Chapter 9

EQUITY SECURITIES

APPLICATION PROCEDURES AND REQUIREMENTS

Preliminary

9.01 This Chapter sets out the procedures and requirements for applications for the listing of equity securities, whether by new applicants or by listed issuers. This Chapter does not apply to a transfer of listing from GEM to the Main Board pursuant to Chapter 9A.

9.02 New applicants are reminded (see Chapter 3) that the sponsor is responsible for lodging the listing application and all supporting documents and for dealing with the Exchange on all matters arising in connection with the application.

9.03 (1) In order to allow the Exchange sufficient time to consider an application for listing on the basis of its supporting documents and to maintain an orderly new issues market, a new applicant must normally apply for a listing application on the prescribed form set out in Form A1 in Appendix 5 to the Exchange not less than 25 clear business days prior to the date on which it is expected that the Listing Committee will meet to consider the application (“the expected hearing date”). The listing application form must be completed by sponsor(s) for the new applicant and accompanied by:

(a) the documents stipulated in rules 9.11 (1) to (5); and

(b) the initial listing fee.

Note: Where the initial listing fee is calculated based on the estimated monetary value of the equity securities to be listed, the sponsor must inform the Exchange of the actual monetary value as soon as it is determined. Any shortfall of the initial listing fee must be paid to the Exchange as soon as the actual monetary value of the equity securities to be listed is determined and in any event before dealings commence.

Where the applicant has delayed its proposed timetable and more than six months have elapsed since the date of its listing application form, the applicant will forfeit the initial listing fee. Each such applicant wishing to reactivate its listing application must submit a new listing application form accompanied by the initial listing fee. In case of a change in sponsor(s) (including addition of new sponsor(s)), the Exchange also requires the submission of a new listing application form accompanied by the initial listing fee. In such a case, the Exchange may consider granting a waiver in relation to the 25 clear business days to the expected hearing date requirement,
depending on the progress of the processing of the original listing application. Such 
waiver will be considered on a case by case basis.

Note: See also Chapter 2B for other circumstances in which a new applicant may be 
required to submit a new listing application form.

(2) The listing application form must contain a draft timetable which must be agreed 
with the Exchange. Any changes in that timetable must also be agreed with the 
Exchange. Where an applicant wishes to reactivate its listing application which has 
been delayed and the date of such reactivation is within the period of six months 
from the date of the listing application form, the applicant must submit a revised 
timetable. Such revised timetable must be agreed with the Exchange in order 
to allow the Exchange sufficient time to review the listing application. The new 
applicant must keep the Exchange updated on the progress of the listing application 
on a fortnightly basis. The Exchange also reserves the right to require an applicant to 
amend the timetable in situations including (but not limited to), where the applicant 
fails to submit the necessary documentation in a timely fashion or where the 
Exchange has outstanding comments or queries which are not able to be resolved in 
a timely fashion. Applicants shall not be considered to have fulfilled their obligations 
to supply documents if they submit documents which are at such an early stage 
of drafting or subject to such frequent major changes as to make a review of the 
documents unproductive.

(3) The Exchange expects to receive an advanced proof of the prospectus with the 
listing application form that is not the initial proof so that the Exchange’s review is 
able to commence immediately upon lodgement of the application. The disclosure 
of the requisite information as set out in Chapter 11 must be substantially 
completed in the advanced proof of the prospectus. If the Exchange considers the 
draft prospectus submitted with the Form A1 not to be in an advanced form, the 
Exchange will not commence review of any documents relating to the application. 
All documents, including the Form A1 and the initial listing fee, submitted to the 
Exchange will be returned to the sponsor(s). The sponsor(s) will be required to re-
submit a new Form A1 together with the advanced proof of the prospectus.

Note: The advanced proof of the prospectus, when submitted, must be 
accompanied by such number of CD-ROMs containing the same document as 
the Exchange may require.

(4) The Exchange may require an applicant to delay the expected hearing date for up to 
25 business days if during the review process, the Exchange is of the view that the 
following cannot be fulfilled by the applicant at least four clear business days before 
the expected hearing date:—

(a) the submission of the revised proof of the prospectus containing sufficient and 
appropriate disclosure of all the requisite information as set out in Chapter 11;
(b) the submission of all the documents as set out in rules 9.11(1) to 9.11(23); and
(c) the Exchange’s queries and comments being satisfactorily addressed in a timely fashion.

(5) During the review process, the sponsor(s) should not revise the contents of the prospectus on a piece-meal basis and submit such revised proofs to the Exchange within a short period of time of each other. A revised proof of the prospectus which has substantially incorporated the Exchange’s comments on the previous proof and any additional information should be submitted to the Exchange at least five business days after the submission of the previous proof, unless the revised proof is requested by the Exchange.

