issuer's equity securities which are listed on the Exchange and which are or are proposed to be purchased on the Exchange, when seeking shareholders' approval to make purchases of such securities on the Exchange or when reporting such purchases, a PRC issuer should provide information on the proposed or actual purchases of any or all of its equity securities, whether or not listed or traded on the Exchange. Therefore, in the case of a PRC issuer, rule 10.06(6)(c) is amended and restated in its entirety to read as follows:

...

- (c) for the purposes of rules 10.05, 10.06, and 19A.24 and 19.46, "shares" shall mean shares of all classes listed on the Exchange and securities listed on the Exchange which carry a right to subscribe or purchase shares of the PRC issuer, provided that references to "shares" in rules 10.06(1)(b) and 10.06(4) shall also include shares of all classes listed on any stock exchange and securities that are listed on any stock exchange which carry a right to subscribe or purchase shares of such PRC issuer, and provided further that the Exchange may waive the requirements of those rules in respect of any fixed participation shares which are, in the opinion of the Exchange, more analogous to debt securities than equity securities. References to purchases of shares include purchases by

agents or nominees on behalf of the PRC issuer or subsidiary of the PRC issuer, as the case may be.

...

### Chapter 13 — Continuing Obligations

...

19A.29A The reference to “every member” in rule 13.46(2) shall mean and refer to only registered holders of the PRC issuer’s H shares.

#### ***Annual report and accounts and auditors’ report***

...

19A.31 The annual accounts must be audited by a person, firm or company who must be a practising accountant of good standing. Such person, firm or company must also be independent of the PRC issuer to the same extent as that required of an auditor under the Companies Ordinance and in accordance with the ~~statements~~requirements on independence issued by the International Federation of Accountants and, if the PRC issuer’s primary listing is or is to be on the Exchange, must be:

- (1) qualified under the ~~Professional Accountants Ordinance~~PAO for appointment as an auditor of a company and a Registered PIE Auditor under the FRCO; or
- (2) ~~a firm of practising accountants acceptable to the Exchange which has an international name and reputation and is a member of a recognised body of accountants~~an overseas firm of practising accountants that is a Recognised PIE Auditor of that issuer under the FRCO; or
- (3) ~~[Repealed 1 January 2022]a firm of practising accountants acceptable to the Exchange which is a joint venture approved or otherwise permitted by the China Securities Regulatory Commission or other competent authority in the PRC to act as an auditor of a listed company in the PRC and at least one of whose principal joint venture partners is either qualified under (1) or acceptable under (2); or~~
- (4) under the mutual recognition agreement, a PRC firm of practising accountants which has been approved by the China Ministry of Finance and the China Securities Regulatory Commission as being suitable to act as an auditor or a reporting accountant for a PRC incorporated company listed in Hong Kong and is a Recognised PIE Auditor under section 20ZT

of the FRCO on the condition that the PRC issuer has adopted CASBE for the preparation of its annual financial statements.

Notes:

1. In relation to an application for the recognition of an overseas firm of practising accountants under the FRCO, on a request made by a PRC issuer, the Exchange may provide a statement of no objection to that issuer for appointing an overseas firm of practising accountants to carry out a PIE Engagement for that issuer under section 20ZF(2)(a) of the FRCO (see note 2 to rule 4.03(1)).

2. The mutual recognition agreement referred to in (4) above means the agreement between the Mainland of China and Hong Kong in 2009 for mutual recognition of qualified auditors from either jurisdiction (home jurisdiction) to act as auditors of corporations incorporated in the home jurisdiction and listed in the other jurisdiction.

...

**Listing Fees**

19A.40 Details of the initial listing fee, annual listing fee, subsequent issue fee and other charges together with details of the brokerage charge, ~~transaction~~-levies and trading fees on new issues are set out in Appendix 8.

...

**Appendix 3 — Articles of Association or equivalent constitutional documents**

19A.45 A PRC issuer shall not at any time permit or cause any amendment to be made to its articles of association which would cause the same to cease to comply with the provisions of Appendix 3 or Section 1 of Part D of Appendix 13.

19A.46 ~~[Repealed 1 January 2022]~~References to “shares” in paragraphs 1(1) and 1(2) of Appendix 3 shall mean and refer to H shares only, and shall not include the domestic shares of a PRC issuer.

19A.47 ~~[Repealed 1 January 2022]~~Paragraph 3(2) of Appendix 3 shall, in the case of a PRC issuer, be amended and restated to read as follows:  
“Where power is taken to forfeit unclaimed dividends, that power shall not be exercised until after the expiration of the applicable limitations period.”

- 19A.48 ~~[Repealed 1 January 2022]~~The reference to “every member” in paragraph 5 of Appendix 3 shall mean and refer to only registered holders of the PRC issuer’s H shares.
- 19A.49 ~~[Repealed 1 January 2022]~~Paragraphs 6(2), 7(2), 11(1) and 11(2) of Appendix 3, which are covered by the additional required provisions set out in Section 1 of Part D of Appendix 13, shall not apply to a PRC issuer.

#### **Other Requirements Applicable to PRC Issuers**

...

## **Chapter 19C**

### **EQUITY SECURITIES**

#### **SECONDARY LISTINGS OF QUALIFYING ISSUERS OVERSEAS ISSUERS**

##### **Scope**

The Exchange Listing Rules apply as much to overseas issuers with, or seeking, a secondary listing as they do to other issuers, subject to the additional requirements, modifications or exceptions set out or referred to in this chapter.

~~This Chapter sets out the additional requirements, modifications or exceptions to the Exchange Listing Rules for Qualifying Issuers that have, or are seeking, a secondary listing on the Exchange.~~

~~Qualifying Issuers that are overseas issuers must also comply with Chapter 19, subject to the additional requirements, modifications and exceptions set out in this Chapter.~~

Overseas issuers~~Qualifying Issuers~~ are encouraged to contact the Exchange if they envisage any difficulties in complying fully with the applicable requirements set out in this chapter.

##### **Definitions**

19C.01 In this Chapter, the following definitions apply:

**“Foreign Private**

as defined under Rule 405 of Regulation C of the U.S.



<b>Issuer”</b>	Securities Act of 1933, as amended from time-to-time, and Rule 3b-4 of the U.S. Securities Exchange Act of 1934, as amended from time-to-time
<b>“Grandfathered Greater China Issuer”</b>	<del>has the meaning given to it in rule 1.01a</del> Greater China Issuer <del>primary listed on a Qualifying Exchange on or before 15 December 2017</del>
<b>“Greater China Issuer”</b>	<p>a Qualifying Issuer with its centre of gravity in Greater China</p> <p><i>Note: The following are some of the factors that the Exchange will consider in determining whether a Qualifying Issuer has its centre of gravity in Greater China:</i></p> <ul style="list-style-type: none"> <li><del>(a) whether the issuer has a listing in Greater China;</del></li> <li><del>(b) where the issuer is incorporated;</del></li> <li><del>(c) the issuer’s history;</del></li> <li><del>(d) where the issuer is headquartered;</del></li> <li><del>(e) the issuer’s place of central management and control;</del></li> <li><del>(f) the location of the issuer’s main business operations and assets;</del></li> <li><del>(g) the location of the issuer’s corporate and tax registration; and</del></li> <li><del>(h) the nationality or country of residence of the issuer’s management and controlling shareholder.</del></li> </ul> <p><i>These factors are not exhaustive. The Exchange may take other factors into consideration in determining whether a Qualifying Issuer has its centre of gravity in Greater China.</i></p>
<b>“Non-Grandfathered Greater China Issuer”</b>	<del>a Greater China Issuer that was primary listed on a Qualifying Exchange after 15 December 2017</del>
<b>“Non-Greater China Issuer”</b>	<del>a Qualifying Issuer that is not a Greater China Issuer</del>
<b>“place of central management and control”</b>	<del>the Exchange will consider the following factors to determine a Qualifying Issuer’s place of central management and control:</del>

~~(a) the location from where the issuer's senior management direct, control, and coordinate the issuer's activities;~~

~~(b) the location of the issuer's principal books and records; and~~

~~(c) the location of the issuer's business operations or assets~~

**"Qualifying Exchange"** ~~The New York Stock Exchange LLC, Nasdaq Stock Market or the Main Market of the London Stock Exchange plc (and belonging to the UK Financial Conduct Authority's "Premium Listing" segment)~~

**"Qualifying Issuer"** ~~an issuer primary listed on a Qualifying Exchange~~

**"WVR structure"** has the meaning given to it in rule 8A.02

### Basic Conditions

19C.02 ~~A Qualifying Issuer~~An overseas issuer seeking a secondary listing under this chapter must demonstrate to the Exchange that it is both eligible and suitable for listing.

19C.02A The following additional requirements apply:—

(1) the Exchange reserves the right, in its absolute discretion, to refuse a listing of securities of an overseas issuer if in its opinion:

(a) it believes that it is not in the public interest to list them;

(b) the overseas issuer's primary listing is or is to be on an exchange that cannot provide the shareholder protection standards that are at least equivalent to those provided in Hong Kong;

(c) the overseas issuer has received waivers from or is exempt from rules, regulations or legislation that result in it being subject to regulatory requirements that are materially less stringent than those that generally apply to entities of its nature listed on its primary market;

- (d) the application constitutes an attempt to avoid rules that apply to a primary listing on the Exchange; or
- (e) the majority of its worldwide trading will take place in Hong Kong upon or shortly after its listing in Hong Kong;
- (2) listing on the overseas issuer's primary exchange must have been granted before listing on the Exchange can be granted;
- (3) an overseas issuer must comply with rule 19.05(2) on the appointment and maintenance of a person authorised to accept service of process and notices on its behalf in Hong Kong; and
- (4) an overseas issuer must comply with the securities registration requirements of rules 19.05(3), 19.05(4) and 19.05(5).

*Note: For the purpose of rule 19C.02A(1)(d), the Exchange may apply the test set out in rule 14.06B to determine whether, in the opinion of the Exchange, a transaction and/or arrangement or series of transactions and/or arrangements an applicant for secondary listing conducted on its primary exchange constituted a reverse takeover. If a material part of the applicant's business is listed on its primary exchange by way of a reverse takeover, the Exchange will normally consider its application for secondary listing on the Exchange to be an attempt to avoid rules that apply to primary listing.*

19C.03 ~~[Repealed 1 January 2022] Rules 8A.04 to 8A.06 do not apply to a Qualifying Issuer seeking a secondary listing under this chapter.~~

### **Qualifications for Secondary Listing**

- 19C.04 ~~An overseas issuer with a WVR structure~~Qualifying Issuer must have a track record of good regulatory compliance of at least two full financial years on a Qualifying Exchange.
- 19C.05 ~~An overseas issuer with~~Non-Greater China Issuer ~~without a WVR structure must have an expected market capitalisation at the time of its secondary listing of at least HK\$10,000,000,000. All other Qualifying Issuers must satisfy one of the following criteria:~~

- (1) a market capitalisation of at least HK\$40,000,000,000 at the time of listing; or
- (2) a market capitalisation of at least HK\$10,000,000,000 at the time of listing and revenue of at least HK\$1,000,000,000 for the most recent audited financial year.

19C.05A An overseas issuer without a WVR structure must satisfy either paragraphs (1) and (2) ("Criteria A") or paragraphs (3) and (4) ("Criteria B") below:

Criteria A

- (1) a track record of good regulatory compliance of at least five full financial years on a Qualifying Exchange (for any overseas issuer without a WVR structure) or on any Recognised Stock Exchange (only for overseas issuers without a WVR structure and without a centre of gravity in Greater China); and
- (2) a market capitalisation of at least HK\$3,000,000,000 at the time of listing.

Note: Applications for secondary listing from issuers with a centre of gravity in Greater China and without a WVR structure that are primary listed on a Recognised Stock Exchange other than a Qualifying Exchange will be considered only in exceptional circumstances on the basis of the issuer's individual circumstances and the merits of the case.

Criteria B

- (3) a track record of good regulatory compliance of at least two full financial years on a Qualifying Exchange; and
- (4) a market capitalisation of at least HK\$10,000,000,000 at the time of listing.

Note: A waiver of the listing track record criteria of paragraphs (1) and (3) above may be granted if the applicant seeking a secondary listing is well-established and has a market capitalisation at listing that is significantly larger than HK\$10,000,000,000.

## **Equivalent Standards of Shareholder Protection**

19C.06 ~~[Repealed 1 January 2022]~~Appendix 3 and Appendix 13 of these rules do not apply to an overseas issuer that is a Non-Greater China Issuer or a Grandfathered Greater China Issuer seeking to secondary list under this Chapter.

~~Note 1: A Non-Grandfathered Greater China Issuer seeking a secondary listing under this Chapter must comply with Appendix 3 of these rules and must also comply with Appendix 13 if it is incorporated in a jurisdiction to which Appendix 13 applies.~~

~~Note 2: If an overseas issuer that is a Non-Grandfathered Greater China Issuer seeks a secondary listing under this Chapter and is not incorporated in a jurisdiction covered by Appendix 13 of these rules, the Exchange will require that these companies must vary their constitutional documents to meet the standards set out in rule 19C.07 (unless these standards are already provided for in their constitutional documents and/or the laws to which they are subject).~~

19C.07 ~~[Repealed 1 January 2022]~~The Exchange will consider that a Non-Greater China Issuer or a Grandfathered Greater China Issuer seeking a secondary listing has met the requirements of rule 19.30(1)(b) if it has met the following shareholder protection standards:

~~(1) a super-majority vote of the Qualifying Issuer's members in general meeting is required to approve:~~

~~(a) changes to the rights attached to any class of shares of the Qualifying Issuer;~~

~~Note: A super-majority vote of the Qualifying Issuer's members of the class to which the rights are attached is required to approve a change to those rights.~~

~~(b) changes to the Qualifying Issuer's constitutional documents, however framed; and~~

~~(c) a voluntary winding up of the Qualifying Issuer;~~

~~Note: For the purpose of rule 19C.07(1), a "super-majority vote" means at least a two-thirds majority of the members~~

~~present and voting where the constitutional documents or the laws of the jurisdiction of incorporation of the Qualifying Issuer have a low quorum requirement (e.g. two members). If the constitutional documents or the laws of the jurisdiction of incorporation of the Qualifying Issuer requires only the approval of simple majority only (50% plus one vote) for deciding the matters set out in 19C.07(1) these matters must be decided by a significantly higher quorum.~~

~~(2) any alteration to the Qualifying Issuer's constitutional document to increase an existing member's liability to the company must be agreed by such a member in writing;~~

~~(3) the appointment, removal and remuneration of auditors must be approved by a majority of the Qualifying Issuer's members or other body that is independent of the issuer's board of directors;~~

~~Note: An example of such an independent body is the supervisory board in systems that have a two tier board structure.~~

~~(4) the Qualifying Issuer must hold a general meeting each year as its annual general meeting;~~

~~Note: Generally not more than 15 months should elapse between the date of one annual general meeting of the Qualifying Issuer and the next.~~

~~(5) the Qualifying Issuer must give its members reasonable written notice of its general meetings;~~

~~(6) members must have the right to (1) speak at a general meeting; and (2) vote at a general meeting except where a member is required, by these rules, to abstain from voting to approve the matter under consideration;~~

~~Note 1: An example of such a circumstance is where a member has a material interest in the transaction or arrangement being voted upon.~~

~~Note 2: If a Qualifying Issuer is subject to a foreign law or regulation that prevents the restriction of a members' right to speak and vote at~~

~~general meetings, the company can enter into an undertaking with the Exchange to put in place measures that achieve the same outcome as the rule 19C.07(6) restriction (e.g. any votes cast by or on behalf of a member in contravention of the rule restriction must not be counted towards the resolution).~~

~~(7) members holding a minority stake in the Qualifying Issuer's total number of issued shares must be able to convene an extraordinary general meeting and add resolutions to a meeting agenda. The minimum stake required to do so must not be higher than 10% of the voting rights, on a one vote per share basis, in the share capital of the of the Qualifying Issuer; and~~

~~(8) HKSCC must be entitled to appoint proxies or corporate representatives to attend the Qualifying Issuer's general meetings and creditors meetings and those proxies/corporate representatives must enjoy rights comparable to the rights of other shareholders, including the right to speak and vote.~~

~~Note: Where the laws of an overseas jurisdiction prohibits HKSCC from appointing proxies/corporate representatives enjoying the rights described by rule 19C.07(8), the Qualifying Issuer must make the necessary arrangements with HKSCC to ensure that Hong Kong investors holding shares through HKSCC enjoy the rights to vote, attend (personally or by proxy) and speak at general meetings.~~

19C.08 [Repealed 1 January 2022] ~~A Non-Greater China Issuer or a Grandfathered Greater China Issuer must demonstrate how the domestic laws, rules and regulations to which it is subject and its constitutional documents, in combination, provide the shareholder protection standards set out in rule 19C.07. For this purpose, the Exchange may require the issuer to amend its constitutional documents to provide them.~~

~~Note: An issuer that is subject to rule 19C.08 can refer to the methods used to show equivalent shareholder protection standards specified in jurisdictional guidance published on the Exchange's website and amended from time to time.~~

19C.09 [Repealed 1 January 2022] ~~A Non-Greater China Issuer or a Grandfathered~~

Greater China Issuer must comply with the requirements set out in rule 19C.07 as an ongoing condition of their listing.

### **Directors**

19C.09A Rule 3.16 is modified to require that, if an issuer does not have a board of directors, all members of the issuer's equivalent governing body must accept full responsibility, collectively and individually, for the listed issuer's compliance with the Exchange Listing Rules. If the issuer's board of directors or equivalent governing body is not empowered to take collective responsibility, this responsibility must be accepted by all the individuals empowered to do so.

*Note: The governing body of an overseas issuer, in accordance with the laws and regulations of its jurisdiction of incorporation, may have a form other than that of a board of directors. In these circumstances, this rule aims to ensure that individual and collective responsibility by relevant persons continues to be taken for compliance with the Exchange Listing Rules.*

### **Application Procedures and Requirements**

19C.09B The following modifications apply:—

- (1) for rules 9.09, 9.11(3a), 9.11(3b), 9.11(17b), 9.11(28), 9.11(38) and 9.20(1) the references to directors should be read as references to members of the overseas issuer's governing body;
- (2) the one signed copy of the listing document lodged with the Exchange pursuant to rule 9.11(29)(a) may be signed by two members of the overseas issuer's governing body or by their agents authorised in writing rather than by or on behalf of every director or proposed director; and
- (3) the declaration and undertaking to be lodged under rule 9.11(38) may require adjustment by virtue of the laws to which the overseas issuer is subject.

### **Listing Documents**

19C.10 An overseas issuer~~Qualifying Issuer~~ must prominently disclose in its listing documents any provisions in its constitutional documents concerning the issuer's governance that are unusual compared with normal practices in Hong



Kong and are specific to the issuer rather than a consequence of the laws and regulations to which the issuer is subject. ~~An overseas issuer~~Qualifying Issuer must also prominently disclose in its listing documents how such provisions affect its members' rights.

*Note: Examples of such provisions include, but are not limited to, “poison pill” arrangements and provisions setting restrictions on the quorum for board meetings.*

19C.10A Overseas issuers that wish to omit any of the information prescribed for listing documents should consult the Exchange at the earliest possible opportunity. The Exchange may be prepared to permit the omission of information from a listing document with regard to the principles set out in rule 19C.11A.

19C.10B The following modifications and additional requirements apply:—

- (1) where items of information specified in Parts A and B of Appendix 1 are inappropriate or not fully applicable, the item should be adapted so that equivalent information is given;
- (2) if the overseas issuer does not have a board of directors, the statement of responsibility required under paragraph 2 of Parts A and B of Appendix 1 must be made by all the members of the overseas issuer's equivalent governing body and the listing document should be modified appropriately. If the issuer's board of directors or equivalent governing body is not empowered to take collective responsibility, the responsibility statement must be signed by all the individuals empowered to do so. The statement of responsibility must be modified according to the appropriate circumstances;
- (3) the documents to be published on the Exchange's website and the issuer's own website will be the documents corresponding to those mentioned in paragraph 53 of Part A and paragraph 43 of Part B of Appendix 1. Unless otherwise provided by the Companies (Winding Up and Miscellaneous Provisions) Ordinance, where any of such documents are not in the English language, certified English translations thereof must be published on the Exchange's website and the issuer's own website. In particular cases, the Exchange may require additional documents to be published on the Exchange's website and the issuer's own website. In lieu of publishing these documents on the Exchange's

website and the issuer's own website, an overseas issuer can instead disclose the website addresses of the relevant statutes and regulations in the listing document on condition that the websites are easily accessible to the public free of charge;

- (4) overseas issuers that are subject to public reporting and filing obligations in their jurisdictions of incorporation or other establishment (or primary listing, if different) may be permitted to incorporate in listing documents relevant documents so published. Such documents must be in English, or accompanied by a certified English translation;

*Note: An example is where overseas issuers subject to Securities and Exchange Commission filing requirements in the United States of America may be able to utilise such documents.*

- (5) the listing documents need not be accompanied by a Chinese translation, unless required to do so by section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance;

- (6) for the purposes of rule 2.11, the overseas issuer must appoint at least one authorised representative who need not be a director or secretary but must be a person acceptable to the Exchange. The authorised representative may also be the person authorised to accept service that is required to be appointed under the provisions of rule 19C.02A(3). The authorised representative should act as the principal channel of communication between the overseas issuer and the Exchange;

- (7) an overseas issuer must clearly disclose in its listing document:

(a) a summary of the waivers and exemptions that have been granted to the issuer;

(b) a summary of the provisions in the laws and regulations in its home jurisdiction and primary market that are different from those required by Hong Kong laws regarding:

(i) the rights of holders of its securities and how they can exercise their rights;

(ii) directors' powers and investor protection; and

(iii) the circumstances under which its minority shareholders may be bought out or may be required to be bought out after a

successful takeover or share repurchase;

(c) details of withholding tax on distributable entitlements or any other tax that is payable by shareholders (e.g. capital gains tax, inheritance or gift taxes) and whether Hong Kong investors have any tax reporting obligations; and

(d) where an overseas issuer is listing depositary receipts, a summary of the terms and conditions in the depositary agreement and deed poll; and

(8) an overseas issuer that is a Foreign Private Issuer must prominently disclose in all its listing documents the exemptions from obligations in the United States of America that it enjoys because of its status as a Foreign Private Issuer and to inform investors that they should exercise care when investing in the listed shares of the issuer.

### **Accountants' Reports**

19C.10C An accountants' report will not normally be regarded as acceptable unless the relevant accounts have been audited to a standard comparable to that required by the Hong Kong Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board of the International Federation of Accountants.

*Note: A list of alternative overseas auditing standards that are considered comparable to the standards set out in this rule is published on the Exchange's website, as amended from time to time.*

19C.10D Accountants' reports are required to conform with financial reporting standards acceptable to the Exchange, which are normally HKFRS or IFRS. Where the Exchange allows a report to be drawn up otherwise than in conformity with HKFRS or IFRS, the Exchange may, having regard to the exchange on which the overseas issuer has its primary listing, require the report to contain a reconciliation statement setting out the financial effect of the material differences (if any) from either HKFRS or IFRS.

*Notes:*

1. The suitability of alternative overseas financial reporting standards depends on whether there is any significant difference between the

overseas financial reporting standards and IFRS, and whether there is any concrete proposal to converge or substantially converge the overseas financial reporting standards with IFRS.