9.04 In order to maintain an orderly new issues market the Exchange reserves the right to refuse a listing application or to change the timetable.

9.05 Where any document is amended after submission, a like number of further copies must be submitted to the Exchange for review, marked in the margin to indicate where the relevant items from Appendix 1 have been met. Such copies must also be marked in the margin to indicate amendments made to conform with points raised by the Exchange.

Note: In the case of a new listing applicant, each amended document, when submitted, must be accompanied by such number of CD-ROMs containing the same document as the Exchange may require.

9.06 No material amendment to the final proof listing document will be allowed without the consent of the Exchange.

9.07 The listing document must not be issued until the Exchange has confirmed to the issuer that it has no further comments thereon. However, in the case of a new applicant, circulation of a draft or preliminary listing document, which is clearly marked as such and which states that it is subject to final review by the Exchange is permitted for the purposes of arranging underwriting.

9.08 All publicity material released in Hong Kong relating to an issue of securities by a new applicant must not be released until the Exchange has reviewed it and confirmed to the issuer that it has no comments thereon. In addition, the publicity material must comply with all statutory requirements. For these purposes, publicity material does not relate to an issue of securities if its purpose is the promotion of the issuer or its products or business and not the promotion of the securities to be issued. Moreover, circulation is permitted of documents of a marketing nature such as the invitation or offering document (or its equivalent) and documents which consist of, or are drafts of, or relate to, agreements to be entered into in connection with the issue of the securities, provided that any obligations created thereunder to issue, subscribe, purchase or underwrite the
securities are conditional on listing being granted. These documents will not be considered as falling within the scope of this rule and need not be submitted for prior review. Any publicity material or announcement referring to a proposed listing by a new applicant which is issued before the Listing Committee’s meeting held to consider the application must state that application has been or will be made to the Exchange for listing of and permission to deal in the securities concerned. Where any material relating to a proposed listing by a new applicant is released without the Exchange’s prior review before the Listing Committee’s meeting to consider the application, the Exchange may delay the timetable for the proposed Listing Committee meeting by up to a month. If this will result in the Form A1 being more than six months old, the applicant may have to re-submit the application with the initial listing fee (see rule 9.03(1)).

Issuers must endeavour to ensure that the proposed listing (and all details thereof) are kept confidential before the announcement concerning the proposed listing. This is particularly important where an issuer plans to “spin off” part of its business in a separate listing. Where the Exchange believes that an issuer or its advisers have permitted inside information regarding the issue of new securities to leak before its announcement, the Exchange will not normally consider an application for the listing of those securities.

9.09 There must be no dealing in the securities for which listing is sought by any 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 associates are found to have engaged in such dealing, the application may be rejected.

9.10 Issuers are also reminded that these requirements are not exhaustive and that an applicant for listing must also supply any further documents and information which the Exchange may require in a particular case.
Documentary Requirements – New Listing Applications

9.10A The documents under rules 9.11(1) to (38) must be lodged with the Exchange according to the following schedule:

1. documents under rules 9.11(1) to 9.11(5) must be lodged at the time of submission of Form A1;

2. document under rule 9.11(10) must be lodged at least 15 clear business days before the expected hearing date;

3. documents under rules 9.11(18) to 9.11(23) must be lodged at least four clear business days before the expected hearing date;

4. documents under rules 9.11(24) to 9.11(28) must be lodged before bulk-printing of the listing document;

5. documents under rules 9.11(29) to 9.11(32) must be lodged as soon as practicable after the hearing of the application by the Listing Committee but on or before the date of issue of the listing document;

6. document under rule 9.11(33) must be lodged by no later than 11 a.m. on the intended date of authorisation of the prospectus; and

7. documents under rules 9.11(34) to 9.11(38) must be lodged as soon as practicable after the issue of the listing document but before dealings commence.

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

Together with the Form A1

1. such number of copies of drafts or proofs of the listing document in reasonably advanced state together with such number of copies of CD-ROMs containing the same draft or proof of listing document as the Exchange may require, marked in the margin to indicate where the relevant items from Chapter 11 and/or Part A of Appendix 1 and the Companies Ordinance have been met, together with, in respect of each sponsor to the application for listing, an undertaking pursuant to rule 3A.03 in the terms set out in rule 3A.04 and in the form in Appendix 17 and a statement pursuant to rule 3A.08 addressing the matters set out in rule 3A.07 and in the form of Appendix 18, both duly signed on the sponsor’s behalf;

2. [Repealed 2 November 2009]
(3) draft of all requests for waiver from the requirements of the Exchange Listing Rules and the provisions of the Companies Ordinance;

(3a) a written confirmation and undertaking signed by each director/supervisor and proposed director/supervisor to the following effect:

(a) that the listing document referred to in rule 9.11(1) above contains all information about the biographical details of such director/supervisor or proposed director/supervisor as set out in rule 13.51(2) and that those details are true, accurate and complete;

(b) where, before dealings commence, there are any changes in the biographical details as set out in rule 9.11(3a)(a) above, to inform the Exchange as soon as practicable of such changes; and

(c) to lodge with the Exchange in accordance with rule 9.11(38) a declaration and undertaking, in the form set out in Form B/H/I in Appendix 5, duly signed by each director/supervisor and proposed director/supervisor.

If the director/supervisor or proposed director/supervisor is appointed after the submission of Form A1, then such director/supervisor or proposed director/supervisor must submit a duly signed written confirmation and undertaking referred to in this sub-rule as soon as he is appointed. The reference to the listing document referred to in rule 9.11(1) above in the confirmation and undertaking shall be read as a reference to the relevant draft listing document that contains the biographical details of such director/supervisor or proposed director/supervisor;

(3b) where the listing document contains an accountants’ report, two copies of any draft statement of adjustments relating to the accountants’ report;

(4) in the case of the listing of depositary receipts, three drafts of the deposit agreement, a specimen certificate for the depositary receipts and any other agreements or documents as the Exchange may require;

(5) in the case of the listing of depositary receipts, two copies of a legal opinion from legal advisers in such jurisdictions as the Exchange may require confirming:

(a) that the deposit agreement (taken by itself or together with any deed poll conferring certain rights on holders of depositary receipts) creates valid and binding rights and obligations between the issuer, depositary and the holders of the depositary receipts in accordance with its terms; and

(b) addressing any other matters as the Exchange may require.
At least 15 clear business days before the expected hearing date

(9) [Repealed 1 January 2009]

(10) (a) where the listing document contains a profit forecast (see rules 11.16 to 11.19), two copies of a draft of the board’s profit forecast memorandum covering the same period of the profit forecast contained in the listing document and cash flow forecast memorandum covering at least 12 months from the expected date of publication of the listing document with principal assumptions, accounting policies and calculations for the forecasts;

(b) where the listing document does not contain a profit forecast, two copies of a draft of the board’s profit forecast memorandum covering the period up to the forthcoming financial year end date after the date of listing and cash flow forecast memorandum covering at least 12 months from the expected date of publication of the listing document with principal assumptions, accounting policies and calculations for the forecasts;

At least four clear business days before the expected hearing date

(18) such number of copies of the final proof of the listing document together with such number of copies of CD-ROMs containing the same proof of listing document as the Exchange may require;

(19) where the listing document is required to contain a statement by the directors as to the sufficiency of working capital, a draft letter from the sponsor confirming that they are satisfied that the statement in the listing document as to the sufficiency of working capital has been made by the directors after due and careful enquiry and that persons or institutions providing finance have stated in writing that such facilities exist;

(20) a confirmation from the new applicant’s legal advisers that the applicant’s articles of association are not inconsistent with the Exchange Listing Rules and the laws of place where the listing applicant is incorporated or otherwise established;
(21) in the case of the listing of depositary receipts, a certified copy of the signed deposit agreement and any other agreements or documents as the Exchange may require;

(22) copies of all executed requests for waiver from the requirements of the Exchange Listing Rules and the provisions of the Companies Ordinance;

(23) a written submission to the Exchange in the form prescribed by the Exchange from time to time in support of the application for listing;

**Before bulk-printing of the listing document**

(24) two copies of the final proof of the formal notice, where applicable;

(25) five copies of the final proof of any application form (including any excess or preferential application form) to subscribe or purchase the securities for which listing is sought;

(26) a certified copy of the certificate of incorporation or equivalent document of the new applicant;

(27) in the case of a new applicant under Chapters 20 and 21, three copies of listing agreement in the form prescribed and provided by the Exchange, each duly signed for and on behalf of the new applicant;

(28) unless previously supplied, where the listing document is required to contain a statement by the directors as to the sufficiency of working capital, a final letter from the sponsor confirming that they are satisfied that the statement in the listing document as to the sufficiency of working capital has been made by the directors after due and careful enquiry and that persons or institutions providing finance have stated in writing that such facilities exist (see rule 9.11(19));

**As soon as practicable after the hearing of the application by the Listing Committee but on or before the date of issue of the listing document**

(29) (a) four copies of each of the English language version and the Chinese language version of the listing document and relevant application form (including any excess or preferential application form) to subscribe or purchase the securities for which listing is sought. Of these, one copy of the listing document must be dated and signed by every person who is named therein as a director or proposed director of the new applicant or by his agent authorised in writing and by the secretary;
(b) one copy of the formal notice, where applicable; and