2. A list of alternative overseas financial reporting standards that are considered comparable to HKFRS or IFRS is published on the Exchange's website, as amended from time to time.

3. The reconciliation statement must be reviewed by the reporting accountant that reports on the relevant financial statements.

4. An overseas issuer with a secondary listing that adopts one of the alternative standards referred to in Note 2 above (other than issuers incorporated in a member state of the European Union which have adopted EU-IFRS) for the preparation of its accountants' reports must adopt HKFRS or IFRS if it de-lists from the jurisdiction of that alternative standard and must do so for any annual and interim financial statements that fall due under the Exchange Listing Rules, and are published, after the first anniversary of the date of its de-listing.

5. For US-listed secondary listing applicants, the requirement for the preparation of a reconciliation statement in respect of the accountants' report prepared under US GAAP in a listing document applies to listing applications submitted on or after 1 January 2023.

19C.10E As indicated in rules 4.14 to 4.16, where the figures in the accountants' report differ from those in the audited annual accounts, a statement of adjustments must be submitted to the Exchange enabling the figures to be reconciled.

### **Exceptions to the Rules for All Qualifying Issuers**

19C.11 The following rules do not apply to a ~~Qualifying Issuer~~ an overseas issuer that has, or is seeking, a secondary listing on the Exchange: 3.17; 3.21 to 3.23; 3.25 to 3.27; 3.28; 3.29; 4.06; 4.07; Chapter 7; 8.08 (prescribed percentage of public float only); 8.09(4) (exception limited to issues outside the Exchange's markets); 8.18 (exception limited to issues outside the Exchange's markets); 9.11(10)(b); 10.05; 10.06(2)(a) to (c); 10.06(2)(e); 10.06(4); 10.06(5); 10.07(1); 10.07(2) to (4); 10.08; 13.11 to 13.22; 13.23(1); 13.23(2); 13.25A; 13.27; 13.28; 13.29; 13.31(1); 13.35; 13.36; 13.37; 13.38; 13.39(1) to (5); 13.39(6) to (7) (exception limited to circumstances other than where a spin-off proposal

requires approval by shareholders of the parent); 13.40 to 13.42; 13.44 to 13.45; 13.47; 13.48(2); 13.49; 13.51(1); 13.51(2) (each new director or member of the ~~Qualifying Issuer's~~ overseas issuer's governing body must sign and lodge with the Exchange, as soon as practicable, a declaration and undertaking in the form set out in Form B of Appendix 5); 13.51B; 13.51C; 13.52(1)(b) to (d); 13.52(1)(e)(i) to (ii); 13.52(1)(e)(iv) (exception limited to issues outside the Exchange's markets); 13.52(2); 13.67; 13.68; 13.74; 13.80 to 13.87 (exception limited to circumstances other than where a spin-off proposal requires approval by shareholders of the parent); 13.88; 13.89; 13.91; Chapter 14; Chapter 14A; Chapter 15 (exception limited to issues outside the Exchange's markets); Chapter 16 (exception limited to issues outside the Exchange's markets); Chapter 17; ~~19.57~~; Practice Note 4 (exception limited to issues outside the Exchange's markets); Practice Note 15 paragraphs 1 to 3(b) and 3(d) to 5 (exception limited to circumstances where the spun-off assets or businesses are not to be listed on the Exchange's markets and the approval of shareholders of the parent is not required); ~~Appendix 3 paragraphs 1, 2(1), 3, 4(1), 4(2), 4(4), 4(5), 5, 6, 7(1), 7(3), 8, 9, 10, 11, 13(1)~~; Appendix 10; Appendix 14; ~~Appendix 15~~; Appendix 16; Appendix 21 (exception does not apply in circumstances where a spin-off proposal requires approval by shareholders of the parent); Appendix 22 (exception does not apply in circumstances where a spin-off proposal requires approval by shareholders of the parent); and Appendix 27.

### **Basis for Waivers, Modifications and Exceptions**

19C.11A The Exchange may exercise its power under rule 2.04 to waive, modify or not require compliance with the Exchange Listing Rules for an overseas issuer with, or seeking, a listing under this chapter, on a case by case basis, based on the underlying principle that:

- (1) the overseas issuer is primary listed on a Recognised Stock Exchange and so reliance can be placed upon: (a) the standards of shareholder protection of the regulatory regime to which overseas issuers listed on that exchange are subject; and (b) the enforcement of those standards by the regulatory authorities of that regime;
- (2) regulatory co-operation arrangements are in place with the Commission as required by rule 8.02A;

- (3) the majority of trading in the overseas issuer's listed shares is not expected to migrate, or has not yet migrated, to the Exchange's markets on a permanent basis; and

*Note: See note 1 to rule 19C.13 for when the Exchange will regard the majority of trading in an overseas issuer's listed shares as having migrated to the Exchange's markets on a permanent basis.*

- (4) the overseas issuer can demonstrate that strict compliance with both the relevant Exchange Listing Rules and the overseas regulations would be unduly burdensome or unnecessary (including where requirements under the Exchange Listing Rules contradict the applicable overseas laws or regulations and strict compliance with the Exchange Listing Rules would result in a breach of applicable overseas laws or regulations) and that the granting of such waivers by the Exchange will not prejudice the interest of the investing public.

### **Common Waivers**

19C.11B The Exchange will consider applications for waivers from strict compliance with rules 2.07C(4)(a), 9.09, 11.06, 13.25B, 13.55(1), 13.71 to 13.73, Practice Note 5, paragraph 15(2)(c) of Appendix 1A, paragraphs 41(4) and 45 of Appendix 1A, paragraphs 34 and 38 of Appendix 1B, paragraphs 41(4) and 45 of Appendix 1E, paragraph 49(2)(c) of Appendix 1E and paragraphs 30 and 34 of Appendix 1F from issuers with, or seeking, a secondary listing under this chapter. The Exchange will consider these applications on individual merit based on all relevant facts and circumstances, including compliance with the prescribed conditions as set out in the relevant rules.

19C.11C An overseas issuer may apply for waivers from the requirements of other rules that the Exchange will consider in individual cases, based on the general principles set out in rule 19C.11A.

### **Additional Exceptions to the Rules for Certain Qualifying Issuers with a WVR structure**

19C.12 [Repealed 1 January 2022][Rules 8A.07 to 8A.36, 8A.43 and 8A.44 do not apply to a Non-Greater China Issuer or a Grandfathered Greater China Issuer that has, or is seeking, a secondary listing on the Exchange.

## Migration of the ~~Bulk~~Majority of Trading to the Exchange's Markets

- 19C.13 If the majority of trading in a ~~Greater China Issuer's~~ an overseas issuer's listed shares migrates to the Exchange's markets on a permanent basis, the Exchange will regard the issuer as having a dual-primary listing and consequently ~~the exceptions set out in rules 19C.11, 19C.11A, 19C.11B and 19C.11C (as applicable)~~ will no longer apply to the issuer.

### Notes:

~~1:-~~ *The Exchange will regard the majority of trading in a ~~Greater China Issuer's~~ an overseas issuer's listed shares to have ~~moved~~migrated to the Exchange's markets on a permanent basis if 55% or more of the total worldwide trading volume, by dollar value, of those shares (including the volume of trading in depositary receipts issued on those shares) over the issuer's most recent financial year, takes place on the Exchange's markets.*

~~Note 2:-~~ *A ~~Greater China Issuer~~An overseas issuer to which rule 19C.13 applies will have a grace period of 12 months within which to comply with the applicable Exchange Listing Rules. This grace period will end at midnight on the first anniversary of the date of the Exchange's written notice of its decision that the majority of trading in listed shares has migrated permanently to the Exchange's markets.*

~~Note 3:-~~ *Any continuing transaction of a ~~Greater China Issuer~~an overseas issuer in place as at the date of the Exchange notice referred to in Note 2 will continue to be exempted from the applicable rules set out in 19C.11 for a period of three years from the date of the Exchange notice referred to in Note 2. However if such transaction is subsequently amended or renewed before the expiry of the three year period, the ~~Greater China Issuer~~overseas issuer must comply with the relevant requirements under the rules at such time. For the avoidance of doubt, this exemption does not apply to any other circumstances unless otherwise stated in the Listing Rules.*

~~Note 4:-~~ *The Exchange may apply all disciplinary measures at its disposal, including a de-listing of the issuer's listed shares, if a ~~Greater China Issuer~~an overseas issuer fails to comply with the requirements of rule 19C.13 within the grace period allowed.*

## **De-listing**

19C.13A If an overseas issuer's shares or depositary receipts issued on its shares (as the case may be) cease to be listed on the Recognised Stock Exchange on which it is primary listed, the Exchange will regard the issuer as having a primary listing in Hong Kong and consequently rules 19C.11, 19C.11A, 19C.11B and 19C.11C (as applicable) will no longer apply to the issuer.

*Note: In the event that an overseas issuer is expected to be involuntarily de-listed from the Recognised Stock Exchange on which it is primary listed, the Exchange is prepared to allow an exemption in respect of any continuing transaction that will continue after the effective date of the involuntary de-listing if the transaction is entered into before the issuer notifies the Exchange that it reasonably expects to be involuntarily de-listed from the overseas exchange. Such transaction will continue to be exempted from the applicable rules set out in 19C.11 for a period of three years from the date of the notification about the expected involuntary de-listing. However if such transaction is subsequently amended or renewed before the expiry of the three-year period, the overseas issuer must comply with the relevant requirements under the rules at such time. For the avoidance of doubt, the Exchange retains the discretion to modify or not grant the exemption if the issuer fails to notify the Exchange of the expected involuntary de-listing on a timely basis.*

## **Foreign Private Issuers**

~~19C.14 [Repealed 1 January 2022] A Qualifying Issuer that is a Foreign Private Issuer must prominently disclose in its listing documents the exemptions from US obligations that it enjoys because of its status as a Foreign Private Issuer and that, for this reason, investors should exercise care when investing in the listed shares of the issuer.~~

## **Annual report and accounts and auditors' report**

19C.15 The following modifications and additional requirements apply to Appendix 16 insofar as an issuer is an overseas issuer. To the extent such modifications and additional requirements conflict with the provisions of Appendix 16, the following provisions shall apply.



19C.16 The annual accounts must be audited by a person, firm or company who must be a practising accountant of good standing. Such person, firm or company must also be independent of the overseas issuer 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 International Federation of Accountants and must be either:—

- (1) qualified under the PAO for appointment as an auditor of a company and a Registered PIE Auditor under the FRCO; or
- (2) an overseas firm of practising accountants that is a Recognised PIE Auditor of that issuer under the FRCO.

*Note: In relation to an application for the recognition of an overseas firm of practising accountants under the FRCO, on a request made by an overseas issuer, the Exchange may provide a statement of no objection to that issuer for appointing an overseas firm of practising accountants to carry out a PIE Engagement for that issuer under section 20ZF(2)(a) of the FRCO (see note 2 to rule 4.03(1)).*

19C.17 The annual accounts must be audited to a standard comparable to that required by the Hong Kong Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board of the International Federation of Accountants.

*Note: A list of alternative overseas auditing standards that are considered comparable to the standards set out in this rule is published on the Exchange's website, as amended from time to time.*

19C.18 The report of the auditors must be annexed to all copies of the annual accounts and indicate whether in the opinion of the auditors the accounts give a true and fair view:—

- (1) in the case of the overseas issuer's balance sheet, of the state of its affairs at the end of the financial year and in the case of the overseas issuer's profit and loss account, of the profit or loss and cash flows for the financial year; and
- (2) in the case where consolidated accounts are prepared, of the state of affairs and profit or loss of the overseas issuer and cash flows of the group.

- 19C.19 The report of the auditors must indicate the act, ordinance or other legislation in accordance with which the annual accounts have been drawn up and the authority or body whose auditing standards have been applied.
- 19C.20 If the overseas issuer is not required to draw up its accounts so as to give a true and fair view but is required to draw them up to an equivalent standard, the Exchange may allow its accounts to be drawn up to that standard. Reference must, however, be made to the Exchange. If an overseas issuer is in doubt as to what more detailed and/or additional information should be provided, it should contact the Exchange for guidance.
- 19C.21 An auditors' report which conforms to the requirements of the International Standards on Auditing issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants or the alternative overseas auditing standards acceptable to the Exchange referred to in rule 19C.17 is acceptable.
- 19C.22 An auditors' report in a different form may be applicable in the case of banking and insurance companies. The wording of such an auditors' report should make it clear whether or not profits have been stated before transfers to or from undisclosed reserves.
- 19C.23 The annual accounts are required to conform with financial reporting standards acceptable to the Exchange, which are normally HKFRS or IFRS. Where the Exchange allows annual accounts to be drawn up otherwise than in conformity with HKFRS or IFRS, the annual accounts will be required to conform with financial reporting standards acceptable to the Exchange. In such cases the Exchange will normally require the annual accounts to contain a reconciliation statement setting out the financial effect of the material differences (if any) from either HKFRS or IFRS.

Notes:

1. The suitability of alternative overseas financial reporting standards depends on whether there is any significant difference between the overseas financial reporting standards and IFRS, and whether there is any concrete proposal to converge or substantially converge the overseas financial reporting standards with IFRS.
2. A list of alternative overseas financial reporting standards that are

considered comparable to HKFRS or IFRS is published on the Exchange's website, as amended from time to time.

3. An overseas issuer is also required to include a reconciliation statement in its interim report. The reconciliation statement contained in the annual accounts or interim report must be reviewed by its auditor.
4. An overseas issuer with a secondary listing that adopts one of the alternative standards referred to in Note 2 above (other than issuers incorporated in a member state of the European Union which have adopted EU-IFRS) for the preparation of its annual accounts must adopt HKFRS or IFRS if it de-lists from the jurisdiction of that alternative standard and must do so for any annual and interim financial statements that fall due under the Exchange Listing Rules, and are published, after the first anniversary of the date of its de-listing.
5. For US-listed issuers with a secondary listing on the Exchange that adopted US GAAP in the preparation of their financial statements, the requirement for the preparation of a reconciliation statement applies to the first annual financial statements for the financial year commencing on or after 1 January 2022 and subsequent interim and annual financial statements.

### **Company Information Sheet**

- 19C.24 An overseas issuer with, or seeking, a secondary listing must disclose the information required by rule 19C.10B(7) separately as a Company Information Sheet for publication on the Exchange's website and the overseas issuer's website.

Note: The purpose of the Company Information Sheet is to enable investors to easily locate specific information on the differences between the overseas requirements to which an overseas issuer is subject and the Hong Kong requirements.

- 19C.25 An overseas issuer that is required to publish a Company Information Sheet must update it from time to time to reflect any material change to the information disclosed within it as soon as practicable after such a change occurs.

## **General**

19C.26 Rules 19.27 and 19.28 also apply to an overseas issuer with, or seeking, a secondary listing under this chapter.

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## **Chapter 21**

### **INVESTMENT VEHICLES**

#### **INVESTMENT COMPANIES**

...

#### **Secondary Listings**

21.15 In the case of an investment company whose primary listing is or is to be on another stock exchange and which is listed by way of introduction the Exchange will normally be prepared to permit the following additional modifications:—

- (1) the listing document need not be accompanied by a Chinese translation;  
and
- (2) ~~[Repealed 1 January 2022]the Exchange will normally be prepared to waive the requirement of rule 19.30(4) (a), provided that adequate arrangements are made to have a share transfer agent in Hong Kong.~~

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## **The Stock Exchange of Hong Kong Limited**

### **Practice Note 5**

to the Rules Governing the Listing of Securities  
(the “Exchange Listing Rules”)

Issued pursuant to rule 1.06 of the Exchange Listing Rules

### **DISCLOSURE OF INTERESTS INFORMATION**

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## 2. The requirements of the Exchange Listing Rules

Paragraphs 45 of Part A, 38 of Part B and 49 of Part C of Appendix 1 and paragraph 13 of Appendix 16 of the Exchange Listing Rules require issuers to disclose, in certain listing documents and annual and interim reports, details of substantial shareholders' and certain other persons' interests and short positions in the shares and underlying shares of the issuer and directors' and chief executives' interests and short positions in the shares, underlying shares and debentures of the issuer and any associated corporation, as recorded (or, in the case of a new listing, to be recorded) in the registers required to be kept under sections 336 and 352 of the Securities and Futures Ordinance ("SFO"), subject to certain stated exceptions or waivers that may be given by the Exchange. Certain circulars to shareholders may also be required to contain such information.

Note: The Exchange may consider an application for a waiver from strict compliance with Practice Note 5, paragraphs 41(4) and 45 of Appendix 1A and paragraphs 34 and 38 of Appendix 1B, paragraphs 41(4) and 45 of Appendix 1E, and paragraphs 30 and 34 of Appendix 1F (where applicable) for issuers with, or seeking, a secondary listing under Chapter 19C, on conditions that:–

(a) the Commission grants a certificate of exemption from strict compliance with Part XV of the SFO;

(b) the issuer undertakes to file with the Exchange, as soon as practicable, any declaration of shareholding and securities transactions made to the overseas stock exchange by the directors, executive officers or substantial shareholders under relevant laws; and

(c) the following is disclosed in present and future listing documents:

(i) in the same manner as required under the SFO, any such interests that were reported to and published by the overseas stock exchange under the relevant law; and

(ii) the relationship between its directors, officers, members of committees and their relationship to any controlling shareholder.

...

# The Stock Exchange of Hong Kong Limited

## Practice Note 22

to the Rules Governing the Listing of Securities  
(the “Exchange Listing Rules”)

Issued pursuant to rule 1.06 of the Exchange Listing Rules

### PUBLICATION OF APPLICATION PROOFS AND POST HEARING INFORMATION PACKS (PHIPs)

...

#### Confidential Filings

18. ~~A new applicant which has been listed on a recognised overseas exchange for not less than 5 years and has a significantly large market capitalisation (as determined by the Exchange from time to time) or a new applicant applying for secondary listing under Chapter 19C~~ rule 19C.05 or Criteria B under Rule 19C.05A at the time of filing its listing application is entitled to make a confidential filing of its Application Proof. For a new applicant which has been listed on a Recognised Stock Exchange or a new applicant applying for secondary listing under Criteria A under rule 19C.05A, the Exchange will consider a request for confidential filing of Application Proof on the basis of the issuer’s individual circumstances and the merits of the case. The ~~A new applicant~~ allowed to make a confidential filing is not subject to the publication requirements for its Application Proof unless it is requested to comply with them by the Exchange or the Commission (as the case may be). All other requirements under the Exchange Listing Rules apply unless a waiver is granted.

...

#### Appendix 3

### ~~Articles of Association~~ Core Shareholder Protection Standards

An issuer must demonstrate how the domestic laws, rules and regulations to which it is subject and its constitutional documents, in combination, provide the shareholder protection standards set out in this appendix. For this purpose, the Exchange may require the issuer to amend its constitutional documents to provide them. An issuer must further monitor its on-going compliance with these standards and notify the Exchange if it

~~becomes unable to comply with any of these after listing. The articles of association or equivalent document must conform with the following provisions and, where necessary, a certified copy of a resolution of the board of directors or other governing body undertaking to comply with the appropriate provisions must be lodged with the Exchange. This appendix does not apply to an issuer which has only debt securities listed.~~

*Note: Transitional arrangements for existing issuers listed on the Exchange's markets as at 31 December 2021 are as follows: they would have until their second annual general meeting following 1 January 2022 to make necessary changes to their constitutional documents to conform to the core shareholder protection standards set out in this Appendix.*

### **As regards Transfer and Registration**

1. [Repealed 1 January 2022]

- ~~(1) That transfers and other documents relating to or affecting the title to any registered securities shall be registered and where any fee or fees is/are charged, such fee or fees shall not exceed the maximum fees prescribed by the Exchange from time to time in the Exchange Listing Rules.~~
- ~~(2) That fully paid shares shall be free from any restriction on the right of transfer (except when permitted by the Exchange) and shall also be free from all lien.~~
- ~~(3) That where power is taken to limit the number of shareholders in a joint account, such limit shall not prevent the registration of a maximum of four persons.~~

### **As regards Definitive Certificates**

2. [Repealed 1 January 2022]

- ~~(1) That all certificates for capital must be under seal, which may only be affixed with the authority of the directors, or be executed under signature of appropriate officials with statutory authority.~~
- ~~(2) Where power is taken to issue share warrants to bearer, that no new share warrant shall be issued to replace one that has been lost, unless the issuer is satisfied beyond reasonable doubt that the original has been destroyed.~~

### **As regards Dividends**

3. [Repealed 1 January 2022]

- ~~(1) That any amount paid up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof in a dividend subsequently declared.~~
- ~~(2) Where power is taken to forfeit unclaimed dividends, that power shall not be exercised until six years or more after the date of declaration of the dividend.~~

### **As regards Directors**

4. (1) [Repealed 1 January 2022]~~That, subject to such exceptions specified in the articles of association as the Exchange may approve, a director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his close associates has a material interest nor shall he be counted in the quorum present at the meeting. (Note 1)~~

- (2) That any person appointed by the directors to fill a casual vacancy on or as an addition to the board shall hold office only until the first annual general meeting of the issuer after his appointment~~next following annual general meeting of the issuer~~, and shall then be eligible for re-election.

*Note: In respect of Grandfathered Greater China Issuers and Non-Greater China Issuers that are permitted to have a WVR structure that does not comply with Chapter 8A of these Exchange Listing Rules, the Exchange will consider the applicability of this requirement on a case-by-case basis based on the circumstances of each individual case.*

- (3) That, where not otherwise provided by law, ~~the issuer~~members in general meeting shall have the power by ordinary resolution to remove any director (including a managing or other executive director, but without prejudice to any claim for damages under any contract) before the expiration of his ~~period~~term of office.

*Note: In respect of Grandfathered Greater China Issuers and Non-*



Greater China Issuers that are permitted to have a WVR structure that does not comply with Chapter 8A of these Exchange Listing Rules, the Exchange will consider the applicability of this requirement on a case-by-case basis based on the circumstances of each individual case.

- (4) [Repealed 1 January 2022] That the minimum length of the period, during which notice to the issuer of the intention to propose a person for election as a director and during which notice to the issuer by such person of his willingness to be elected may be given, will be at least 7 days.
- (5) [Repealed 1 January 2022] That the period for lodgment of the notices referred to in sub-paragraph 4(4) will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.

#### **As regards Accounts**

5. [Repealed 1 January 2022] That a copy of either (i) the directors' report, accompanied by the balance sheet (including every document required by law to be annexed thereto) and profit and loss account or income and expenditure account, or (ii) the summary financial report shall, at least 21 days before the date of the general meeting, be delivered or sent by post to the registered address of every member.

#### **As regards Rights**

6. [Repealed 1 January 2022]
- (1) That adequate voting rights will, in appropriate circumstances, be secured to preference shareholders.
- (2) That the quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of at least one-third of the issued shares of the class.

#### **As regards Notices**

7. [Repealed 1 January 2022]
- (1) That where power is taken to give notice by advertisement such advertisement may be published in the newspapers.

- ~~(2) That an overseas issuer whose primary listing is or is to be on the Exchange shall give notice sufficient to enable members, whose registered addresses are in Hong Kong, to exercise their rights or comply with the terms of the notice. If the overseas issuer's primary listing is on another stock exchange, the Exchange will normally be satisfied with an undertaking by the issuer to do so and will not normally request the issuer to change its articles to comply with this paragraph where it would be unreasonable to do so.~~
- ~~(3) That there is no prohibition on the giving of notice to members whose registered address is outside Hong Kong.~~

#### **~~As regards Redeemable Shares~~**

8. ~~[Repealed 1 January 2022] That, where the issuer has the power to purchase for redemption a redeemable share:—~~
- ~~(1) purchases not made through the market or by tender shall be limited to a maximum price; and~~
- ~~(2) if purchases are by tender, tenders shall be available to all shareholders alike.~~

#### **~~As regards Capital Structure~~**

9. ~~[Repealed 1 January 2022] That the structure of the share capital of the issuer be stated and where such capital consists of more than one class of share it must also be stated how the various classes shall rank for any distribution by way of dividend or otherwise.~~

#### **~~As regards Non-Voting or Restricted Voting Shares~~**

10. ~~[Repealed 1 January 2022]~~
- ~~(1) That, where the capital of the issuer includes shares which do not carry voting rights, the words "non-voting" must appear in the designation of such shares.~~
- ~~(2) That, where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting".~~

### **As regards Proxies**

11. [Repealed 1 January 2022]

- ~~(1) That where provision is made in the articles as to the form of proxy, this must be so worded as not to preclude the use of the two-way form.~~
- ~~(2) That a corporation may execute a form of proxy under the hand of a duly authorised officer.~~

### **As regards disclosure of interests**

12. [Repealed 1 January 2022]~~No powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the company.~~

### **As regards untraceable members**

13. [Repealed 1 January 2022]

- ~~(1) That where power is taken to cease sending dividend warrants by post, if such warrants have been left uncashed, it will not be exercised until such warrants have been so left uncashed on two consecutive occasions. However, such power may be exercised after the first occasion on which such a warrant is returned undelivered.~~
- ~~(2) That where power is taken to sell the shares of a member who is untraceable it will not be exercised unless:—~~
  - ~~(a) during a period of 12 years at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed; and~~
  - ~~(b) on expiry of the 12 years the issuer gives notice of its intention to sell the shares by way of an advertisement published in the newspapers and notifies the Exchange of such intention.~~

### **As regards voting****As regards Proceedings at General Meetings**

14. (1) That an issuer must hold a general meeting for each financial year as its annual general meeting.

Note: Generally, an issuer must hold its annual general meeting within six months after the end of its financial year.

- (2) That an issuer must give its members reasonable written notice of its general meetings.

Note: “Reasonable written notice” normally means at least 21 days for an annual general meeting and at least 14 days for other general meetings. This is unless it can be demonstrated that reasonable written notice can be given in less time.

- (3) That members must have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a member is required, by these Exchange Listing Rules, to abstain from voting to approve the matter under consideration.

Notes:

1. An example of such a circumstance is where a member has a material interest in the transaction or arrangement being voted upon.

2. If an issuer is subject to a foreign law or regulation that prevents the restriction of a member’s right to speak and/or vote at general meetings, the issuer can enter into an undertaking with the Exchange to put in place measures that achieve the same outcome as the restriction under this paragraph (e.g. any votes cast by or on behalf of a member in contravention of the rule restriction must not be counted towards the resolution).

- (4) That, where any shareholder is, under these Exchange Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

- (5) That members holding a minority stake in the total number of issued shares must be able to convene an extraordinary general meeting and add resolutions to a meeting agenda. The minimum stake required to do so must not be higher than 10% of the voting rights, on a one vote per share basis, in the share capital of the issuer.

### **As regards Variation of Rights**

15. That a super-majority vote of the issuer's members of the class to which the rights are attached shall be required to approve a change to those rights.

#### **Notes:**

1. A "super-majority vote" means at least three-fourths of the voting rights of the members holding shares in that class present and voting in person or by proxy at a separate general meeting of members of the class where the quorum for such meeting shall be holders of at least one third of the issued shares of the class. This is unless it can be demonstrated that shareholder protection will not be compromised by a lower voting threshold (e.g. simple majority votes in favour of the relevant resolutions with a higher quorum requirement) and in such case a "super-majority vote" is deemed to be achieved.
2. For PRC issuers, the Exchange will consider a resolution passed by members representing at least two-thirds of the voting rights of the members who are present at the classified members' meeting and have voting rights to amend class rights as satisfying the threshold of a "super-majority".

### **As regards Amendment of Constitutional Documents**

16. That a super-majority vote of the issuer's members in a general meeting shall be required to approve changes to an issuer's constitutional documents, however framed.

#### **Notes:**

1. A "super-majority vote" means at least three-fourths of the total voting rights of the members present and voting in person or by proxy at the general meeting. This is unless it can be demonstrated that shareholder protection will not be compromised by a lower voting threshold (e.g. simple majority votes in favour of the relevant resolutions with a higher quorum requirement) and in such case a "super-majority vote" is deemed to be achieved.

2. For PRC issuers, the Exchange will consider a resolution passed by members representing at least two-thirds of the total voting rights of the members present and voting in person or by proxy at the meeting as satisfying the threshold of a “super-majority”.

**As regards Appointment, Removal and Remuneration of Auditors**

17. That the appointment, removal and remuneration of auditors must be approved by a majority of the issuer’s members or other body that is independent of the board of directors.

Note: An example of such an independent body is the supervisory board in systems that have a two tier board structure.

**As regards Proxies and Corporate Representatives**

18. That every member shall be entitled to appoint a proxy who needs not necessarily be a member of the issuer and that every shareholder being a corporation shall be entitled to appoint a representative to attend and vote at any general meeting of the issuer and, where a corporation is so represented, it shall be treated as being present at any meeting in person. A corporation may execute a form of proxy under the hand of a duly authorised officer.

**As regards HKSCC’s Right to Appoint Proxies or Corporate Representatives**

19. That HKSCC must be entitled to appoint proxies or corporate representatives to attend the issuer’s general meetings and creditors meetings and those proxies or corporate representatives must enjoy rights equivalent to the rights of other shareholders, including the right to speak and vote.

Note: Where the laws of an overseas jurisdiction prohibit HKSCC from appointing proxies or corporate representatives enjoying the rights described by this paragraph, the issuer must make the necessary arrangements with HKSCC to ensure that Hong Kong investors holding shares through HKSCC enjoy the right to vote, attend (personally or by proxy) and speak at general meetings.

**As regards Inspection of Branch Register**

20. That the branch register of members in Hong Kong shall be open for inspection by members but the issuer may be permitted to close the register on terms

equivalent to section 632 of the Companies Ordinance.

### **As regards Voluntary Winding Up**

21. A super-majority vote of the issuer's members in a general meeting shall be required to approve a voluntary winding up of an issuer.

#### **Notes:**

1. A "super-majority vote" means at least three-fourths of the total voting rights of the members present and voting in person or by proxy at the general meeting. This is unless it can be demonstrated that shareholder protection will not be compromised by a lower voting threshold (e.g. simple majority votes in favour of the relevant resolutions with a higher quorum requirement) and in such case a "super-majority vote" is deemed to be achieved.
2. For PRC issuers, the Exchange will consider a resolution passed by members representing at least two-thirds of the total voting rights of the members present and voting in person or by proxy at the meeting as satisfying the threshold of a "super-majority".

### **NOTES**

~~Note 1 — Articles of Association will be acceptable to the Exchange if they provide exceptions from the requirements of paragraph 4(1) of this Appendix in respect of the following matters:—~~

~~(1) the giving of any security or indemnity either:—~~

~~(a) to the director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the issuer or any of its subsidiaries;  
or~~

~~(b) to a third party in respect of a debt or obligation of the issuer or any of its subsidiaries for which the director or his close associate(s) has himself/ themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;~~

- ~~(2) any proposal concerning an offer of shares or debentures or other securities of or by the issuer or any other company which the issuer may promote or be interested in for subscription or purchase where the director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;~~
- ~~(3) any proposal concerning any other company in which the director or his close associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the director or his close associate(s) is/are beneficially interested in shares of that company, provided that the director and any of his close associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of his close associates is derived) or of the voting rights;~~
- ~~(4) any proposal or arrangement concerning the benefit of employees of the issuer or its subsidiaries including:—~~
- ~~(a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the director or his close associate(s) may benefit; or~~
- ~~(b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors, his close associates and employees of the issuer or any of its subsidiaries and does not provide in respect of any director, or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and~~
- ~~(5) any contract or arrangement in which the director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the issuer by virtue only of his/their interest in shares or debentures or other securities of the issuer.~~

...



## Appendix 8

### Listing Fees, Transaction Levies and Trading Fees on New Issues and Brokerage

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#### 5. SFC Transaction Levy on New Issues

- (1) A SFC Transaction Levy shall be payable on each of the following transactions (in each case a "Qualifying Transaction"):
- (a) the subscription and/or purchase of securities of a class new to listing;
  - (b) the subscription and/or purchase of securities of a class already listed under an offer made to the public by or on behalf of a listed issuer excluding a rights issue or open offer; and
  - (c) any other transaction in securities of a class new to listing which the Exchange deems appropriate.

Generally, any transaction involving debt securities will not be deemed to be a Qualifying Transaction, unless, in the opinion of the Exchange, such debt securities are not pure debt securities or are analogous to equity securities. The SFC Transaction Levy on new issues will not be payable in the case of an introduction.

- (2) The SFC Transaction Levy together with the investor compensation levy shall be calculated on an aggregated basis (rounded to the nearest cent) 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 to the total consideration payable to the issuer by a subscriber/purchaser for each security under the relevant Qualifying Transaction.
- (3) (a) In the case of the subscription and/or purchase of securities, the SFC Transaction Levy shall be payable by each of the issuer or vendor (as the case may be) and by the subscriber or purchaser (as the case may be).
- (b) In the case of any other Qualifying Transaction, the SFC Transaction Levy shall be payable as the Exchange shall direct.
- (4) Where the consideration under a Qualifying Transaction consists of or includes consideration other than cash, the value of the consideration on which the SFC Transaction Levy is payable shall be determined by the Exchange whose decision shall be final and binding.
- (5) The SFC Transaction Levy shall be paid to the Exchange before dealings commence in the relevant securities, in the manner determined by the Exchange from time to time.
- (6) The SFC Transaction Levy so collected by the Exchange shall be paid to the Commission in accordance with section 394 of the Securities and

Futures Ordinance.

- (7) In all cases it shall be the responsibility of the issuer whose securities are to be listed to ensure that the SFC Transaction Levy is paid to the Exchange.

...

**8. SFC Transaction Levy on Offers for Sale**

A listed issuer must notify the Exchange of every purchase and sale of its listed securities made under an offer for sale by or on behalf of a substantial shareholder. Every such purchase and sale is subject to the SFC Transaction Levy payable to the Commission pursuant to section 394 of the Securities and Futures Ordinance. The SFC Transaction Levy payable shall be paid to the Exchange by the issuer and the Exchange shall pay such amount to the Commission in accordance with that section.

...

**11. Secondary Listings**

In the case of an overseas issuer, whose primary listing is ~~or is to be on~~ another stock exchange, the fees payable shall be as follows:—

...

**11A. Annual PIE Levy**

- (1) With effect from 1 January 2022, an annual PIE levy shall be payable by a PIE to the Exchange.
- (2) The annual PIE levy so collected by the Exchange shall be paid to the FRC in accordance with section 50B of the FRCO.
- (3) The annual PIE levy shall be calculated by applying the percentage rate as specified from time to time in section 2 of Schedule 7 to the FRCO to:
- (a) in case of a listed issuer of equity securities (other than warrants, units in a unit trust, redeemable shares in a mutual fund, or securities issued by an open-ended investment company or collective investment scheme), the annual listing fee payable under paragraph 2(1)(a) above for the relevant calendar year;
  - (b) in the case of an overseas issuer whose primary listing is on another stock exchange, the annual listing fee payable under paragraph 11(2) above for the relevant calendar year; or
  - (c) in the case of unit trusts, mutual funds, open-ended investment companies and other collective investment schemes, the annual listing fee listed in paragraph 3 above for the relevant calendar year.
- (4) The annual PIE levy shall be payable in advance in one instalment. The PIE levy shall be payable within 7 days of receiving a debit note or, in any event if earlier, before dealings in the relevant securities commence. Annual PIE levy shall not be refundable. Regardless of the day of the month on which the securities are listed, the annual PIE levy will be

calculated from the first day of that month and pro rata payment in respect of that month is not permitted.

- (5) The annual PIE levy for a calendar year, as calculated in accordance with paragraph 11A(3) above, is not to be adjusted even if the annual listing fee payable by the PIE to the Exchange for the relevant year is subsequently adjusted under the Listing Rules.

## **11B. FRC Transaction Levy**

- (1) With effect from 1 January 2022, a FRC Transaction Levy shall be payable to the Exchange on each:
- (a) Qualifying Transaction (as defined in paragraph 5 above); and
  - (b) purchase and sale of listed securities made under an offer for sale as described in paragraph 8 above.
- (2) The FRC Transaction Levy so collected by the Exchange shall be paid to the FRC in accordance with section 50A of the FRCO.
- (3) The FRC Transaction Levy shall be calculated (rounded to the nearest cent) by applying the percentage rate as specified from time to time in section 1 of Schedule 7 to the FRCO to the total consideration payable to the issuer/substantial shareholder by a subscriber/purchaser for each security under the relevant transaction referred to in paragraph 11B(1) above. Where the consideration under a Qualifying Transaction consists of or includes consideration other than cash, the value of the consideration on which the FRC Transaction Levy is payable shall be determined by the Exchange whose decision shall be final and binding.
- (4) (a) In the case of a Qualifying Transaction relating to the subscription and/or purchase of securities, the FRC Transaction Levy shall be payable by each of the issuer or vendor (as the case may be) and by the subscriber or purchaser (as the case may be).
- (b) In the case of any other Qualifying Transaction, the FRC Transaction Levy shall be payable as the Exchange shall direct.
- (c) In case of a purchase and sale of listed securities made under an offer for sale as described in paragraph 8 above, the FRC Transaction Levy shall be payable by the issuer.
- (5) The FRC Transaction Levy shall be paid to the Exchange at the same time the SFC Transaction Levy payable under paragraph 5 or paragraph 8 above (as the case may be) is paid to the Exchange, in the manner and within the time frame determined by the Exchange from time to time.
- (6) FRC Transaction Levy is not refundable.
- (7) In all cases it shall be the responsibility of the issuer whose securities are to be listed to ensure that the FRC Transaction Levy is paid to the Exchange.

**12. General**

All fees or charges payable to the Exchange under this Appendix shall be net of all taxes, levies and duties. The Exchange reserves the right to revise any of the fees or charges prescribed above at any time, subject to the approval of the Commission pursuant to section 76 and section 24 of the Securities and Futures Ordinance. The Exchange may also at its sole discretion in any specific case reduce or waive the fees or charges prescribed above, except for (a) the SFC Transaction Levy on Qualifying Transactions in respect of which any reduction or waiver must be approved in writing by the Commission; or (b) the annual PIE levy and the FRC Transaction Levy payable to the Exchange under paragraphs 11A and 11B above in respect of which any reduction must be approved in writing by the FRC.

...

**Appendix 13**

**ADDITIONAL REQUIREMENTS IN RESPECT OF CERTAIN JURISDICTIONS**

**PART A**

**BERMUDA**

**THIS APPENDIX HAS BEEN REPEALED**

[Repealed 1 January 2022]

~~Section 1. Additional requirements for memorandum and bye-laws~~

~~Section 2. Modifications and additional requirements~~

**Section 1**

**~~ADDITIONAL REQUIREMENTS FOR THE MEMORANDUM AND BYE-LAWS OF ISSUERS INCORPORATED OR OTHERWISE ESTABLISHED IN BERMUDA~~**

~~In addition to the provisions of Appendix 3, the bye-laws of issuers incorporated or otherwise established in Bermuda whose primary listing is or is to be on the Exchange must conform with the following provisions:—~~

**~~1. As regards the memorandum and bye-laws~~**

~~The memorandum and bye-laws must stipulate that they may not be changed without a special resolution, and the bye-laws shall define “special resolution” to mean a resolution passed by members holding three fourths of the voting rights of those~~

~~present and voting in person or by proxy at a meeting of members.~~

## **~~2. As regards share capital~~**

~~(1) The bye-laws shall stipulate that for the purposes of Section 47 of the Companies Act 1981 of Bermuda the specified proportion of the holders of shares of a particular class required to sanction a resolution passed at a separate meeting of those holders to approve a variation of class rights shall be members holding three-fourths of the voting rights of that class present and voting in person or by proxy at such meeting.~~

~~(2) Where the issuer is permitted by Bermudian law so to do, the bye-laws shall provide that a proxy need not be a member of the issuer.~~

## **~~3. As regards shareholders~~**

~~The bye-laws shall stipulate that any annual general meeting must be called by notice of at least 21 days, and that any other general meeting (including an extraordinary general meeting) must be called by notice of at least 14 days.~~

~~*Note: The bye-laws may provide that issuers may convene a general meeting on shorter notice than required under this provision or the companies' bye-laws if it is agreed:*~~

~~*(a) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and*~~

~~*(b) in any other case, by a majority in number of the members having the right to attend and vote at the meeting, being a majority together representing at least 95% of the total voting rights at the meeting of all the members.*~~

## **~~4. As to accounts~~**

~~(1) The bye-laws shall require the issuer to keep proper books of account necessary to give a true and fair view of the issuer's affairs.~~

~~(2) The bye-laws shall provide that accounts shall be laid before members at the annual general meeting which must be held in each year; not more than 15 months (or such longer period as the Exchange may authorise) may elapse between the date of one annual general meeting and the next.~~

## **~~5. As to directors~~**

~~The bye-laws shall stipulate that the issuer in general meeting must approve the payment to any director or past director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the director is contractually entitled).~~

## **~~6. As to corporate representatives~~**

~~The bye-laws shall provide that if a recognised clearing house within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance is a member of the company it may authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the company or at any meeting of any class of members of the company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised pursuant to this provision shall be entitled to exercise the same powers on behalf of the recognised clearing house (or its nominee) which he represents as that clearing house (or its nominee) could exercise if it were an individual shareholder of the company.~~

## **Section 2**

### **~~MODIFICATIONS AND ADDITIONAL REQUIREMENTS~~**

**~~(see rules 19.05(6)(a)(ii), 19.08(4) and 19.10(2), (3) and (5)(a))~~**

~~1. In the case of an introduction in the circumstances set out in rule 7.14(3):—~~

- ~~(1) the summary of the provisions of the constitutive documents of the overseas issuer, which is required by rule 19.10(2);~~
- ~~(2) the summary of the relevant regulatory provisions (statutory or otherwise) of the jurisdiction in which the overseas issuer is incorporated or otherwise established, which is required by rule 19.10(3); and~~
- ~~(3) the comparison between those constitutive documents and the listed Hong Kong issuer's existing articles of association, which is required by rule 19.10(5)(a),~~

may be published on the Exchange's website and the issuer's own website rather than set out in the listing document.

2. ~~In such cases the details of the articles of association or equivalent document required to be set out in the listing document by paragraph 7 of Part A of Appendix 1 may be limited to a summary of the changes, if any, between the Hong Kong issuer's articles of association and the overseas issuer's proposed constitutive documents, in respect of each of the areas set out in that paragraph, provided that the summary also includes details of any differences or additional provisions in the proposed new constitutive documents which confer on directors of the overseas issuer any special powers, the exercise of which would affect the rights or interests of the shareholders.~~

3. ~~The summary and, where relevant, comparison of the constitutive documents required by rules 19.10(2) and 19.10(5)(a), must be set out under the following headings and where any item is not applicable the words "not applicable" should be inserted under the relevant heading:—~~

~~(1) directors~~

~~(a) power to allot and issue shares~~

~~(i) summary~~

~~(ii) differences~~

~~(b) power to dispose of the overseas issuer's or any of its subsidiaries' assets~~

~~(i) summary~~

~~(ii) differences~~

~~(c) compensation or payments for loss of office~~

~~(i) summary~~

~~(ii) differences~~

~~(d) loans to directors~~

~~(i) summary~~

~~(ii) differences~~

~~(e) giving of financial assistance to purchase the overseas issuer's or any of its subsidiaries' shares~~

~~(i) summary~~

~~(ii) differences~~

- ~~(f) — disclosure of interests in contracts with the overseas issuer or any of its subsidiaries~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(g) — remuneration~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(h) — retirement, appointment, removal~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(i) — borrowing powers~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(2) — alterations to constitutional documents~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(3) — variation of rights of existing shares or classes of shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(4) — special resolutions — majority required~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(5) — voting rights (generally and on a poll)~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(6) — requirements for annual general meetings~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(7) — accounts and audit~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~



- ~~(8) — notice of meetings and business to be conducted thereat~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(9) — transfer of shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(10) — power of overseas issuer to purchase its own shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(11) — power for any subsidiary of the overseas issuer to own shares in its parent~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(12) — dividends and other methods of distribution~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(13) — proxies~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(14) — calls on shares and forfeiture of shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(15) — inspection of register of members~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(16) — quorum for meetings and separate class meetings~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(17) — rights of the minorities in relation to fraud or oppression thereof~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~

~~(18) procedures on liquidation~~

~~(i) summary~~

~~(ii) differences~~

~~(19) any other provisions material to the overseas issuer or the shareholders thereof.~~

~~4. [Repealed 2 November 2009]~~

### **~~Additional Documents on Display~~**

~~5. The requirements of Chapter 19 and this Appendix mean that in the case of an introduction in the circumstances set out in rule 7.14(3) the following additional documents must be published on the Exchange's website and the issuer's own website:—~~

~~(1) a summary of the relevant regulatory provisions (statutory or otherwise) of the country where the overseas issuer is incorporated or otherwise established together with a copy of all relevant statutes and/or regulations;~~

~~(2) a summary of the provisions of the proposed new constitutive documents of the overseas issuer and a comparison between the overseas issuer's constitutive documents and the constitutive documents of the listed Hong Kong issuer or issuers whose securities have been exchanged; and~~

~~(3) copies of the full valuation report in respect of any property valuations which are only summarised in the listing document (see rule 19.10(5)(e)).~~

~~...~~

## **Appendix 13**

### **PART B**

### **THE CAYMAN ISLANDS**

#### **THIS APPENDIX HAS BEEN REPEALED**

[Repealed 1 January 2022]

~~Section 1. Additional requirements for memorandum and articles of association~~

~~Section 2. Modifications and additional requirements~~

## **Section 4**

### **ADDITIONAL REQUIREMENTS FOR THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF ISSUERS INCORPORATED OR OTHERWISE ESTABLISHED IN THE CAYMAN ISLANDS**

~~In addition to the provisions of Appendix 3, the articles of association of issuers incorporated or otherwise established in the Cayman Islands whose primary listing is or is to be on the Exchange must conform with the following provisions:—~~

#### **1. ~~As regards the memorandum and articles of association~~**

~~To the extent that the same is permissible under Cayman Islands law, the memorandum and articles of association must stipulate that they may not be changed without a special resolution, and the articles of association shall define “special resolution” to mean a resolution passed by members holding three fourths of the voting rights of those present and voting in person or by proxy at a meeting of members.~~

#### **2. ~~As regards share capital~~**

~~(1) The articles of association shall stipulate that if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied only with the consent in writing of the holders of three fourths in nominal value of the issued shares of the class in question or with the sanction of a resolution passed at a separate general meeting of the holders of the shares of that class by members holding shares representing three fourths in nominal value of the shares present in person or by proxy and voting at such meeting. The articles of association shall provide that to every such separate general meeting the provisions of the articles of association relating to general meetings shall mutatis mutandis apply, but the articles of association may vary the quorum provisions relevant to any such meeting.~~

~~(2) The articles of association shall provide that every member shall be entitled to appoint a proxy who need not necessarily be a member of the issuer and that every shareholder being a corporation shall be entitled to appoint a representative to attend any general meeting of the issuer and, where a~~

~~corporation is so represented, it shall be treated as being present at any meeting in person.~~

~~(3) [Repealed 1 January 2009]~~

### **3. As regards shareholders**

~~(1) The articles of association shall stipulate that any annual general meeting must be called by notice of at least 21 days, and that any other general meeting (including an extraordinary general meeting) must be called by notice of at least 14 days. The articles of association shall stipulate that the notice convening a meeting shall contain particulars of the resolutions to be considered at that meeting.~~

~~*Note: The articles of association may provide that issuers may convene a general meeting on shorter notice than required under this provision or the companies' articles of association if it is agreed:*~~

~~*(a) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and*~~

~~*(b) in any other case, by a majority in number of the members having the right to attend and vote at the meeting, being a majority together representing at least 95% of the total voting rights at the meeting of all the members.*~~

~~(2) The articles of association shall provide for the branch register of members in Hong Kong to be open for inspection by members but may permit the company to close the register in terms equivalent to section 632 of the Companies Ordinance.~~

~~(3) The articles of association shall require an annual general meeting to be held in each year and shall provide that the audited accounts shall be sent to members at the same time as the notice of annual general meeting.~~

### **4. As to accounts**

~~(1) The articles of association shall require the issuer to keep proper books of account necessary to give a true and fair view of the issuer's affairs.~~

~~(2) The articles of association shall provide that accounts shall be audited and shall be laid before members at the annual general meeting which must be~~

~~held in each year; not more than 15 months (or such longer period as the Exchange may authorise) may elapse between the date of one annual general meeting and the next.~~

#### **5. ~~As to directors~~**

- ~~(1) The articles of association shall provide that directors may be removed at any time by ordinary resolution of the members.~~
- ~~(2) The articles of association shall restrict the making of loans to directors and their close associates and shall import provisions at least equivalent to the provisions of Hong Kong law prevailing at the time of the adoption of the articles of association.~~
- ~~(3) The articles of association shall contain provisions requiring the directors to declare their material interests in any contracts with the issuer at the earliest meeting of the board of directors of the issuer at which it is practicable for them to do so either specifically or by way of a general notice stating that, by reason of facts specified in the notice, they are to be regarded as interested in any contracts of a specified description which may subsequently be made by the issuer.~~
- ~~(4) The articles of association shall stipulate that the issuer in general meeting must approve the payment to any director or past director of any sum by way of compensation for loss of office or as consideration or in connection with his retirement from office (not being a payment to which the director is contractually entitled).~~

#### **6. ~~As to corporate representatives~~**

~~The articles of association shall provide that if a recognised clearing house within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance is a member of the company it may authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the company or at any meeting of any class of members of the company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised pursuant to this provision shall be entitled to exercise the same powers on behalf of the recognised clearing house (or its nominee) which he represents as that clearing house (or its nominee) could exercise if it were an individual shareholder of the company.~~

## Section 2

### **MODIFICATIONS AND ADDITIONAL REQUIREMENTS**

**(see rules 19.05(6)(a)(ii), 19.08(4) and 19.10(2), (3) and (5)(a))**

1. ~~In the case of an introduction in the circumstances set out in rule 7.14(3):—~~

~~(1) the summary of the provisions of the constitutive documents of the overseas issuer, which is required by rule 19.10(2);~~

~~(2) the summary of the relevant regulatory provisions (statutory or otherwise) of the jurisdiction in which the overseas issuer is incorporated or otherwise established, which is required by rule 19.10(3); and~~

~~(3) the comparison between those constitutive documents and the listed Hong Kong issuer's existing articles of association, which is required by rule 19.10(5)(a),~~

~~may be published on the Exchange's website and the issuer's own website rather than set out in the listing document.~~

2. ~~In such cases the details of the articles of association or equivalent document required to be set out in the listing document by paragraph 7 of Part A of Appendix 1 may be limited to a summary of the changes, if any, between the Hong Kong issuer's articles of association and the overseas issuer's proposed constitutive documents, in respect of each of the areas set out in that paragraph, provided that the summary also includes details of any differences or additional provisions in the proposed new constitutive documents which confer on directors of the overseas issuer any special powers, the exercise of which would affect the rights or interests of the shareholders.~~

3. ~~The summary and, where relevant, comparison of the constitutive documents required by rules 19.10(2) and 19.10(5)(a), must be set out under the following headings and where any item is not applicable the words "not applicable" should be inserted under the relevant heading:—~~

~~(1) directors~~

~~(a) power to allot and issue shares~~

~~(i) summary~~

~~(ii) differences~~

- ~~(b) — power to dispose of the overseas issuer's or any of its subsidiaries' assets~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(c) — compensation or payments for loss of office~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(d) — loans to directors~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(e) — giving of financial assistance to purchase the overseas issuer's or any of its subsidiaries' shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(f) — disclosure of interests in contracts with the overseas issuer or any of its subsidiaries~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(g) — remuneration~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(h) — retirement, appointment, removal~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(i) — borrowing powers~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
- ~~(2) — alterations to constitutional documents~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~

- ~~(3) — variation of rights of existing shares or classes of shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(4) — special resolutions — majority required~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(5) — voting rights (generally and on a poll)~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(6) — requirements for annual general meetings~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(7) — accounts and audit~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(8) — notice of meetings and business to be conducted thereat~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(9) — transfer of shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(10) — power of overseas issuer to purchase its own shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(11) — power for any subsidiary of the overseas issuer to own shares in its parent~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(12) — dividends and other methods of distribution~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~



- ~~(13) proxies~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
- ~~(14) calls on shares and forfeiture of shares~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
- ~~(15) inspection of register of members~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
- ~~(16) quorum for meetings and separate class meetings~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
- ~~(17) rights of the minorities in relation to fraud or oppression thereof~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
- ~~(18) procedures on liquidation~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
- ~~(19) any other provisions material to the overseas issuer or the shareholders thereof.~~

4. ~~[Repealed 2 November 2009]~~

#### **Additional Documents on Display**

5. ~~The requirements of Chapter 19 and this Appendix mean that in the case of an introduction in the circumstances set out in rule 7.14(3) the following additional documents must be published on the Exchange's website and the issuer's own website :—~~

- ~~(1) a summary of the relevant regulatory provisions (statutory or otherwise) of the country where the overseas issuer is incorporated or otherwise established together with a copy of all relevant statutes and/or regulations;~~
- ~~(2) a summary of the provisions of the proposed new constitutive documents of the overseas issuer and a comparison between the overseas issuer's~~

~~constitutive documents and the constitutive documents of the listed Hong Kong issuer or issuers whose securities have been exchanged; and~~

~~(3) copies of the full valuation report in respect of any property valuations which are only summarised in the listing document (see rule 19.10(5)(e)).~~

...

## **APPENDIX 13**

### **Part D**

#### **THE PEOPLE'S REPUBLIC OF CHINA**

...

#### **Section 1**

#### **ADDITIONAL REQUIREMENTS FOR THE ARTICLES OF ASSOCIATION OF ISSUERS INCORPORATED IN THE PEOPLE'S REPUBLIC OF CHINA**

In addition to the provisions of Appendix 3 ~~(see also rules 19A.46 to 19A.49)~~, the articles of association of issuers incorporated in the People's Republic of China whose primary listing is or is to be on the Exchange (see rules 19A.01 to 19A.03) must include:—

...

## **Appendix 14**

### **CORPORATE GOVERNANCE CODE AND CORPORATE GOVERNANCE REPORT**

...

#### **A.4 Appointments, re-election and removal**

...

A.4.2 ~~All directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after appointment. Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.~~

...

#### **E.1 Effective communication**

...

E.1.3 ~~[Repealed 1 January 2022] The issuer should arrange for the notice to shareholders to be sent for annual general meetings at least 20 clear business days before the meeting and to be sent at least 10 clear business days for all other general meetings.~~

...

## Appendix 16

### DISCLOSURE OF FINANCIAL INFORMATION

...

#### Requirement for all Financial Statements

2. Each set of financial statements presented in an annual report, listing document or circular shall provide a true and fair view of the state of affairs of the listed issuer and of the results of its operations and its cashflows.

2.1 *Annual financial statements of a listed issuer are required, subject to Notes ~~2.4 and 2.6~~, to conform with:—*

- (a) *Hong Kong Financial Reporting Standards (HKFRS); or*
- (b) *International Financial Reporting Standards (IFRS); or*
- (c) *China Accounting Standards for Business Enterprises (CASBE) in the case of a PRC issuer that has adopted CASBE for the preparation of its annual financial statements.*

2.2 *An issuer must apply one of the bodies of standards referred to in Note 2.1 consistently and shall not normally change from one body of standards to the other unless there are reasonable grounds to justify such a change. All reasons for any such change must be disclosed in the annual financial statements.*

2.3 *[Repealed 15 December 2010]*

2.4 ~~*[Repealed 1 January 2022]An overseas issuer, which has a secondary listing on the Exchange, may prepare annual financial statements drawn up in conformity with Generally Accepted Accounting Principles in the United States of America (US GAAP).*~~

2.5 *If an accounting estimate reported in prior interim period of the current financial year is changed during the subsequent interim period of the same financial year and has a material effect in that subsequent interim period, the nature and amount of a change in an accounting estimate that has a material effect in the current financial year or which is expected to have a material effect in subsequent periods should be disclosed. If it is impracticable to quantify the amount, this fact should be disclosed.*

2.6 ~~Where the Exchange, in exceptional circumstances, allows~~The Exchange may allow the annual financial statements of an overseas issuer to be drawn up otherwise than in conformity with financial reporting~~accounting~~ standards referred to in Note 2.1, ~~the Exchange will normally require the annual financial statements to contain a statement of the financial effect of the material differences (if any) from either HKFRS or IFRS referred to in Note 2.1 above. (see the requirements set out in rules 19.25A and 19C.23).~~

...  
2A. Where the preparation of an auditors' report or accountants' report constitutes a PIE Engagement under the FRCO, the issuer must appoint a firm of practising accountants which is a PIE Auditor under the FRCO.

Note: Qualification requirements for auditors and reporting accountants in the case of overseas issuers and PRC issuers are set out in rules 4.03, 19.20, 19A.08, 19A.31 and 19C.16.

...  
**Information to accompany interim reports**

...  
38. Except where a change in accounting policy is required by an accounting standard issued during the interim period, a listed issuer must prepare its interim report in accordance with the same accounting standards that it adopted in the preparation of its most recent published annual financial statements or for a newly listed company in its prospectus. Where there have been any significant departure from such accounting standards, then the listed issuer shall include a statement setting out particulars of, and reasons for, the departure. A listed issuer should comply with the relevant standard on interim reporting in respect of its half-year reports in accordance with the requirements under HKFRS, IFRS, ~~or~~ CASBE or the alternative overseas financial reporting standard acceptable to the Exchange referred to in Notes 2.1 and 2.6 which is adopted for the preparation of its annual financial statements.

## Appendix 21

### INDEPENDENT FINANCIAL ADVISER'S INDEPENDENCE DECLARATION

To: The Listing Division  
The Stock Exchange of Hong Kong Limited

..... / ..... / .....

We, ....., are the independent financial adviser (the "Firm") appointed by ..... (the "Company") under rule 13.39(6)(b) / rule 19.05(6)(a)(iii) [*cross out whichever is not applicable*] of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and have offices located at .....

...

## Appendix 22

### INDEPENDENT FINANCIAL ADVISER'S UNDERTAKING

To: The Listing Division  
The Stock Exchange of Hong Kong Limited

..... / ..... / .....

We, ....., are the independent financial adviser appointed by ..... (the "Company") under rule 13.39(6)(b) / rule 19.05(6)(a)(iii) [*cross out whichever is not applicable*] of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and have offices located at .....

...

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# AMENDMENTS TO THE GEM LISTING RULES

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## Chapter 1

### GENERAL

#### INTERPRETATION

- 1.01 Throughout these Rules, the following terms, except where the context otherwise requires, have the following meanings:

...

**“Company Information Sheet”**

the document required to be published under rules 12.26(2), 12.27(9) or 28.16(2) in the prescribed form set out in Appendix 5F and, where applicable, supplemented by the information required by rule 24.27 for publication on the Exchange’s website and the overseas issuer’s website

...

**“dual listing”**

a listing on GEM where the issuer either: (i) also has a listing on one or more overseas stock exchange(s); or (ii) is simultaneously applying to list on GEM and one or more overseas stock exchange(s)

...

**“EU-IFRS”**

IFRS as adopted by the European Union

...

**“Financial Reporting Council or “FRC”**

the Financial Reporting Council established by section 6(1) of the Financial Reporting Council Ordinance

**“Financial Reporting Council Ordinance” or “FRCO”**

the Financial Reporting Council Ordinance (Cap. 588) as amended from time to time

...

**“FRC Transaction Levy”**

means the levy payable to the Financial Reporting Council pursuant to the provisions of section 50A of the Financial Reporting Council Ordinance

...

**“IOSCO”**

International Organization of Securities Commissions

**“IOSCO MMOU”**

IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information

...

**“Mandatory Provisions”**

the Mandatory Provisions for Companies Listing Overseas set forth in Zheng Wei Fa (1994) No. 21 issued on 27 August 1994 by the State Council Securities Policy Committee and the State Commission for Restructuring the Economic System

...

**“overseas issuer”**

an issuer that is neither a Hong Kong issuer nor a PRC issuer incorporated or otherwise established outside Hong Kong

...

**“PIE Auditor”**

has the same meaning as in section 3A of the FRCO, that is:

(a) a Registered PIE Auditor; or

(b) a Recognised PIE Auditor

*Note: Under the FRCO, only an issuer incorporated outside Hong Kong is permitted to appoint a Recognised PIE Auditor for a PIE Engagement. A Mainland auditor recognised under section 20ZT of the FRCO can only carry out a PIE engagement for a PRC issuer.*

**“PIE Engagement”**

has the same meaning as an engagement specified in Part 1 of Schedule 1A of the FRCO, that is any of the following types of engagement carried out by an auditor or a reporting accountant:

(a) an auditors’ report on a PIE’s annual financial statements required by the Companies Ordinance, the GEM Listing Rules or any relevant code issued by the Commission;

(b) a specified report required to be included in (i) a listing document for the listing of the shares or stocks of a corporation seeking to be listed or a listed corporation; or (ii) a listing document of a Collective Investment Scheme seeking to be listed or a listed Collective Investment Scheme; and

(c) an accountants’ report required under the GEM Listing Rules to be included in a circular issued by a PIE for a reverse takeover or a very substantial acquisition

**“place of central management and control”**

the Exchange will consider the following factors to determine an issuer’s place of central management and control:

(a) the location from where the issuer's senior management direct, control, and coordinate the issuer's activities;

(b) the location of the issuer's principal books and records; and

(c) the location of the issuer's business operations or assets

...

**"Professional Accountants Ordinance" or "PAO"**

the Professional Accountants Ordinance (Cap. 50) as amended from time to time

...

**"Public Interest Entity" or "PIE"**

has the same meaning as in section 3(1) of the FRCO, that is a listed corporation with listed shares or stocks or a listed Collective Investment Scheme in Hong Kong

*Note: A listed corporation with listed debt securities but no listed shares or stocks is not a PIE.*

...

**"Recognised PIE Auditor"**

an overseas auditor recognised under Division 3 of Part 3 of the FRCO, including a Mainland auditor recognised under section 20ZT of the FRCO

**"Recognised Stock Exchange"**

the main market of a stock exchange that is included in a list of Recognised Stock Exchanges published on the Exchange's website as updated from time-to-time

**"Registered PIE Auditor"**

a practice unit registered under Division 2 of Part 3 of the FRCO

...

**"SFC Transaction Levy"**

means the levy payable to the Commission pursuant to the provisions of section 394 of the SFO

...



## Chapter 2

### GENERAL

#### INTRODUCTION

...

#### General principles

...

- 2.07 It is emphasised that the GEM Listing Rules are not exhaustive and that the Exchange may impose additional requirements or make listing subject to special conditions whenever it considers it appropriate. Conversely, the Exchange may waive, modify or not require compliance with the GEM Listing Rules in individual cases (to suit the circumstances of a particular case), as a variety of circumstances may exist which require it to make ad hoc decisions. However, any waiver or modification of, or decision not to require compliance with, a rule, which is intended to have general effect (i.e. to affect more than one issuer and its subsidiaries at the same time) may only be granted with the prior consent of the Commission. The Exchange will not grant an individual waiver or modification of a rule, or agree not to require compliance with a rule, on a regularly recurring basis so as to create the same result as a general waiver. Consequently, both new applicants and listed issuers and, in the case of a guaranteed issue, guarantors are ~~welcome~~encouraged to seek informal and confidential guidance from the Exchange at all times.

Note: Issuers must fully disclose details of any waivers or modifications granted (including the conditions thereof) in the relevant listing document (or in other announcement or circular as the Exchange considers appropriate). The Exchange reserves the right to revoke or modify any waivers or modifications granted if there are any material changes in the information provided or circumstances thereunder.

...

#### Fees and other charges

- 2.29 Of relevance to issuers, the details of the initial listing fee, annual listing fee, subsequent issue fee and other charges, together with details of the brokerage charge, ~~transaction~~ levies and trading fees on new issues are set out in Appendix 9.

...

## Chapter 7

### GENERAL

#### ACCOUNTANTS' REPORTS AND PRO FORMA FINANCIAL INFORMATION

...

##### Reporting accountants

7.02 ~~All accountants' reports must normally be prepared by certified public accountants who are qualified under the Professional Accountants Ordinance for appointment as auditors of a company and who are~~ Reporting accountants must be 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 Institute of Certified Public Accountants, provided that, or the International Federation of Accountants. Subject to rules 7.02(1) and 7.02(2), accountants' reports must normally be prepared by certified public accountants who are qualified under the PAO for appointment as auditors of a company.

- (1) Where the preparation of an accountants' report constitutes a PIE Engagement under the FRCO, the issuer must normally appoint a firm of practising accountants that is qualified under the PAO and is a Registered PIE Auditor under the FRCO. In the case of such a PIE Engagement that is a reverse takeover or a very substantial acquisition circular issued by a listed issuer incorporated outside Hong Kong relating to the acquisition of an overseas company, the Exchange may be prepared to accept the appointment of an overseas firm of practising accountants that is not qualified under the PAO but is a Recognised PIE Auditor of that issuer under the FRCO.

Notes:

1. The preparation of an accountants' report included in (a) a listing document for the listing of the shares or stocks of a corporation seeking to be listed or a listed corporation; or (b) a circular issued by a PIE for a reverse takeover or a very substantial acquisition is a PIE Engagement under the FRCO.
2. In relation to an application for the recognition of an overseas firm of practising accountants under the FRCO, on a request made by an issuer incorporated outside Hong Kong, the Exchange may provide a statement of no objection to that issuer appointing an overseas firm of practising accountants to carry out a PIE Engagement for that issuer under section 20ZF(2)(a) of the FRCO. Such firm must normally:
  - (a) have an international name and reputation;
  - (b) be a member of a recognised body of accountants; and

(c) be subject to independent oversight by a regulatory body of a jurisdiction that is a full signatory to the IOSCO MMOU. It would be acceptable if the relevant audit oversight body is not a signatory to the IOSCO MMOU but the securities regulator in the same jurisdiction is a full signatory to the IOSCO MMOU.

That issuer must provide the specific reasons supporting its request for a statement of no objection, for example:

— such firm has a geographical proximity and familiarity with the businesses of that issuer or the target;

— that issuer or the target is listed on a Recognised Stock Exchange, and such firm is the auditor of that issuer or the target; and

— such firm is the statutory auditor of that issuer or the target.

If applicable, this statement of no objection is also subject to the Commission granting a certificate of exemption from strict compliance with the relevant requirement concerning the qualification of the reporting accountants under the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

The Exchange retains a discretion to accept or reject an application for a statement of no objection, and reserves the right to withdraw the statement of no objection pursuant to section 20ZF(2)(a) of the FRCO.

(2) In the case of an extreme transaction or a major transaction circular issued by a listed company 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 practising accountants which that is not so qualified under the PAO 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.

(a) have an international name and reputation;

(b) be a member of a recognised body of accountants; and

(c) be subject to independent oversight by a regulatory body of a jurisdiction that is a full signatory to the IOSCO MMOU. It would be acceptable if the relevant audit oversight body is not a signatory to the IOSCO MMOU but the securities regulator in the same jurisdiction is a full signatory to the IOSCO MMOU.

...

## Accounting standards

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7.13 ~~[Repealed 1 January 2022]~~The financial history of results and the statement of financial position included in the accountants' report of a listing applicant, which is listed, or is to be simultaneously listed, on the New York Stock Exchange or the Nasdaq Stock Market of the United States of America may, be drawn up in conformity with Generally Accepted Accounting Principles in the United States of America (US GAAP) provided that:—

- ~~(1) the overseas listing applicant has adopted US GAAP for the purposes of reporting to shareholders on the New York Stock Exchange or the Nasdaq Stock Market of the United States of America; and~~
- ~~(2) the overseas listing applicant's principal activity does not consist of property development and/or investment.~~

7.14 Except as provided in rule 7.13, a listing applicant must obtain the prior approval of the Exchange if it proposes that the accountants report should In the case of the accountants' report for an overseas issuer, where the Exchange allows a report to be drawn up otherwise than in conformity with either of the standards referred to in rule 7.12. Such approval will only be given in exceptional circumstances. If such approval is given, the report will be required to conform with financial reporting standards acceptable to the Exchange. In such cases the Exchange will normally require the report to contain a reconciliation statement of setting out the financial effect of the material differences (if any) and a summary of any material differences in disclosure (if any) from either of the standards referred to in rule 7.12.

### Notes:

1. The suitability of alternative overseas financial reporting standards depends on whether there is any significant difference between the overseas financial reporting standards and IFRS, and whether there is any concrete proposal to converge or substantially converge the overseas financial reporting standards with IFRS.

2. A list of alternative overseas financial reporting standards that are considered comparable to HKFRS or IFRS is published on the Exchange's website, as amended from time to time.
3. The reconciliation statement must be reviewed by the reporting accountant that reports on the relevant financial statements.
4. An overseas issuer with a dual listing that adopts one of the alternative standards referred to in Note 2 above (other than issuers incorporated in a member state of the European Union which have adopted EU-IFRS) for the preparation of its accountants' reports must adopt HKFRS or IFRS if it de-lists from the jurisdiction of that alternative standard and must do so for any annual, interim and quarterly financial statements that fall due under the GEM Listing Rules, and are published, after the first anniversary of the date of its de-listing.

7.15 ~~Whilst the~~ The accountants' report for a PRC issuer must normally be drawn up in accordance with either of the standards referred to in rule 7.12, such report may, in addition, include (in a separate part) financial information conforming with PRC accounting rules and regulations, provided that the report contains a statement of the financial effect of the material differences (if any) and a summary of any material differences in disclosure (if any) from either of the standards referred to in rule 7.12.

7.16 Without prejudice to the provisions of rules 7.14 and 7.15, any significant departure from either of the accounting standards referred to in rule 7.12 must be disclosed and explained and, to the extent practicable, the financial effects of such departure quantified.

...

### **Auditing standards**

7.17A In the case of the accountants' report for an overseas issuer, such report will not normally be regarded as acceptable unless the relevant financial statements have been audited to a standard comparable to that required by the Hong Kong Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board of the International Federation of Accountants.

Note: A list of alternative overseas auditing standards that are considered comparable to the standards set out in this rule is published on the Exchange's website, as amended from time to time.

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## Chapter 11

### EQUITY SECURITIES

#### QUALIFICATIONS FOR LISTING

...

##### General conditions applicable to all issuers

11.05      The issuer must be duly incorporated or otherwise established under the laws of the place where it is incorporated or otherwise established ~~Hong Kong, the PRC, Bermuda or the Cayman Islands~~ and must be in conformity with those laws, including all such laws relevant to the allotment and issue of securities, and with its memorandum and articles of association or equivalent documents. The issuer must demonstrate how the domestic laws, rules and regulations to which it is subject and its constitutional documents, in combination, provide the shareholder protection standards set out in Appendix 3. ~~The issuer's memorandum and articles of association must comply with Appendix 3 and, in addition (in the case of PRC overseas issuers incorporated or established in specified jurisdictions) must also comply with Part C of Appendix 11.~~

11.05A      Each of the statutory securities regulator of an issuer's jurisdiction of incorporation and the statutory securities regulator of the place of central management and control must be a full signatory to the IOSCO MMOU. This is to enable the Commission to seek regulatory assistance and information from overseas statutory securities regulators to facilitate the Commission's investigations and enforcement actions where an issuer has its records, business operations, assets and management outside Hong Kong.

11.05B      The Exchange may waive rule 11.05A in an individual case only with the Commission's explicit consent having regard to whether there are adequate arrangements to enable the Commission to access financial and operational

information (such as books and records) on an issuer's business in the relevant place of incorporation and place of central management and control for its investigation and enforcement purposes.

...

## Chapter 12

### EQUITY SECURITIES

#### APPLICATION PROCEDURES AND REQUIREMENTS

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#### Applications

##### *General*

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- 12.11 From the time of submission of the application for listing until listing is granted, there must be no dealing in the securities for which listing is sought by any core connected person of the issuer, except as permitted by rule 10.16. The directors of the issuer shall forthwith notify the Exchange of any such dealing or suspected dealing of which they become aware. If any of the directors or their close associates are found to have engaged in such dealing, the application may be rejected.

Note: The Exchange may consider an application for a waiver from strict compliance with rule 12.11 for issuers with, or seeking, a dual listing, subject to the following conditions:–

- (a) the core connected persons have no influence over the listing process and are not in possession of inside information;
- (b) the issuer promptly releases any inside information to the public in its overseas jurisdiction(s) in accordance with the relevant laws and regulations;
- (c) it is beyond the issuer's control that the core connected person(s) conduct dealings in the issuer's securities on markets outside the Exchange (e.g. a public investor who may become a substantial shareholder before the issuer lists on GEM); and
- (d) the issuer has systems in place to identify the dealings by any of its core connected persons during the restricted period and notifies the

Exchange of breaches of dealing restriction by any of its core connected persons other than those who have already been exempted from strict compliance with rule 12.11 during the restricted period.

...

## **Documentary requirements – New Listing Applications**

*At the time of application for listing*

12.22 The following documents, as applicable, must be lodged with the Exchange for review together with the application for listing form in respect of a new applicant:—

...

- (2) a confirmation from the new applicant's legal advisers that the new applicant's articles of association (i) conform with the relevant parts of ~~Appendices~~ 3 and (for overseas issuers) the related guidance materials, and (where applicable) Appendix 11, and (ii) on the whole, are not inconsistent with the GEM Listing Rules and the laws of the place where the new applicant is incorporated or otherwise established;

...

## **Chapter 14**

### **EQUITY SECURITIES**

#### **LISTING DOCUMENTS**

...

#### **Contents**

14.08 In the case of a new applicant, the listing document is required to include the following:—

...

- (7) subject to rule 14.13 and to the extent not included by virtue of the above, such particulars and information which, according to the particular nature of the applicant and the securities for which listing is sought, is necessary to enable an investor to make an informed assessment of:—
- (a) the activities, profits and losses, assets and liabilities, financial position, management and prospects of the applicant; and



- (b) the rights and trading arrangements attaching to such securities.

Note: The Exchange may consider an application for a waiver from the disclosure requirement of the issue price or offer price under rule 14.08 and paragraph 15(3)(c) of Appendix 1A for issuers with, or seeking, a dual listing, subject to the conditions that:–

- (a) the Commission grants a certificate of exemption from strict compliance with the relevant requirements of the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) the listing document discloses (i) the maximum offer price (also in the application forms); (ii) when the final offer price will be determined and how it will be published; (iii) the issuer's historical share prices during the trading record period and up to the latest practicable date; (iv) trading liquidity; (v) the determinants of the final offer price; and
- (c) investors will be able to access the latest market price of the issuer's shares.

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## **Chapter 16**

### **EQUITY SECURITIES**

#### **PUBLICATION REQUIREMENTS**

##### **Role of the Exchange**

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- 16.03 Any publication by an issuer pursuant to the GEM Listing Rules must be made in both the English and Chinese languages unless otherwise stated.

*Note: This rule does not apply to documents to be published on the Exchange's website and the issuer's own website pursuant to rule 7.18, rule 8.01B(1)(b), rule 8.02B(2)(b), rule 23.02(2), rule 24.09(2), rule 24.09(3), rule 24.09(5)(a) and (e), rule 24.09(6), rule 25.20(4), rule 25.37, rule 32.05(3), rule 35.10, rule 35.11, paragraph 52 of Part A of Appendix 1,*

~~paragraph 42 of Part B of Appendix 1, paragraph 53 of Part C of Appendix 1, and paragraph 9(b)(i) of Appendix 4, paragraphs 1 and 5 in Section 2 of Part A of Appendix 11 and paragraphs 1 and 5 in Section 2 of Part B of Appendix 11.~~

...

#### **Publication on the GEM website**

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- 16.18(3) (a) Announcement or notice must not be published on the GEM website:
- between 8:30 a.m. and 12:00 noon and between 12:30 p.m. and 4:30 p.m. on a normal business day; and
  - between 8:30 a.m. and 12:30 p.m. on the eves of Christmas, New Year and the Lunar New Year when there is no afternoon session,

except for:

...

- (vi) announcements relating to suspension and resumption of a Mixed Media Offer applicable to public offers of equity securities and debt securities (see rules 16.04D and 29.21B).

Note: The Exchange may consider an application for a waiver from strict compliance with rule 16.18(3)(a) for issuers with, or seeking, a dual listing, subject to the conditions that:–

- (a) the issuer discloses in the listing document a clear indication of the impact of the waiver on potential investors;
- (b) the issuer shall inform the Exchange, in the first instance, in the event of any material change being made to the overseas regime on the disclosure of inside/ price sensitive information;
- (c) there is a minimal overlap between Hong Kong market hours and that of the overseas exchange(s) on which the issuer's securities are also traded;
- (d) the issuer notifies the Exchange of a pending announcement

and the expected time of release (of both English and Chinese versions) at least ten minutes before the release; and

(e) the announcement shall be in relation to inside/ price sensitive information and the issuer is required, for reasons not within its control, under the overseas regime to publish such announcement within the period prohibited under rule 16.18(3)(a).

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## Chapter 17

### EQUITY SECURITIES

#### CONTINUING OBLIGATIONS

##### Meetings

...

##### *Nomination of directors*

17.46B An issuer must give its shareholders the opportunity to lodge a notice with it proposing a person for election as a director at a general meeting. An issuer shall publish an announcement or issue a supplementary circular upon receipt of a ~~any~~ such notice from a shareholder to propose a person for election as a director at the general meeting where such notice is received by the issuer after publication of the notice of meeting. The issuer shall include particulars of the proposed director in the announcement or supplementary circular. The issuer must give shareholders at least seven days to consider the relevant information disclosed in such an announcement or supplementary circular prior to the date of the meeting of the election.

*Note: The issuer must assess whether or not it is necessary to adjourn the meeting of the election to give shareholders a longer period of at least 10 business days to consider the relevant information disclosed in the announcement or supplementary circular.*

...

*Voting of directors at board meeting*

17.48A ~~Subject to the exceptions set out in paragraphs (1), (2), (4) and (5) of Note 5 to Appendix 3, a~~ director of an issuer shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his close associates has a material interest nor shall he be counted in the quorum present at the meeting. subject to the following exceptions:

(1) the giving of any security or indemnity either:—

(a) to the director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the issuer or any of its subsidiaries; or

(b) to a third party in respect of a debt or obligation of the issuer or any of its subsidiaries for which the director or his close associate(s) has himself/ themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

(2) any proposal concerning an offer of shares or debentures or other securities of or by the issuer or any other company which the issuer may promote or be interested in for subscription or purchase where the director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(3) any proposal or arrangement concerning the benefit of employees of the issuer or its subsidiaries including:—

(a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the director or his close associate(s) may benefit; or

(b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to the director, his close associate(s) and employee(s) of the issuer or any of its subsidiaries and does not provide in respect of any director, or his close associate(s), as such any privilege or advantage not generally

accorded to the class of persons to which such scheme or fund relates;  
and

- (4) any contract or arrangement in which the director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the issuer by virtue only of his/their interest in shares or debentures or other securities of the issuer.

...

17.50 An issuer must publish an announcement as soon as practicable in regard to:—

- (1) ...

*Note: Changes to the relevant parts of the articles of association or equivalent documents must conform with the requirements of Appendix 3 to the GEM Listing Rules and, in the case of an overseas issuer which is incorporated or otherwise established in a jurisdiction in respect of which additional requirements are set out in Appendix 11 (including, for these purposes, the PRC), such changes must conform with Appendix 11.*

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## **Chapter 18**

### **EQUITY SECURITIES**

### **FINANCIAL INFORMATION**

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#### **Annual reports**

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#### *Accounting standards*

18.04 Annual financial statements of a listed issuer are required, subject to ~~rule 18.05 and rule 18.06~~, to conform with HKFRS, IFRS or CASBE in the case of a PRC issuer that has adopted CASBE for the preparation of its annual financial statements.

*Note: The issuer must apply one of these bodies of standards consistently and*

*shall not normally change from one body of standards to the other unless there are reasonable grounds to justify such change. All reasons for any such change must be disclosed in the annual financial statements.*

18.05 ~~[Repealed 1 January 2022]~~A listed issuer, which is also listed on the New York Stock Exchange or the Nasdaq Stock Market of the United States of America, may prepare annual financial statements drawn up in conformity with Generally Accepted Accounting Principles in the United States of America (US GAAP), subject to the following:—

- ~~(1) the listed issuer has adopted US GAAP for the purposes of reporting to shareholders on the New York Stock Exchange or the Nasdaq Stock Market of the United States of America;~~
- ~~(2) a listed issuer already listed on the Exchange which subsequently obtains a listing on the New York Stock Exchange or the Nasdaq Stock Market of the United States of America and thereafter adopts US GAAP in place of the standards referred to in rule 18.04 in the preparation of its annual financial statements will be required to compile a statement of the financial effect of material differences from the standards referred to in rule 18.04 in the first annual financial statements in which US GAAP is adopted;~~
- ~~(3) a listed issuer which was permitted to adopt US GAAP on the basis that it is listed on the New York Stock Exchange or the Nasdaq Stock Market of the United States of America but is no longer so listed, will be required to revert to one of the relevant standards referred to in rule 18.04 for financial reporting purposes; and~~
- ~~(4) a listed issuer whose principal activity is property development and/or investment may not adopt US GAAP for financial reporting purposes.~~

18.06 ~~Where the Exchange, in exceptional circumstances,~~The Exchange may allows the annual financial statements of any overseas issuer to be drawn up otherwise than in conformity with ~~accounting~~financial reporting standards referred to in rule 18.04 or with US GAAP in the circumstances set out in rule 18.05, (see the requirements set out in rule 24.18A)~~the Exchange will normally require the annual financial statements to contain a statement of the financial effect of the material differences (if any) and a summary of any material differences in disclosure (if any) from either HKFRS or IFRS referred to in rule 18.04.~~

### Auditors' report

18.06A Where the preparation of an auditors' report constitutes a PIE Engagement under the FRCO, the issuer must appoint a firm of practising accountants which is a PIE Auditor under the FRCO.

Note: Qualification requirements for auditors in the case of overseas issuers and PRC issuers are set out in rules 24.13 and 25.25.

...

### **Half-year reports**

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#### *Content of half-year reports*

18.55 ...

Notes: 1 *An issuer should comply with the relevant standard on interim reporting in respect of its half-year reports in accordance with the requirements under HKFRS, IFRS, ~~US GAAP or CASBE~~ or the alternative overseas financial reporting standard acceptable to the Exchange referred to in rules 18.04 and 18.06 which is adopted for the preparation of its annual financial statements.*

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## **Chapter 24**

### **EQUITY SECURITIES**

### **OVERSEAS ISSUERS**

#### **Preliminary**

24.01 ~~[Repealed 1 January 2022] Rule 11.05 provides that an issuer can be incorporated or otherwise established under the laws of the PRC, Bermuda or the Cayman Islands (as an alternative to Hong Kong). Chapter 25 concerns PRC companies. This Chapter concerns companies incorporated or otherwise established in Bermuda, the Cayman Islands or any jurisdiction, other than Hong Kong or the PRC, accepted by the Exchange from time to time as being a suitable jurisdiction~~

~~for the incorporation or establishment of an issuer proposing to list on GEM.~~

24.02 The GEM Listing Rules apply as much to overseas issuers as they do to Hong Kong issuers, ~~subject to~~ This Chapter sets out the additional requirements, modifications or exemptions set out or referred to in this Chapter that apply to an overseas issuer listed or to be listed on GEM. This includes an overseas issuer that has a dual listing. Overseas issuers are encouraged to contact the Exchange if they envisage any difficulties in complying fully with the relevant requirements.

24.03 ~~In circumstances where the overseas issuer is or is to be listed on another stock exchange as well as on GEM, the provisions of the GEM Listing Rules, unless otherwise stated, apply in their entirety, save for any additional requirements, modifications or exemptions set out in this Chapter (or elsewhere in the GEM Listing Rules). The Exchange may exercise its power under rule 2.07 to waive, modify or not require compliance with a GEM Listing Rule for issuers with, or seeking, a listing under this chapter, on a case by case basis~~ reserves the right, on a case by case basis, to waive or modify any requirement of the GEM Listing Rules relating to an overseas issuer if it is or is to be listed on another regulated, regularly operating, open stock exchange in respect of which the standards of protection for shareholders and investors are at least equivalent to those afforded pursuant to the GEM Listing Rules.

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## **Chapter 11 – Qualifications for Listing**

24.05 The following requirements apply in addition to those set out in Chapter 11:—

- (1) the Exchange reserves the right, in its absolute discretion, to refuse a listing of securities of an overseas issuer if it believes that it is not in the public interest to list them;—
  - (a) [Repealed 1 January 2022] ~~it believes that it is not in the public interest to list them; or~~
  - (b) [Repealed 1 January 2022] ~~the Exchange is not satisfied that the overseas issuer is incorporated or otherwise established in a jurisdiction where the standards of protection for shareholders and investors are at least equivalent to those provided in Hong Kong;~~



~~Note: Where the Exchange believes that the jurisdiction in which the overseas issuer is incorporated is unable to provide standards of protection for shareholders and investors at least equivalent to those provided in Hong Kong, but that it is possible by means of varying the overseas issuer's constitutive documents to provide standards of protection equivalent to those provided in Hong Kong, then the Exchange may approve the listing of securities of the overseas issuer subject to the overseas issuer making such variations to its constitutive documents as the Exchange may require.~~

...

(6) where an overseas issuer wishes to obtain its listing on the ~~Exchange~~GEM by way of an introduction in the circumstances set out in rule 10.18(3):—

(a) it must ~~comply with the following additional requirements:~~—

(i) ~~[Repealed 1 January 2022] provide the Exchange with details of the relevant regulatory provisions (statutory or otherwise) in its place of incorporation or other establishment and demonstrate that the standards of protection for shareholders and investors provided by that jurisdiction are not lower than those pertaining in Hong Kong; and~~

(ii) ~~with the exception of those overseas issuers which are incorporated or otherwise established in any jurisdiction in respect of which additional requirements are set out in Appendix 44, if requested to do so by the Exchange, appoint an independent financial adviser acceptable to the Exchange to confirm that the proposals are in the interests of the holders of the securities of the existing listed company or companies;~~

(b) ~~[Repealed 1 January 2022] in addition the issuer must comply with such other requirements as the Exchange may on a case by case basis impose, in order to ensure that Hong Kong investors will be afforded the same level of protection as exists in Hong Kong in relation to the holding of securities in a Hong Kong issuer. The additional requirements currently imposed by the Exchange in respect of certain~~

~~jurisdictions are set out in Appendix 11. The Exchange may add to or waive, modify or not require compliance with these requirements on a case by case basis; and~~

- (c) ~~[Repealed 1 January 2022]attention is particularly drawn to the requirement in rule 10.18(3) that any reorganisation by way of scheme of arrangement or by any other means whereby securities are issued by an overseas issuer in exchange for the securities of one or more listed Hong Kong issuers and the listing of the latter issuer or issuers is withdrawn at the same time as the securities of the overseas issuer are listed, must first be approved by a special resolution of the shareholders of the listed Hong Kong issuer or issuers.~~

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## Chapter 14 – Listing Documents

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24.09 The following modifications and additional requirements apply:—

...

- (2) the listing document must contain a summary of all provisions of the constitutive documents of the overseas issuer in so far as they may affect shareholders' rights and protections and directors' powers ~~(using the same subject headings as is required by Section 2 of Appendix 11 in respect of certain named jurisdictions). In the case of an overseas issuer which is incorporated or otherwise established in a jurisdiction in respect of which additional requirements are set out in Appendix 11 and which is applying for listing by way of an introduction in the circumstances set out in rule 10.18(3), the summary need only be published on the Exchange's website and the issuer's own website (see Appendix 11);~~

*Note: An overseas issuer can refer to Section 2 of Appendix 11 Part C (The People's Republic of China) for guidance on the subject headings that should be used to provide this summary.*

- (3) the listing document must contain a summary of the relevant regulatory provisions (statutory or otherwise) of the jurisdiction in which the overseas issuer is incorporated or otherwise established in a form to be agreed upon by the Exchange on a case by case basis and in the Exchange's absolute

~~discretion. In the case of an overseas issuer which is incorporated or otherwise established in a jurisdiction in respect of which additional requirements are set out in Appendix 11 and which is applying for listing by way of an introduction in the circumstances set out in rule 10.18(3), the summary need only be published on the Exchange's website and the issuer's own website (see Appendix 11);~~

...

- (5) for an introduction in the circumstances in rule 10.18(3), the following modifications, exceptions and additional requirements apply:—

- (a) the following may be published on the Exchange's website and the issuer's own website rather than set out in the listing document;~~the listing document must contain (but~~

- (i) ~~(without in any way limiting the scope of the summary required by rule 24.09(2)) a comparison between the provisions of the listed Hong Kong issuer's existing articles of association and the proposed content of the constitutive documents of the overseas issuer (in the same format as is set out in Section 2 of Appendix 11 in respect of certain named jurisdictions). In the case of an overseas issuer which is incorporated or otherwise established in a jurisdiction in respect of which additional requirements are set out in Appendix 11, the summary need only be published on the Exchange's website and the issuer's own website (see Appendix 11);~~

Notes:

1. In such cases the details of the articles of association or equivalent document required to be set out in the listing document by paragraph 7 of Part A of Appendix 1 may be limited to a summary of the changes, if any, between the Hong Kong issuer's articles of association and the overseas issuer's proposed constitutive documents, in respect of each of the areas set out in that paragraph, provided that the summary also includes details of any differences or additional provisions in the proposed new constitutive documents which confer on directors of the overseas issuer any special powers, the exercise of which

would affect the rights or interests of the shareholders.

2. An overseas issuer can refer to Section 2 of Appendix 11 Part C (The People's Republic of China) for guidance on the format that should be used to provide this comparison.

(ii) a summary of the provisions of the constitutive documents of the overseas issuer, which is required by rule 24.09(2); and

(iii) a summary of the relevant regulatory provisions (statutory or otherwise) of the jurisdiction in which the overseas issuer is incorporated or otherwise established which is required by rule 24.09(3) together with a copy of all relevant statutes and/or regulations;

...

- (6) the documents to be published on the Exchange's website and the issuer's own website will be the documents corresponding to those mentioned in paragraph 52 of Part A and paragraph 42 of Part B of Appendix 1. Where any of such documents are not in English or Chinese, a certified English or Chinese translation thereof must be published on the Exchange's website and the issuer's own website. In addition, where rule 24.09(3) applies, the overseas issuer must publish on the Exchange's website and the issuer's own website a copy of any statutes or regulations which are relevant to the summary of the regulatory provisions of the jurisdiction in which the overseas issuer is incorporated or otherwise established. In particular cases, the Exchange may require other additional documents to be published on the Exchange's website and the issuer's own website; and

Note: The Exchange may consider an application for a waiver from strict compliance with the requirement to publish on the Exchange's website and the issuer's own website the relevant statutes or regulations under rule 24.09(6) for issuers having a dual listing, subject to the conditions that the website addresses of the relevant statutes and regulations applicable to the issuer are disclosed in the listing document; and these websites are easily accessible to the public free of charge.

...

## Chapters 17 and 18 -Continuing Obligations and Financial Information

### *General*

- 24.10 ~~[Repealed 1 January 2022]~~ Whilst Chapters 17 and 18 apply equally to overseas issuers, the Exchange may be prepared to agree to such modifications thereto as it considers appropriate in a particular case.
- 24.11 ~~[Repealed 1 January 2022]~~ Conversely, the Exchange may impose additional requirements in a particular case. In particular, the Exchange may impose such additional requirements as it considers necessary to ensure that shareholders and investors have the same protection as that afforded to them in Hong Kong. The additional requirements currently imposed by the Exchange in respect of certain jurisdictions are set out in Appendix 11. The Exchange may add to or waive, modify or not require compliance with, these requirements on a case by case basis in its absolute discretion.

### *Annual report and accounts and auditors' report*

...

- 24.13 The annual accounts must be audited by a person, firm or company who must be a practising accountant of good standing. Such person, firm or company must also be independent of the issuer to the same extent as that required of an auditor under the Companies Ordinance and in accordance with the statements requirements on independence issued by the International Federation of Accountants and must be:—
- (1) qualified under the ~~Professional Accountants Ordinance~~ PAO for appointment as an auditor of a company and a Registered PIE Auditor under the FRCO; or
  - (2) ~~a firm of accountants acceptable to the Exchange which has an international name and reputation and is a member of a recognised body of accountants~~ an overseas firm of practising accountants that is a Recognised PIE Auditor of that issuer under the FRCO.

*Note: In relation to an application for the recognition of an overseas firm of practising accountants under the FRCO, on a request made by an overseas issuer, the Exchange may provide a statement of no objection to that issuer for appointing an overseas firm of practising accountants to carry out a PIE Engagement for that issuer under section 20ZF(2)(a) of the FRCO (see note 2 to rule 7.02(1)).*

- 24.14 The annual accounts must be audited to a standard comparable to that required by the Hong Kong Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board of the International Federation of Accountants.

Note: A list of alternative overseas auditing standards that are considered comparable to the standards set out in this rule is published on the Exchange's website, as amended from time to time.

...

- 24.18A The annual accounts are required to conform with financial reporting standards acceptable to the Exchange, which are normally HKFRS or IFRS. Where the Exchange allows annual accounts to be drawn up otherwise than in conformity with HKFRS or IFRS, the annual accounts will be required to conform with financial reporting standards acceptable to the Exchange. In such cases the Exchange will normally require the annual accounts to contain a reconciliation statement setting out the financial effect of the material differences (if any) from either HKFRS or IFRS.

Notes:

1. The suitability of alternative overseas financial reporting standards depends on whether there is any significant difference between the overseas financial reporting standards and IFRS, and whether there is any concrete proposal to converge or substantially converge the overseas financial reporting standards with IFRS.
2. A list of alternative overseas financial reporting standards that are considered comparable to HKFRS or IFRS is published on the Exchange's website, as amended from time to time.
3. An overseas issuer is also required to include a reconciliation statement in its half-year and quarterly report. The reconciliation statement contained in the annual accounts or half-year or quarterly report must be reviewed by its auditor.
4. An overseas issuer with a dual listing that adopts one of the alternative standards referred to in Note 2 above (other than issuers incorporated in a

member state of the European Union which have adopted EU-IFRS) for the preparation of its annual accounts must adopt HKFRS or IFRS if it de-lists from the jurisdiction of that alternative standard and must do so for any annual, interim and quarterly financial statements that fall due under the GEM Listing Rules, and are published, after the first anniversary of the date of its de-listing.

...

### **Common Waivers**

24.25 The Exchange will consider applications for waivers from issuers with, or seeking, a dual listing under this chapter, based on the underlying principle that the issuer can demonstrate that strict compliance with both the relevant GEM Listing Rules and the overseas regulations would be unduly burdensome or unnecessary (including where the requirements under the GEM Listing Rules contradict the applicable overseas laws or regulations and strict compliance with the GEM Listing Rules would result in a breach of applicable overseas laws or regulations) and that the granting of such waivers by the Exchange will not prejudice the interest of the investing public. In particular, the Exchange will consider applications for waivers from strict compliance with rules 12.11, 14.08, 16.18(3)(a), 24.09(6) and paragraph 15(3)(c) of Appendix 1A from overseas issuers with, or seeking, a dual listing under this chapter. The Exchange will consider these applications on individual merit based on all relevant facts and circumstances, including compliance with the prescribed conditions as set out in the relevant rules.

24.26 An overseas issuer may apply for waivers from the requirements of other rules which the Exchange will consider on a case by case basis, based on the general principles set out in Chapter 2 and rule 24.25.

### **Company Information Sheet**

24.27 An overseas issuer with a listing under this chapter (including a dual listing) that meets any of the following criteria should publish a Company Information Sheet on the relevant information as soon as possible on the Exchange's website and the overseas issuer's website:

- (1) there are novel waiver(s) granted to the issuer (for example, where an overseas issuer is allowed to take alternative measures to meet any core

shareholder protection standards set out in Appendix 3 without providing such standards in its constitutional documents);

(2) the laws and regulations in its home jurisdiction and primary market are materially different from those required by Hong Kong laws regarding:

(a) the rights of holders of its securities and how they can exercise their rights;

(b) directors' powers and investor protection; and

(c) the circumstances under which its minority shareholders may be bought out or may be required to be bought out after a successful takeover or share repurchase; or

(3) it is subject to any withholding tax on distributable entitlements or any other tax that is payable by shareholders (e.g. capital gains tax, inheritance or gift taxes).

The Exchange may also at its own discretion require an issuer to publish a Company Information Sheet if it is of the view it will be informative to investors.

Notes:

1. The purpose of the Company Information Sheet is to enable investors to easily locate specific information on the differences between the overseas requirements to which an overseas issuer is subject and the Hong Kong requirements.

2. The relevant information to be disclosed under GEM Rule 24.27(3) includes details of the relevant tax(es) and whether Hong Kong investors have any tax reporting obligations.

24.28 An overseas issuer that is required to publish a Company Information Sheet must update it from time to time to reflect any material change to the information disclosed within it as soon as practicable after such a change occurs.



## Chapter 25

### EQUITY SECURITIES

#### ISSUERS INCORPORATED IN THE PEOPLE'S REPUBLIC OF CHINA

##### Preliminary

...

25.02 In circumstances where the PRC issuer is or is to be listed on another stock exchange as well as on GEM, the provisions of the GEM Listing Rules, unless otherwise stated, apply in their entirety, save for any additional requirements, modifications and exceptions set out in this Chapter (or elsewhere in the GEM Listing Rules). ~~The Exchange reserves the right, on a case by case basis, to waive or modify any requirement of the GEM Listing Rules relating to a PRC issuer if it is or is to be listed on another regulated, regularly operating, open stock exchange in respect of which the standards of protection for shareholders and investors are at least equivalent to those afforded pursuant to the GEM Listing Rules.~~

25.02A The Exchange may exercise its power under rule 2.07 to waive, modify or not require compliance with a GEM Listing Rule for a PRC issuer with, or seeking, a listing under this chapter on a case by case basis. For PRC issuers with, or seeking, a dual listing under this chapter, the Exchange will consider applications for waivers from strict compliance with a GEM Listing Rule based on the underlying principle that the issuer can demonstrate that strict compliance with both the relevant GEM Listing Rule and the regulations of the other exchange of primary listing would be unduly burdensome or unnecessary (including where the requirements under the GEM Listing Rules contradict the applicable overseas laws or regulations and strict compliance with the GEM Listing Rules would result in a breach of applicable overseas laws or regulations) and that the granting of such waivers by the Exchange will not prejudice the interest of the investing public.

...

## Chapters 17 and 18 – Continuing Obligations and Financial Information

### *General*

...

25.22A     The reference to “every member” in rule 18.03 shall mean and refer to only registered holders of the PRC issuer’s H shares.

...

### *Annual report and accounts and auditors’ report*

...

25.25     The annual accounts must be audited by a person, firm or company who must be a practising accountant of good standing. Such person, firm or company must also be independent of the PRC issuer to the same extent as that required of an auditor under the Companies Ordinance and in accordance with the statements requirements on independence issued by the International Federation of Accountants and must be:—

- (1) qualified under the PAO~~Professional Accountants Ordinance~~ for the appointment as an auditor of a company and a Registered PIE Auditor under the FRCO; or
- (2) ~~a firm of practising accountants acceptable to the Exchange which has an international name and reputation and is a member of a recognised body of accountants~~ an overseas firm of practising accountants that is a Recognised PIE Auditor of that issuer under the FRCO; or
- (3) ~~[Repealed 1 January 2022] a firm of practising accountants acceptable to the Exchange which is a joint venture approved or otherwise permitted by the China Securities Regulatory Commission or other competent authority in the PRC to act as an auditor of a listed company in the PRC and at least one of whose principal joint venture partners is either qualified under (1) or acceptable under (2); or~~
- (4) under the mutual recognition agreement, a PRC firm of practising accountants which has been approved by the China Ministry of Finance and the China Securities Regulatory Commission as being suitable to act as an auditor or a reporting accountant for a PRC incorporated company listed in Hong Kong and is a Recognised PIE Auditor under section 20ZT of the FRCO on the condition that the PRC issuer has adopted CASBE for the preparation of its annual financial statements.

Notes:

1. In relation to an application for the recognition of an overseas firm of practising accountants under the FRCO, on a request made by a PRC issuer, the Exchange may provide a statement of no objection to that issuer for appointing an overseas firm of practising accountants to carry out a PIE Engagement for that issuer under section 20ZF(2)(a) of the FRCO (see note 2 to rule 7.02(1)).

2. The mutual recognition agreement referred to in (4) above means the agreement between the Mainland of China and Hong Kong in 2009 for mutual recognition of qualified auditors from either jurisdiction (home jurisdiction) to act as auditors of corporations incorporated in the home jurisdiction and listed in the other jurisdiction.

...

**Other requirements applicable to PRC issuers**

25.37 A PRC issuer shall publish on the Exchange's website and the issuer's own website the following:—

...

...

**The Stock Exchange of Hong Kong Limited**

**Practice Note 5**

to the Rules Governing the Listing of Securities on GEM  
of The Stock Exchange of Hong Kong Limited  
(the "GEM Listing Rules")

Issued pursuant to rule 1.07 of the GEM Listing Rules

**Publication of Application Proofs and Post Hearing Information Packs (PHIPs)**

...

**Confidential Filings**

17. For a A new applicant which has been listed on a ~~recognised overseas exchange~~

Recognised Stock Exchange, the Exchange will consider a request for confidential filing of Application Proof on the basis of the issuer's individual circumstances and the merits of the case for not less than 5 years and has a significantly large market capitalisation (as determined by the Exchange from time to time) at the time of filing its listing application is entitled to make a confidential filing of its Application Proof. The A new applicant allowed to make a confidential filing is not subject to the publication requirements for its Application Proof unless it is requested to comply with them by the Exchange. All other requirements under the GEM Listing Rules apply unless a waiver is granted.

...

### **Appendix 3**

## **CORE SHAREHOLDER PROTECTION STANDARDSARTICLES OF ASSOCIATION**

An issuer must demonstrate how the domestic laws, rules and regulations to which it is subject and its constitutional documents, in combination, provide the shareholder protection standards set out in this appendix. For this purpose, the Exchange may require the issuer to amend its constitutional documents to provide them. An issuer must further monitor its on-going compliance with these standards and notify the Exchange if it becomes unable to comply with any of these after listing. The articles of association or equivalent document must conform with the following provisions and, where necessary, a certified copy of a resolution of the board of directors or other governing body undertaking to comply with the appropriate provisions must be lodged with the Exchange.

*Note: Transitional arrangements for existing issuers listed on the Exchange's markets as at 31 December 2021 are as follows: they would have until their second annual general meeting following 1 January 2022 to make necessary changes to their constitutional documents to conform to the core shareholder protection standards set out in this Appendix.*

### **As regards Transfer and Registration**

#### **1. [Repealed 1 January 2022]**

~~(1) That transfers and other documents relating to or affecting the title to any registered securities shall be registered and where any fee or fees is/are charged, such fee or fees shall not exceed the maximum fees prescribed by~~

~~the Exchange from time to time in the GEM Listing Rules.~~

~~(Note 1)~~

- ~~(2) That fully paid shares shall be free from any restriction on the right of transfer (except when permitted by the Exchange) and shall also be free from all lien.~~

~~(Note 1)~~

- ~~(3) That where power is taken to limit the number of shareholders in a joint account, such limit shall not prevent the registration of a maximum of 4 persons.~~

- ~~(4) That the standard form of transfer as prescribed by the Exchange is appropriate and not inconsistent with the articles of association.~~

### **~~As regards Definitive Certificates~~**

#### **2. [Repealed 1 January 2022]**

- ~~(1) That all certificates for capital must be under seal, which may only be affixed with the authority of the directors, or be executed under signature of appropriate officials with statutory authority.~~

- ~~(2) Where power is taken to issue share warrants to bearer, that no new share warrant shall be issued to replace one that has been lost, unless the issuer is satisfied beyond reasonable doubt that the original has been destroyed.~~

### **~~As regards Dividends~~**

#### **3. [Repealed 1 January 2022]**

- ~~(1) That any amount paid up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof in a dividend subsequently declared.~~

- ~~(2) Where power is taken to forfeit unclaimed dividends, that power shall not be exercised until 6 years or more after the date of declaration of the dividend.~~

~~(Note 2)~~

### **As regards Directors**

4. (1) ~~[Repealed 1 January 2022] That, subject to such exceptions specified in the articles of association as the Exchange may approve, a director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his close associates has a material interest nor shall he be counted in the quorum present at the meeting.~~  
~~(Note 5)~~
- (2) That any person appointed by the directors to fill a casual vacancy on or as an addition to the board shall hold office only until the first annual general meeting of the issuer after his appointment~~next following annual general meeting of the issuer~~, and shall then be eligible for re-election.
- (3) That, where not otherwise provided by law, ~~the issuer~~members in general meeting shall have the power by ordinary resolution to remove any director (including a managing or other executive director, but without prejudice to any claim for damages under any contract) before the expiration of his term of office.
- (4) ~~[Repealed 1 January 2022] That the minimum length of the period, during which notice to the issuer of the intention to propose a person for election as a director and during which notice to the issuer by such person of his willingness to be elected may be given, will be at least 7 days.~~
- (5) ~~[Repealed 1 January 2022] That the period for lodgment of the notices referred to in sub-paragraph 4(4) will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.~~

### **As regards Accounts**

5. ~~[Repealed 1 January 2022] That a copy of either (i) the directors' report, accompanied by the balance sheet (including every document required by law to be annexed thereto) and profit and loss account or income and expenditure account or (ii) the summary financial report, shall, at least 21 days before the date of the general meeting, be delivered or sent by post to the registered address of every member.~~  
~~(Note 3)~~

### **As regards Rights**

6. [Repealed 1 January 2022]

~~(1) That adequate voting rights will, in appropriate circumstances, be secured to preference shareholders.~~

~~(2) That the quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of at least one third of the issued shares of the class.~~

~~(Note 4)~~

### **As regards Notices**

7. [Repealed 1 January 2022]

~~(1) That where power is taken to give notice by advertisement such advertisement may be published in the newspapers.~~

~~(2) That an overseas issuer shall give notice sufficient to enable members, whose registered addresses are in Hong Kong, to exercise their rights or comply with the terms of the notice.~~

~~(Note 4)~~

~~(3) That there is no prohibition on the giving of notice to members whose registered address is outside Hong Kong.~~

### **As regards Redeemable Shares**

8. [Repealed 1 January 2022]~~That, where the issuer has the power to purchase for redemption a redeemable share:—~~

~~(1) purchases not made through the market or by tender shall be limited to a maximum price; and~~

~~(2) if purchases are by tender, tenders shall be available to all shareholders alike.~~

### **~~As regards Capital Structure~~**

9. ~~[Repealed 1 January 2022] That the structure of the share capital of the issuer be stated and where such capital consists of more than one class of share it must also be stated how the various classes shall rank for any distribution by way of dividend or otherwise.~~

### **~~As regards Non-Voting or Restricted Voting Shares~~**

10. ~~[Repealed 1 January 2022]~~
- ~~(1) That, where the capital of the issuer includes shares which do not carry voting rights, the words “non-voting” must appear in the designation of such shares.~~
- ~~(2) That, where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”.~~

### **~~As regards Proxies~~**

11. ~~[Repealed 1 January 2022]~~
- ~~(1) That where provision is made in the articles as to the form of proxy, this must be so worded as not to preclude the use of the two-way form.~~
- ~~(2) That a corporation may execute a form of proxy under the hand of a duly authorised officer.~~
- ~~(Note 4)~~

### **~~As regards Disclosure of Interests~~**

12. ~~[Repealed 1 January 2022] No powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the company.~~



### **~~As regards Untraceable Members~~**

13. [Repealed 1 January 2022]

- ~~(1) That where power is taken to cease sending dividend warrants by post, if such warrants have been left uncashed, it will not be exercised until such warrants have been so left uncashed on 2 consecutive occasions. However, such power may be exercised after the first occasion on which such a warrant is returned undelivered.~~
- ~~(2) That where power is taken to sell the shares of a member who is untraceable it will not be exercised unless:—~~
- ~~(a) during a period of 12 years at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed; and~~
- ~~(b) on expiry of the 12 years the issuer gives notice of its intention to sell the shares by way of an advertisement published in the newspapers and notifies the Exchange of such intention.~~

### **~~As regards Voting~~As regards Proceedings at General Meetings**

14. (1) That an issuer must hold a general meeting for each financial year as its annual general meeting.

*Note: Generally, an issuer must hold its annual general meeting within six months after the end of its financial year.*

(2) That an issuer must give its members reasonable written notice of its general meetings.

*Note: “Reasonable written notice” normally means at least 21 days for an annual general meeting and at least 14 days for other general meetings. This is unless it can be demonstrated that reasonable written notice can be given in less time.*

(3) That members must have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a member is required, by these GEM

Listing Rules, to abstain from voting to approve the matter under consideration.

Notes:

1. An example of such a circumstance is where a member has a material interest in the transaction or arrangement being voted upon.

2. If an issuer is subject to a foreign law or regulation that prevents the restriction of a member's right to speak and/or vote at general meetings, the issuer can enter into an undertaking with the Exchange to put in place measures that achieve the same outcome as the restriction under this paragraph (e.g. any votes cast by or on behalf of a member in contravention of the rule restriction must not be counted towards the resolution).

(4) That, where any shareholder is, under these GEM Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

(5) That members holding a minority stake in the total number of issued shares must be able to convene an extraordinary general meeting and add resolutions to a meeting agenda. The minimum stake required to do so must not be higher than 10% of the voting rights, on a one vote per share basis, in the share capital of the issuer.

**As regards Variation of Rights**

15. That a super-majority vote of the issuer's members of the class to which the rights are attached shall be required to approve a change to those rights.

Notes:

1. A "super-majority vote" means at least three-fourths of the voting rights of the members holding shares in that class present and voting in person or by proxy at a separate general meeting of members of the class where the quorum for such meeting shall be holders of at least one third of the issued

shares of the class. This is unless it can be demonstrated that shareholder protection will not be compromised by a lower voting threshold (e.g. simple majority votes in favour of the relevant resolutions with a higher quorum requirement) and in such case a “super-majority vote” is deemed to be achieved.

2. For PRC issuers, the Exchange will consider a resolution passed by members representing at least two-thirds of the voting rights of the members who are present at the classified members’ meeting and have voting rights to amend class rights as satisfying the threshold of a “super-majority”.

### **As regards Amendment of Constitutional Documents**

16. That a super-majority vote of the issuer’s members in a general meeting shall be required to approve changes to an issuer’s constitutional documents, however framed.

#### Notes:

1. A “super-majority vote” means at least three-fourths of the total voting rights of the members present and voting in person or by proxy at the general meeting. This is unless it can be demonstrated that shareholder protection will not be compromised by a lower voting threshold (e.g. simple majority votes in favour of the relevant resolutions with a higher quorum requirement) and in such case a “super-majority vote” is deemed to be achieved.
2. For PRC issuers, the Exchange will consider a resolution passed by members representing at least two-thirds of the total voting rights of the members present and voting in person or by proxy at the meeting as satisfying the threshold of a “super-majority”.

### **As regards Appointment, Removal and Remuneration of Auditors**

17. That the appointment, removal and remuneration of auditors must be approved by a majority of the issuer’s members or other body that is independent of the board of directors.

Note: An example of such an independent body is the supervisory board in systems that have a two tier board structure.

### **As regards Proxies and Corporate Representatives**

18. That every member shall be entitled to appoint a proxy who needs not necessarily be a member of the issuer and that every shareholder being a corporation shall be entitled to appoint a representative to attend and vote at any general meeting of the issuer and, where a corporation is so represented, it shall be treated as being present at any meeting in person. A corporation may execute a form of proxy under the hand of a duly authorised officer.

### **As regards HKSCC's Right to Appoint Proxies or Corporate Representatives**

19. That HKSCC must be entitled to appoint proxies or corporate representatives to attend the issuer's general meetings and creditors meetings and those proxies or corporate representatives must enjoy rights equivalent to the rights of other shareholders, including the right to speak and vote.

*Note: Where the laws of an overseas jurisdiction prohibit HKSCC from appointing proxies or corporate representatives enjoying the rights described by this paragraph, the issuer must make the necessary arrangements with HKSCC to ensure that Hong Kong investors holding shares through HKSCC enjoy the right to vote, attend (personally or by proxy) and speak at general meetings.*

### **As regards Inspection of Branch Register**

20. That the branch register of members in Hong Kong shall be open for inspection by members but the issuer may be permitted to close the register on terms equivalent to section 632 of the Companies Ordinance.

### **As regards Voluntary Winding Up**

21. A super-majority vote of the issuer's members in a general meeting shall be required to approve a voluntary winding up of an issuer.

Notes:

1. A "super-majority vote" means at least three-fourths of the total voting rights of the members present and voting in person or by proxy at the general meeting. This is unless it can be demonstrated that shareholder protection

will not be compromised by a lower voting threshold (e.g. simple majority votes in favour of the relevant resolutions with a higher quorum requirement) and in such case a “super-majority vote” is deemed to be achieved.

2. For PRC issuers, the Exchange will consider a resolution passed by members representing at least two-thirds of the total voting rights of the members present and voting in person or by proxy at the meeting as satisfying the threshold of a “super-majority”.

## NOTES

1. ~~In the case of an issuer incorporated in the PRC, references to “shares” in paragraphs 1(1) and 1(2) shall mean and refer to H shares only, and shall not include the domestic shares of a PRC issuer.~~
2. ~~In the case of an issuer incorporated in the PRC, paragraph 3(2) shall be amended and restated to read as follows:~~
- ~~“Where power is taken to forfeit unclaimed dividends, that power shall not be exercised until after the expiration of the applicable limitations period.”~~
3. ~~In the case of an issuer incorporated in the PRC, the reference to “every member” in paragraph 5 shall mean and refer to only registered holders of the PRC issuer’s H shares.~~
4. ~~Paragraphs 6(2), 7(2), 11(1) and 11(2), which are covered by the additional required provisions set out in Section 1 of Part C of Appendix 11, shall not apply to an issuer incorporated in the PRC.~~
5. ~~Articles of Association will be acceptable to the Exchange if they provide exceptions from the requirements of paragraph 4(1) of this Appendix in respect of the following matters:—~~
- ~~(1) the giving of any security or indemnity either:—~~
- ~~(a) to the director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the issuer or any of its subsidiaries; or~~

- ~~(b) to a third party in respect of a debt or obligation of the issuer or any of its subsidiaries for which the director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;~~
- ~~(2) any proposal concerning an offer of shares or debentures or other securities of or by the issuer or any other company which the issuer may promote or be interested in for subscription or purchase where the director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;~~
- ~~(3) any proposal concerning any other company in which the director or his close associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the director or his close associate(s) is/are beneficially interested in shares of that company, provided that the director and any of his close associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of any of his close associates is derived) or of the voting rights;~~
- ~~(4) any proposal or arrangement concerning the benefit of employees of the issuer or its subsidiaries including:—~~
- ~~(a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the director or his close associate(s) may benefit; or~~
- ~~(b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors, his close associates and employees of the issuer or any of its subsidiaries and does not provide in respect of any director, or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and~~
- ~~(5) any contract or arrangement in which the director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the issuer by virtue only of his/their interest in shares or debentures or other securities of the issuer.~~

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## Appendix 9

# LISTING FEES, TRANSACTION LEVIES AND TRADING FEES ON NEW ISSUES AND BROKERAGE

...

### 3. SFC Transaction Levy on New Issues

- (1) A SFC Transaction Levy shall be payable on each of the following transactions (in each case a "Qualifying Transaction"):
- (a) the subscription and/or purchase of securities of a class new to listing;
  - (b) the subscription and/or purchase of securities of a class already listed under an offer made to the public by or on behalf of a listed issuer excluding a rights issue or open offer; and
  - (c) any other transaction in securities of a class new to listing which the Exchange deems appropriate.

Generally, any transaction involving debt securities will not be deemed to be a Qualifying Transaction, unless, in the opinion of the Exchange, such debt securities are not pure debt securities or are analogous to equity securities. The SFC Transaction Levy on new issues will not be payable in the case of an introduction.

- (2) The SFC Transaction Levy together with the investor compensation levy shall be calculated on an aggregated basis (rounded to the nearest cent) 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 to the total consideration payable to the issuer by a subscriber/purchaser for each security under the relevant Qualifying Transaction.
- (3) (a) In the case of the subscription and/or purchase of securities, the SFC Transaction Levy shall be payable by each of the issuer or vendor (as the case may be) and by the subscriber or purchaser (as the case may be).
- (b) In the case of any other Qualifying Transaction, the SFC Transaction Levy shall be payable as the Exchange shall direct.
- (4) Where the consideration under a Qualifying Transaction consists of or includes consideration other than cash, the value of the consideration on which the SFC Transaction Levy is payable shall be determined by the Exchange whose decision shall be final and binding.

- (5) The SFC Transaction Levy shall be paid to the Exchange before dealings commence in the relevant securities, in the manner determined by the Exchange from time to time.
- (6) The SFC Transaction Levy so collected by the Exchange shall be paid to the Commission in accordance with section 394 of the Securities and Futures Ordinance.
- (7) In all cases it shall be the responsibility of the issuer whose securities are to be listed to ensure that the SFC Transaction Levy is paid to the Exchange.

...

## **7. SFC Transaction Levy on Offers for Sale**

A listed issuer must notify the Exchange of every purchase and sale of its listed securities made under an offer for sale by or on behalf of a substantial shareholder. Every such purchase and sale is subject to the SFC Transaction Levy payable to the Commission pursuant to section 394 of the Securities and Futures Ordinance. The SFC Transaction Levy payable shall be paid to the Exchange by the issuer and the Exchange shall pay such amount to the Commission in accordance with that section.

...

## **9A. Annual PIE Levy**

- (1) With effect from 1 January 2022, an annual PIE levy shall be payable by a PIE to the Exchange.
- (2) The annual PIE levy so collected by the Exchange shall be paid to the FRC in accordance with section 50B of the FRCO.
- (3) The annual PIE levy payable by an issuer of equity securities (other than warrants) shall be calculated by applying the percentage rate as specified from time to time in section 2 of Schedule 7 to the FRCO to the annual listing fee payable under paragraph 1(2)(a) above for the relevant calendar year.
- (4) The annual PIE levy shall be payable in advance in one instalment. The PIE levy shall be payable within 7 days of receiving a debit note or, in any event if earlier, before dealings in the relevant securities commence. Annual PIE levy shall not be refundable. Regardless of the day of the month on which the securities are listed, the annual PIE levy will be calculated from the first day of that month and pro rata payment in respect of that month is not permitted.
- (5) The annual PIE levy for a calendar year, as calculated in accordance with paragraph 9A(3) above, is not to be adjusted even if the annual listing fee payable by the PIE to the Exchange for the relevant year is subsequently adjusted under the GEM Listing Rules.



## **9B. FRC Transaction Levy**

- (1) With effect from 1 January 2022, a FRC Transaction Levy shall be payable to the Exchange on each:
  - (a) Qualifying Transaction (as defined in paragraph 3 above); and
  - (b) purchase and sale of listed securities made under an offer for sale as described in paragraph 7 above.
- (2) The FRC Transaction Levy so collected by the Exchange shall be paid to the FRC in accordance with section 50A of the FRCO.
- (3) The FRC Transaction Levy shall be calculated (rounded to the nearest cent) by applying the percentage rate as specified from time to time in section 1 of Schedule 7 to the FRCO to the total consideration payable to the issuer/substantial shareholder by a subscriber/purchaser for each security under the relevant transaction referred to in paragraph 9B(1) above. Where the consideration under a Qualifying Transaction consists of or includes consideration other than cash, the value of the consideration on which the FRC Transaction Levy is payable shall be determined by the Exchange whose decision shall be final and binding.
- (4) (a) In the case of a Qualifying Transaction relating to the subscription and/or purchase of securities, the FRC Transaction Levy shall be payable by each of the issuer or vendor (as the case may be) and by the subscriber or purchaser (as the case may be).
  - (b) In the case of any other Qualifying Transaction, the FRC Transaction Levy shall be payable as the Exchange shall direct.
  - (c) In case of a purchase and sale of listed securities made under an offer for sale as described in paragraph 7 above, the FRC Transaction Levy shall be payable by the issuer.
- (5) The FRC Transaction Levy shall be paid to the Exchange at the same time the SFC Transaction Levy payable under paragraph 3 or paragraph 7 above (as the case may be) is paid to the Exchange, in the manner and within the time frame determined by the Exchange from time to time.
- (6) FRC Transaction Levy is not refundable.
- (7) In all cases it shall be the responsibility of the issuer whose securities are to be listed to ensure that the FRC Transaction Levy is paid to the Exchange.

## **10. General**

All fees or charges payable to the Exchange under this Appendix shall be net of all taxes, levies and duties. The Exchange reserves the right to revise any of the fees or charges prescribed above at any time, subject to the approval of the Commission pursuant to section 76 and section 24 of the Securities and Futures Ordinance. The Exchange may also at its sole discretion in any specific case reduce or waive the fees or charges prescribed above, except for (a) the SFC Transaction Levy on Qualifying Transactions in respect of which any reduction or waiver must be approved in writing by the Commission; or (b) the annual PIE levy

and the FRC Transaction Levy payable to the Exchange under paragraphs 9A and 9B above in respect of which any reduction must be approved in writing by the FRC.

...

## **Appendix 11**

### **ADDITIONAL REQUIREMENTS IN RESPECT OF CERTAIN JURISDICTIONS**

#### **PART A**

#### **BERMUDA**

#### **THIS APPENDIX HAS BEEN REPEALED**

[Repealed 1 January 2022]

~~Section 1. Additional requirements for memorandum and bye-laws~~

~~Section 2. Modifications and additional requirements~~

#### **Section 1**

#### **~~ADDITIONAL REQUIREMENTS FOR THE MEMORANDUM AND BYE-LAWS OF ISSUERS INCORPORATED OR OTHERWISE ESTABLISHED IN BERMUDA~~**

~~(see rule 24.06(1))~~

~~In addition to the provisions of Appendix 3, the bye-laws of issuers incorporated or otherwise established in Bermuda must conform with the following provisions:—~~

#### **~~1. As regards the memorandum and bye-laws~~**

~~The memorandum and bye-laws must stipulate that they may not be changed without a special resolution, and the bye-laws shall define “special resolution” to mean a resolution passed by members holding three-fourths of the voting rights of those present and voting in person or by proxy at a meeting of members.~~

## **~~2. As regards class meetings~~**

- ~~(1) The bye-laws shall stipulate that for the purposes of section 47 of the Companies Act 1981 of Bermuda the specified proportion of the holders of shares of a particular class required to sanction a resolution passed at a separate meeting of those holders to approve a variation of class rights shall be members holding three-fourths of the voting rights of that class present and voting in person or by proxy at such meeting.~~
- ~~(2) Where the issuer is permitted by Bermudian law so to do, the bye-laws shall provide that a proxy need not be a member of the issuer.~~

## **~~3. As regards notices of general meetings~~**

~~The bye-laws shall stipulate that any annual general meeting must be called by notice of at least 21 days, and that any other general meeting (including an extraordinary general meeting) must be called by notice of at least 14 days.~~

~~*Note: The articles of association may provide that issuers may convene a general meeting on shorter notice than required under this provision or the companies' bye-laws if it is agreed:*~~

- ~~(a) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and~~
- ~~(b) in any other case, by a majority in number of the members having the right to attend and vote at the meeting, being a majority together representing at least 95% of the total voting rights at the meeting of all the members.~~

## **~~4. As to accounts~~**

- ~~(1) The bye-laws shall require the issuer to keep proper books of account necessary to give a true and fair view of the issuer's affairs.~~
- ~~(2) The bye-laws shall provide that accounts shall be laid before members at the annual general meeting which must be held in each year; not more than 15 months (or such longer period as the Exchange may authorise) may elapse between the date of one annual general meeting and the next.~~

## **5. ~~As to directors~~**

~~The bye-laws shall stipulate that the issuer in general meeting must approve the payment to any director or past director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the director is contractually entitled).~~

## **6. ~~As to corporate representatives~~**

~~The bye-laws shall provide that if a recognised clearing house within the meaning of Part 4 of Schedule 1 to the Securities and Futures Ordinance is a member of the company it may, to the extent permitted by law, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the company or at any meeting of any class of members of the company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised pursuant to this provision shall be entitled to exercise the same powers on behalf of the recognised clearing house (or its nominee) which he represents as that clearing house (or its nominee) could exercise if it were an individual shareholder of the company.~~

## **Section 2**

### **MODIFICATIONS AND ADDITIONAL REQUIREMENTS**

**~~{see rules 24.09(2), (3) and (5)(a)}~~**

~~1. In the case of an introduction in the circumstances set out in rule 10.18(3):—~~

- ~~(1) the summary of the provisions of the constitutive documents of the overseas issuer, which is required by rule 24.09(2);~~
- ~~(2) the summary of the relevant regulatory provisions (statutory or otherwise) of the jurisdiction in which the overseas issuer is incorporated or otherwise established, which is required by rule 24.09(3); and~~
- ~~(3) the comparison between those constitutive documents and the listed Hong Kong issuer's existing articles of association, which is required by rule 24.09(5)(a);~~

~~may be published on the Exchange's website and the issuer's own website rather than~~

set out in the listing document.

- ~~2. In such cases the details of the articles of association or equivalent document required to be set out in the listing document by paragraph 7 of Part A of Appendix 1 may be limited to a summary of the changes, if any, between the Hong Kong issuer's articles of association and the overseas issuer's proposed constitutive documents, in respect of each of the areas set out in that paragraph, provided that the summary also includes details of any differences or additional provisions in the proposed new constitutive documents which confer on directors of the overseas issuer any special powers, the exercise of which would affect the rights or interests of the shareholders.~~
- ~~3. The summary and, where relevant, comparison of the constitutive documents required by rules 24.09(2) and 24.09(5)(a), must be set out under the following headings and where any item is not applicable the words "not applicable" should be inserted under the relevant heading:—~~

~~(1) directors~~

~~(a) power to allot and issue shares~~

~~(i) summary~~

~~(ii) differences~~

~~(b) power to dispose of the overseas issuer's or any of its subsidiaries' assets~~

~~(i) summary~~

~~(ii) differences~~

~~(c) compensation or payments for loss of office~~

~~(i) summary~~

~~(ii) differences~~

~~(d) loans to directors~~

~~(i) summary~~

~~(ii) differences~~

~~(e) giving of financial assistance to purchase the overseas issuer's or any of its subsidiaries' shares~~

~~(i) summary~~

~~(ii) differences~~

- ~~(f) disclosure of interests in contracts with the overseas issuer or any of its subsidiaries~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
  
- ~~(g) remuneration~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
  
- ~~(h) retirement, appointment, removal~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
  
- ~~(i) borrowing powers~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
  
- ~~(2) alterations to constitutional documents~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
  
- ~~(3) variation of rights of existing shares or classes of shares~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
  
- ~~(4) special resolutions—majority required~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
  
- ~~(5) voting rights (generally and on a poll)~~
  - ~~(i) summary~~
  - ~~(ii) differences~~
  
- ~~(6) requirements for annual general meetings~~
  - ~~(i) summary~~
  - ~~(ii) differences~~

- ~~(7) — accounts and audit~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(8) — notice of meetings and business to be conducted thereat~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(9) — transfer of shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(10) — power of overseas issuer to purchase its own shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(11) — power for any subsidiary of the overseas issuer to own shares in its parent~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(12) — dividends and other methods of distribution~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(13) — proxies~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(14) — calls on shares and forfeiture of shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(15) — inspection of register of members~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(16) — quorum for meetings and separate class meetings~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~

~~(17) — rights of the minorities in relation to fraud or oppression thereof~~

~~(i) — summary~~

~~(ii) — differences~~

~~(18) — procedures on liquidation~~

~~(i) — summary~~

~~(ii) — differences~~

~~(19) — any other provisions material to the overseas issuer or the shareholders thereof.~~

~~4. — [Repealed 5 July 2021]~~

### **Additional Documents on Display**

~~5. — The requirements of Chapter 24 and this Appendix mean that in the case of an introduction in the circumstances set out in rule 10.18(3) the following additional documents must be published on the Exchange's website and the issuer's own website: —~~

~~(1) — a summary of the relevant regulatory provisions (statutory or otherwise) of the country where the overseas issuer is incorporated or otherwise established together with a copy of all relevant statutes and/or regulations;~~

~~(2) — a summary of the provisions of the proposed new constitutive documents of the overseas issuer and a comparison between the overseas issuer's constitutive documents and the constitutive documents of the listed Hong Kong issuer or issuers whose securities have been exchanged; and~~

~~(3) — copies of the full valuation report in respect of any property valuations which are only summarised in the listing document (see rule 24.09(5)(e)).~~



## Appendix 11

### ADDITIONAL REQUIREMENTS IN RESPECT OF CERTAIN JURISDICTIONS

#### PART B

#### THE CAYMAN ISLANDS

#### THIS APPENDIX HAS BEEN REPEALED

[Repealed 1 January 2022]

~~Section 1.——Additional requirements for memorandum and articles of association~~

~~Section 2.——Modifications and additional requirements~~

#### ~~Section 1~~

#### ~~ADDITIONAL REQUIREMENTS FOR THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF ISSUERS INCORPORATED OR OTHERWISE ESTABLISHED IN THE CAYMAN ISLANDS~~

~~(see rule 24.06(1))~~

~~In addition to the provisions of Appendix 3, the articles of association of issuers incorporated or otherwise established in the Cayman Islands must conform with the following provisions:—~~

#### ~~1.——As regards the memorandum and articles of association~~

~~To the extent that the same is permissible under Cayman Islands law, the memorandum and articles of association must stipulate that they may not be changed without a special resolution, and the articles of association shall define “special resolution” to mean a resolution passed by members holding three fourths of the voting rights of those present and voting in person or by proxy at a meeting of members.~~

#### ~~2.——As regards general meetings~~

~~(1) The articles of association shall stipulate that if at any time the share capital is~~

~~divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied only with the consent in writing of the holders of three-fourths in nominal value of the issued shares of the class in question or with the sanction of a resolution passed at a separate general meeting of the holders of the shares of that class by members holding shares representing three-fourths in nominal value of the shares present in person or by proxy and voting at such meeting. The articles of association shall provide that to every such separate general meeting the provisions of the articles of association relating to general meetings shall mutatis mutandis apply, but the articles of association may vary the quorum provisions relevant to any such meeting.~~

~~(2) The articles of association shall provide that every member shall be entitled to appoint a proxy who need not necessarily be a member of the issuer and that every shareholder being a corporation shall be entitled to appoint a representative to attend any general meeting of the issuer and, where a corporation is so represented, it shall be treated as being present at any meeting in person.~~

~~(3) [Repealed 1 January 2009]~~

### **3. — As regards shareholders**

~~(1) The articles of association shall stipulate that any annual general meeting must be called by notice of at least 21 days, and that any other general meeting (including an extraordinary general meeting) must be called by notice of at least 14 days. The articles of association shall stipulate that the notice convening a meeting shall contain particulars of the resolutions to be considered at that meeting.~~

~~*Note: The articles of association may provide that issuers may convene a general meeting on shorter notice than required under this provision or the companies' articles of association if it is agreed:*~~

~~(a) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and~~

~~(b) in any other case, by a majority in number of the members having the right to attend and vote at the meeting, being a majority together representing at least 95% of the total voting rights at the meeting of all the members.~~

~~(2) The articles of association shall provide for the branch register of members in Hong Kong to be open for inspection by members but may permit the company to close the register in terms equivalent to section 632 of the Companies Ordinance.~~

~~(3) The articles of association shall require an annual general meeting to be held in each year and shall provide that the audited accounts shall be sent to members at the same time as the notice of annual general meeting.~~

#### **4. As to accounts**

~~(1) The articles of association shall require the issuer to keep proper books of account necessary to give a true and fair view of the issuer's affairs.~~

~~(2) The articles of association shall provide that accounts shall be audited and shall be laid before members at the annual general meeting which must be held in each year; not more than 15 months (or such longer period as the Exchange may authorise) may elapse between the date of one annual general meeting and the next.~~

#### **5. As to directors**

~~(1) The articles of association shall provide that directors may be removed at any time by ordinary resolution of the members.~~

~~(2) The articles of association shall restrict the making of loans to directors and their close associates and shall import provisions at least equivalent to the provisions of Hong Kong law prevailing at the time of the adoption of the articles of association.~~

~~(3) The articles of association shall contain provisions requiring the directors to declare their material interests in any contracts with the issuer at the earliest meeting of the board of directors of the issuer at which it is practicable for them to do so either specifically or by way of a general notice stating that, by reason of facts specified in the notice, they are to be regarded as interested in any contracts of a specified description which may subsequently be made by the issuer.~~

~~(4) The articles of association shall stipulate that the issuer in general meeting must approve the payment to any director or past director of any sum by way of~~

~~compensation for loss of office or as consideration or in connection with his retirement from office (not being a payment to which the director is contractually entitled).~~

## **6. ~~As to corporate representatives~~**

~~The articles of association shall provide that if a recognised clearing house within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance is a member of the company it may authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the company or at any meeting of any class of members of the company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised pursuant to this provision shall be entitled to exercise the same powers on behalf of the recognised clearing house (or its nominee) which he represents as that clearing house (or its nominee) could exercise if it were an individual shareholder of the company.~~

## **Section 2**

### **MODIFICATIONS AND ADDITIONAL REQUIREMENTS**

**~~(see rules 24.09(2), (3) and (5)(a))~~**

~~1. In the case of an introduction in the circumstances set out in rule 10.18(3):—~~

- ~~(1) the summary of the provisions of the constitutive documents of the overseas issuer, which is required by rule 24.09(2);~~
- ~~(2) the summary of the relevant regulatory provisions (statutory or otherwise) of the jurisdiction in which the overseas issuer is incorporated or otherwise established, which is required by rule 24.09(3); and~~
- ~~(3) the comparison between those constitutive documents and the listed Hong Kong issuer's existing articles of association, which is required by rule 24.09(5)(a);~~

~~may be published on the Exchange's website and the issuer's own website rather than set out in the listing document.~~

~~2. In such cases the details of the articles of association or equivalent document required to be set out in the listing document by paragraph 7 of Part A of Appendix 1 may be limited to a summary of the changes, if any, between the Hong Kong issuer's articles of association and the overseas issuer's proposed constitutive documents, in respect of each of the areas set out in that paragraph, provided that the summary also includes details of any differences or additional provisions in the proposed new constitutive documents which confer on directors of the overseas issuer any special powers, the exercise of which would affect the rights or interests of the shareholders.~~

~~3. The summary and, where relevant, comparison of the constitutive documents required by rules 24.09(2) and 24.09(5)(a), must be set out under the following headings and where any item is not applicable the words "not applicable" should be inserted under the relevant heading:—~~

~~(1) directors~~

~~(a) power to allot and issue shares~~

~~(i) summary~~

~~(ii) differences~~

~~(b) power to dispose of the overseas issuer's or any of its subsidiaries' assets~~

~~(i) summary~~

~~(ii) differences~~

~~(c) compensation or payments for loss of office~~

~~(i) summary~~

~~(ii) differences~~

~~(d) loans to directors~~

~~(i) summary~~

~~(ii) differences~~

~~(e) giving of financial assistance to purchase the overseas issuer's or any of its subsidiaries' shares~~

~~(i) summary~~

~~(ii) differences~~

~~(f) disclosure of interests in contracts with the overseas issuer or any of its subsidiaries~~

- ~~(i) — summary~~
- ~~(ii) — differences~~

- ~~(g) — remuneration~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~

- ~~(h) — retirement, appointment, removal~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~

- ~~(i) — borrowing powers~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~

- ~~(2) — alterations to constitutional documents~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~

- ~~(3) — variation of rights of existing shares or classes of shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~

- ~~(4) — special resolutions — majority required~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~

- ~~(5) — voting rights (generally and on a poll)~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~

- ~~(6) — requirements for annual general meetings~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~

- ~~(7) — accounts and audit~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~

- ~~(8) — notice of meetings and business to be conducted thereat~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(9) — transfer of shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(10) — power of overseas issuer to purchase its own shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(11) — power for any subsidiary of the overseas issuer to own shares in its parent~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(12) — dividends and other methods of distribution~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(13) — proxies~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(14) — calls on shares and forfeiture of shares~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(15) — inspection of register of members~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(16) — quorum for meetings and separate class meetings~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~
  
- ~~(17) — rights of the minorities in relation to fraud or oppression thereof~~
  - ~~(i) — summary~~
  - ~~(ii) — differences~~

~~(18) — procedures on liquidation~~

~~(i) — summary~~

~~(ii) — differences~~

~~(19) — any other provisions material to the overseas issuer or the shareholders thereof.~~

~~4. — [Repealed 5 July 2021]~~

### **Additional Documents on Display**

~~5. — The requirements of Chapter 24 and this Appendix mean that in the case of an introduction in the circumstances set out in rule 10.18(3) the following additional documents must be published on the Exchange's website and the issuer's own website: —~~

~~(1) — a summary of the relevant regulatory provisions (statutory or otherwise) of the country where the overseas issuer is incorporated or otherwise established together with a copy of all relevant statutes and/or regulations;~~

~~(2) — a summary of the provisions of the proposed new constitutive documents of the overseas issuer and a comparison between the overseas issuer's constitutive documents and the constitutive documents of the listed Hong Kong issuer or issuers whose securities have been exchanged; and~~

~~(3) — copies of the full valuation report in respect of any property valuations which are only summarised in the listing document (see rule 24.09(5)(e)).~~

## **Appendix 15**

### **CORPORATE GOVERNANCE CODE AND CORPORATE GOVERNANCE REPORT**

...

#### **A.4 Appointments, re-election and removal**

...

~~A.4.2 All directors appointed to fill a casual vacancy should be subject to election by~~



~~shareholders at the first general meeting after appointment.~~ Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

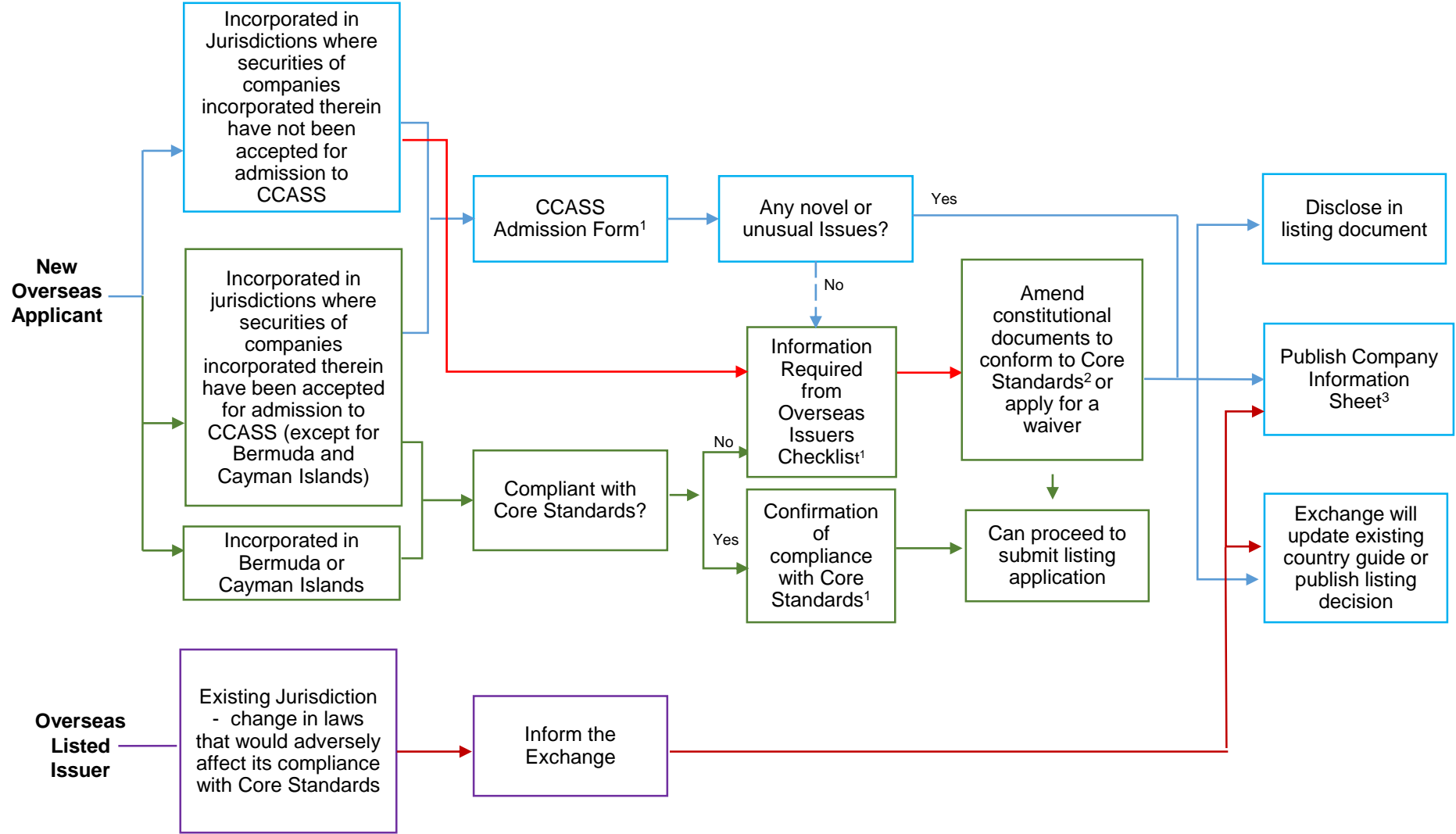
...

## **E.1 Effective communication**

...

E.1.3      ~~[Repealed 1 January 2022]The issuer should arrange for the notice to shareholders to be sent for annual general meetings at least 20 clear business days before the meeting and to be sent at least 10 clear business days for all other general meetings.~~

# **Compliance of Core Standards**



Note:

1. Accompanied by an appropriate legal opinion.
2. The Exchange and the SFC must have no further comments on compliance with Core Standards and responses to CCASS Admission Form.
3. Company Information Sheets must be prepared by (a) all secondary listed issuers; and (b) any other primary listed or dual-primary listed overseas issuers (including issuers incorporated in Bermuda and Cayman Islands) that meet any of the criteria set out in Main Board Rule 19.60 and GEM Rule 24.27.

# Main Board Overseas Issuers seeking a single or dual primary listing with and without weighted voting rights structure (“WVR”).

- Chapter 19 applies
- Common Waivers
- HKEX-GL111-22 (Guidance Letter for Overseas Issuers)

## Single or Dual Primary Listing

Companies without WVR Structure

### Eligibility Requirements (R8.05)

Box 1A

- Profit Test (effective on 1/1/2022):
- Profit ≥ HK\$35 million for the most recent year; and
  - Profit ≥ HK\$45 million in aggregate for the two preceding financial years

OR

- Market Capitalisation / Revenue / Cash Flow Test:
- Market Capitalisation ≥ HK\$2 billion at listing;
  - Revenue ≥ HK\$500 million for the most recent audited financial year; and
  - Cash Flow ≥ HK\$100 million in aggregate for the three preceding financial years

OR

- Market Capitalisation / Revenue Test:
- Market Capitalisation ≥ HK\$4 billion at listing; and
  - Revenue ≥ HK\$500 million for the most recent audited financial year

*Eligible biotech companies may list under Chapter 18A: Minimum Market Capitalisation ≥ HK\$1.5 billion*

Companies with WVR Structure

Dual primary listing

Dual primary listing

Single primary listing

Grandfathered Greater China Issuers and Non Greater China Issuers

Overseas Issuers (excluding Grandfathered Greater China Issuers and Non Greater China Issuers)

Overseas Issuers

Compliant with Innovative Company requirement under GL94-18<sup>1</sup>?

yes

Compliant with disclosure requirements<sup>3</sup> of Ch8A?

yes

Eligibility Requirements (R8.05 + R8A.06 + R8A.46(a))

R8.05

Refer to Box 1A

R8A.06

- Market Capitalisation ≥ HK\$40 billion at listing

OR

- Market Capitalisation ≥ HK\$10 billion at listing; and Revenue ≥ HK\$1 billion for the most recent audited financial year.

R8A.46(a)

- + ➤ Track record of good regulatory compliance of at least 2 full financial years on a Qualifying Exchange

+

Compliant with all suitability requirements under GL93-18<sup>2</sup>?

yes

Compliant with all Ch8A requirements?

yes

Eligibility Requirements (R8.05 + R8A.06)

R8.05

(Refer to Box 1A)

R8A.06

+

OR

+

- Market Capitalisation ≥ HK\$40 billion at listing
- Market Capitalisation ≥ HK\$10 billion at listing; and Revenue ≥ HK\$1 billion for the most recent audited financial year.

If using financial reporting standards other than HKFRS/ IFRS, to provide a reconciliation statement in its financial statement in the listing document.

### Note:

- HKEX-GL94-18 On: (A) Suitability for Secondary Listing and Dual Primary Listing with WVR structure and (B) the Contractual Arrangements of Grandfathered Greater China Issuers and Non-Greater China Issuers.
- HKEX-GL93-18 on suitability for listing with a WVR Structure in compliance with Chapter 8A of the Listing Rules.
- Refer to Main Board Rules 8A.37 to 8A.42.

# Main Board Overseas Issuers seeking a secondary listing with and without weighted voting rights structure (“WVR”).

- Chapter 19C applies
- Common Waivers
- Automatic Waivers
- HKEX-GL111-22 (Guidance Letter for Overseas Issuers)

## Secondary Listing<sup>1</sup>

Companies  
without  
WVR  
Structure<sup>2</sup>

### Eligibility Requirements (R8.05 + R19C.05A)

R8.05 + R19C.05A

Refer to Box 1A. + ➤ Criteria A

- A track record of good regulatory compliance of at least 5 full financial years on a Qualifying Exchange or on any Recognised Stock Exchange (*only for Overseas Issuers without a centre of gravity in Greater China*); and
- Market Capitalisation ≥ HK\$3 billion at listing

OR

➤ Criteria B

- A track record of good regulatory compliance of at least 2 full financial years on a Qualifying Exchange; and
- Market Capitalisation ≥ HK\$10 billion at listing

Companies  
with  
WVR  
Structure

Grandfathered Greater China Issuers and Non Greater China Issuers

Compliant with Innovative Company requirement under GL94-18<sup>3</sup>?

yes

Compliant with disclosure requirements<sup>5</sup> of Ch8A?

yes

### Eligibility Requirements (R8.05 + R19C.04 + R19C.05)

R8.05 + R19C.04 & R19C.05

Refer to Box 1A.

➤ track record of good regulatory compliance of at least 2 full financial years on a Qualifying Exchange;

AND

➤ (i) Market Capitalisation ≥ HK\$40 billion at listing;

OR

➤ Market Capitalisation ≥ HK\$10 billion at listing; and Revenue ≥ HK\$1 billion for the most recent audited financial year

Non-Grandfathered Greater China Issuer

Compliant with all suitability requirements under GL93-18<sup>4</sup>?

yes

Compliant with all Ch8A requirements (except as exempted under Listing Rules)?

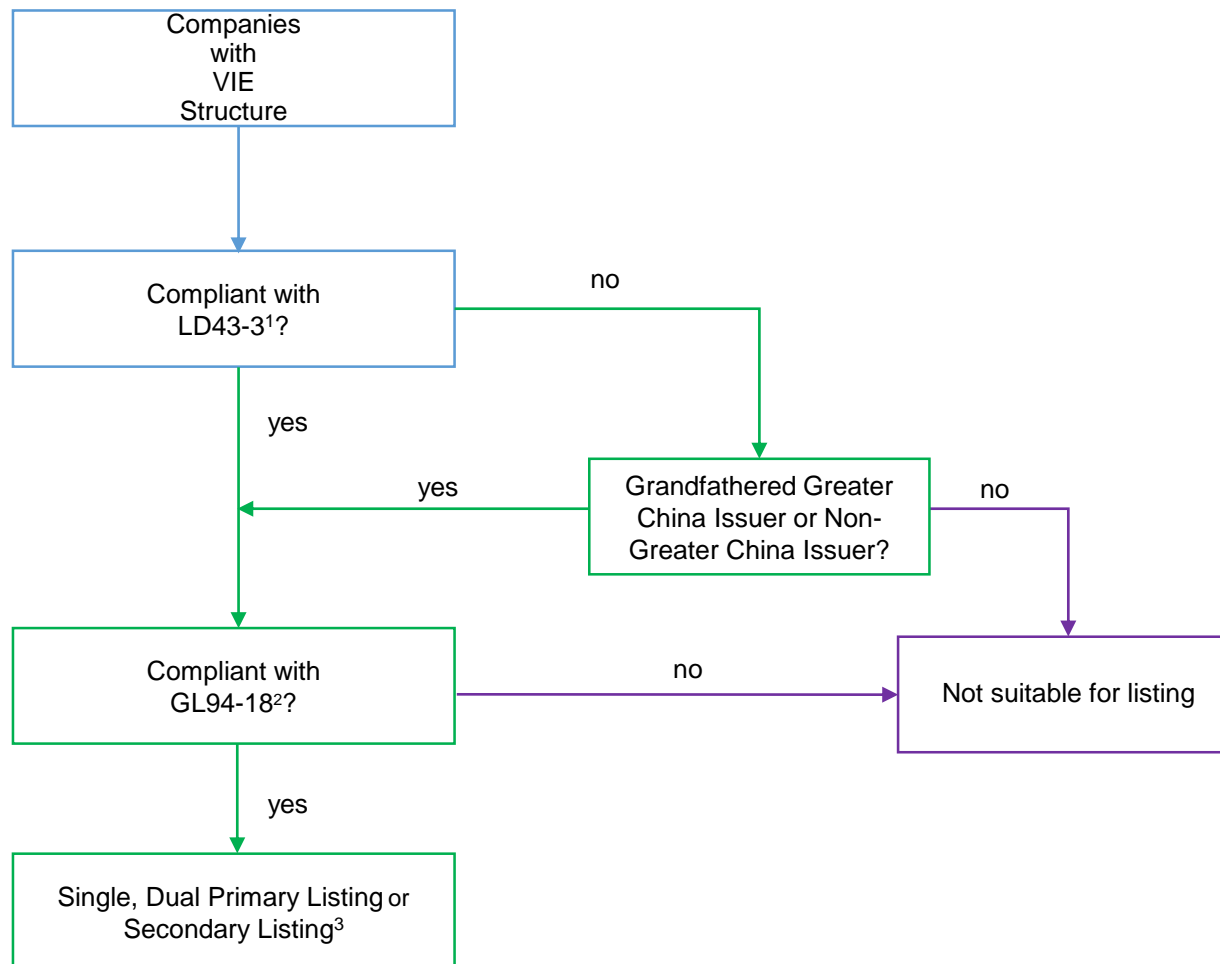
yes

If using financial reporting standards other than HKFRS/ IFRS, to provide a reconciliation statement in its financial statement in the listing document.<sup>5</sup>

#### Note:

1. The Exchange may reject an application if a material part of the applicant was listed on the primary listing market by way of a reverse takeover (see note to Rule 19C.02A).
2. These companies include issuers with centre of gravity in the PRC.
3. HKEX-GL94-18 On: (A) Suitability for Secondary Listing and Dual Primary Listing with WVR structure and (B) the Contractual Arrangements of Grandfathered Greater China Issuers and Non-Greater China Issuers.
4. HKEX-GL93-18 on suitability for listing with a WVR Structure in compliance with Chapter 8A of the Listing Rules.
5. Refer to Main Board Rules 8A.37 to 8A.42.
6. For US-listed secondary listing applicants, the requirement for the preparation of a reconciliation statement in respect of the accountants' report prepared under US GAAP in a listing document applies to listing applications submitted on or after 1 January 2023. (see note 5 to Rule 19C.10D).

## Overseas issuers with a Variable Interest Entity (“VIE”) Structure

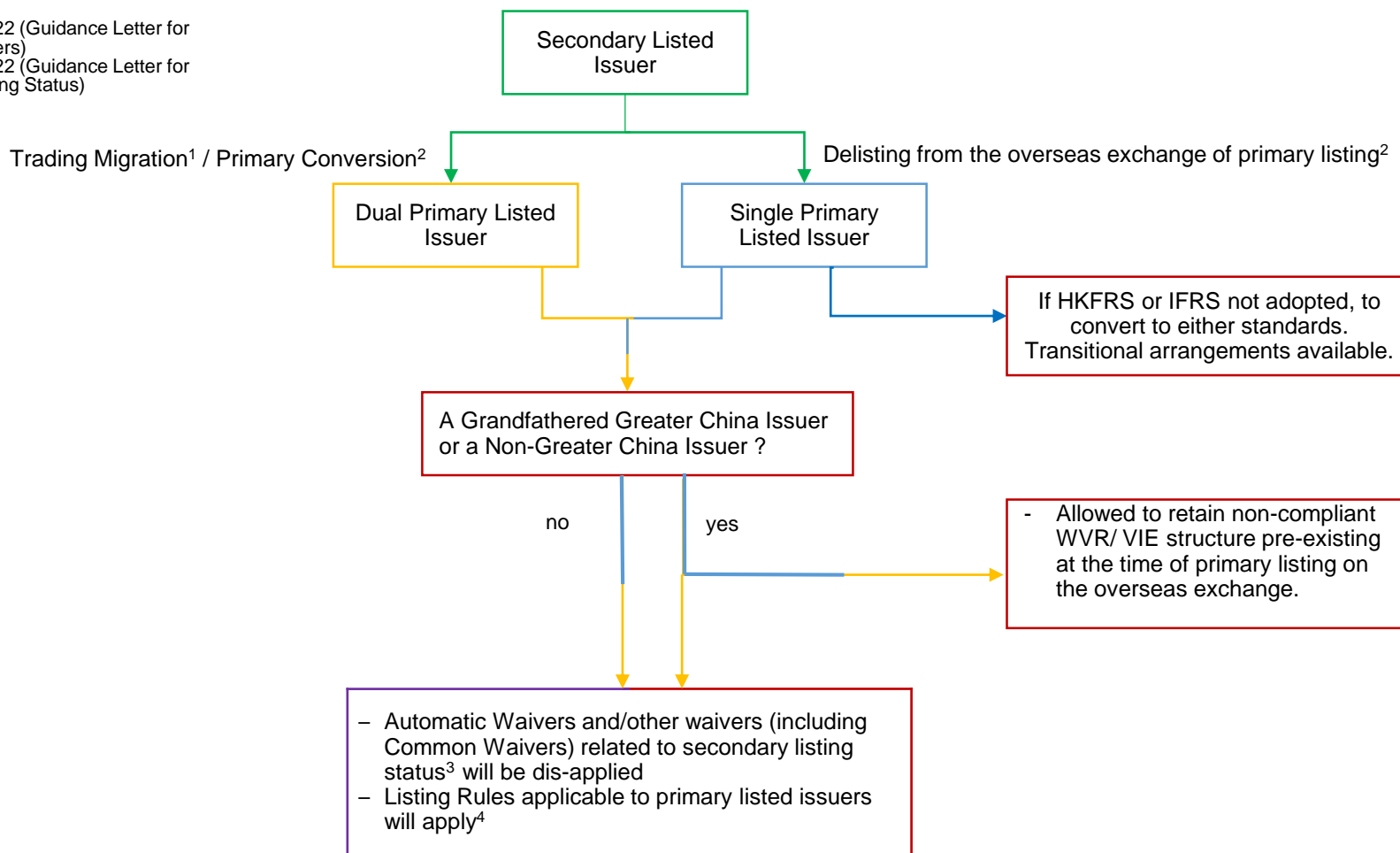


**Note:**

1. HKEX-LD43-3 on the use of Contractual Arrangements.
2. HKEX-GL94-18 On: (A) Suitability for Secondary Listing and Dual Primary Listing with WVR structure and (B) the Contractual Arrangements of Grandfathered Greater China Issuers and Non-Greater China Issuers.
3. Refer to Appendix IV for "Main Board Overseas Issuers seeking a single or dual primary or secondary listing with and without weighted voting rights structure".

## Change of Listing Status from Secondary Listing to Primary Listing

- HKEX-GL111-22 (Guidance Letter for Overseas Issuers)
- HKEX-GL112-22 (Guidance Letter for Change of Listing Status)

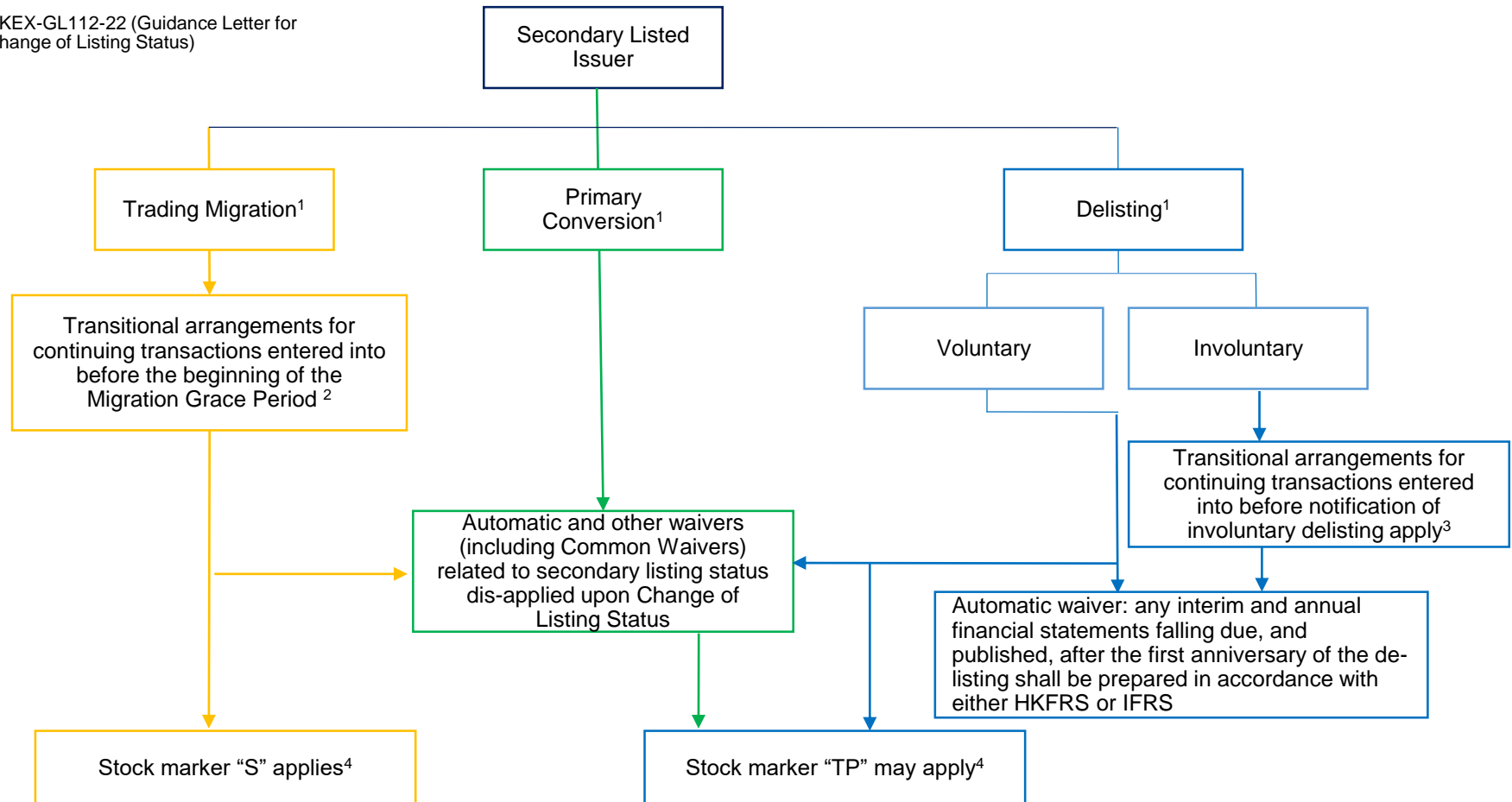


### Notes:

1. Trading migration applies to all secondary listed issuers and is triggered when 55% or more of the total worldwide trading volume, by dollar value, of those shares (including the volume of trading in depositary receipts issued on those shares) over the Overseas Issuer's most recent financial year, takes place on the Exchange's markets.
2. See HKEX-GL112-22 (Guidance Letter for Change of Listing Status) for the procedures relating to the application for primary conversion or de-listing from the overseas exchange of primary listing.
3. Where an Overseas Issuer would like to waive any applicable Listing Rules, a new waiver application is required despite a waiver previously granted under a secondary listing status.
4. In the event of trading migration, issuers are allowed to have a 12-month grace period from the Exchange's Notice on trading migration to comply with all applicable Listing Rules. In the event of primary conversion or delisting, issuers are expected to comply with all applicable Listing Rules upon primary conversion or delisting unless issuers have applied for, and have been granted, the relevant waivers.

## Secondary Listed Issuers – Change of Listing Status Listing Rules Compliance

- HKEX-GL112-22 (Guidance Letter for Change of Listing Status)



**Note:**

1. Refer to paragraph 1.3 of Appendix 1 to HKEX-GL112-22 (Guidance Letter for Change of Listing Status) for the arrangement for the one-off transaction entered into before the change of listing status but the transaction is expected to complete thereafter.
2. Refer to note 3 of R19C.13 of the Listing Rules.
3. Refer to paragraph 1.1 of Appendix 1 to HKEX-GL112-22 (Guidance Letter for Change of Listing Status).
4. The stock marker will only dis-apply upon full compliance with all Listing Rules applicable to dual-primary or, as the case may be, primary listed issuers.