(c) where any document referred to in (a) above is signed by an agent, a certified copy of the authorisation or the power of attorney for such signature;

(30) a copy of the written notification issued by HKSCC stating the securities will be Eligible Securities;

(31) every written undertaking from the applicant, its shareholders and/or other relevant parties to the Exchange referred to in the listing document;

(32) the original signed sponsor declaration(s) required by rule 3A.13;

In case of a listing document which constitutes a prospectus under the Companies Ordinance, by no later than 11 a.m. on the intended date of authorisation of the prospectus

(33) (a) an application for authorisation for registration of the prospectus pursuant to section 38D(3) or section 342C(3) of the Companies Ordinance (as the case may be);

(b) two printed copies of the prospectus, duly signed in accordance with section 38D(3) or section 342C(3) of the Companies Ordinance (as the case may be) and having endorsed thereon or annexed thereto the documents stipulated by the relevant section; and

(c) in respect of every Chinese translation of the prospectus, a certificate issued by the translator certifying that the Chinese translation of the English version of the prospectus is true and accurate and a certificate issued by a competent officer of the sponsor certifying that the translator is competent to have given the certificate as to translations in respect of the prospectus documents;

As soon as practicable after the issue of the listing document but before dealings commence as a condition for granting listing approval

(34) (a) a certified copy of the resolution(s) of the new applicant in general meeting (if any) authorising the issue of all securities for which listing is sought; and
(b) a certified copy of the resolution(s) of the board of directors or other governing body or any other person to whom it has properly delegated these powers (together, in such cases, with a certified copy of the power of attorney or resolution delegating the powers) authorising the issue and allotment of such securities, the making of the application for listing in the form set out in Form A1 in Appendix 5, and where applicable, the making of all necessary arrangements enabling such securities to be admitted into CCASS, and the signing of the listing agreement, and approving and authorising the issue of the listing document.

(35) in the case of a placing of securities:—

(a) a copy of the placing letter and separate marketing statements in the form set out in Form D in Appendix 5 signed by each of: (i) the lead broker; (ii) any distributors; and (iii) any Exchange Participant referred to in paragraph 9 of Appendix 6; and

(b) a list from each placing broker setting out the names, addresses and identity card or passport numbers (where individuals) and the names, addresses and registration numbers (where companies) of all its placees, the names and addresses of the beneficial owners (in the case of nominee companies) and the amounts taken up by each of its placees. Such lists may be supplied directly to the Exchange by each placing broker in order to maintain confidentiality;

(36) a declaration substantially in the form set out in Form E in Appendix 5, duly signed by the sponsor;

(37) a declaration substantially in the form set out in Form F in Appendix 5, duly signed by a director and the secretary of the new applicant together with any annual listing fee which is payable and which has not previously been paid (see Appendix 8); and

(38) a written declaration and undertaking, in the form set out in Form B/H/I in Appendix 5, duly signed by each director/supervisor and proposed director/supervisor of the new applicant.

9.12 [Repealed 2 November 2009]

9.13 [Repealed 2 November 2009]
9.14 (1) (a) [Repealed 2 November 2009]
(b) [Repealed 2 November 2009]
(c) [Repealed 1 September 2008]
(d) [Repealed 2 November 2009]
(2)-(3) [Repealed 2 November 2009]
(4) [Repealed 1 September 2008]
(5) [Repealed 1 September 2008]
(6)-(8) [Repealed 2 November 2009]

9.15 [Repealed 2 November 2009]

9.16 (1) [Repealed 25 June 2007]
(2) [Repealed 2 November 2009]
(3) [Repealed 25 June 2007]
(4) [Repealed 25 June 2007]
(5) [Repealed 25 June 2007]
(6)-(13) [Repealed 2 November 2009]

Documentary Requirements – Applications by Listed Issuers

9.17 Rules 9.18 to 9.23 set out the documentary requirements for applications for the listing of equity securities by listed issuers.

At the time of application for listing

9.18 A listed issuer applying for the listing of equity securities must submit to the Exchange a listing application in the form set out in Form C1 in Appendix 5, signed by a duly authorised officer of the issuer, together with payment of the subsequent issue fee (see Appendix 8). The application must be submitted:
(1) if it is required to be supported by a listing document, at least 10 clear business days before the date on which the issuer proposes to bulk print the listing document; and

(2) if it is not required to be supported by a listing document, at least 4 clear business days before the proposed date for issuing the securities.

9.19 The following documents, as applicable, must be lodged with the Exchange together with the listing application:—

(1) such number of copies of drafts or proofs of the listing document as the Exchange may require, marked in the margin to indicate where the relevant paragraphs from Chapter 11 and/or Part B/F of Appendix 1 and/or the Companies Ordinance have been met;

(2) if the listing document contains an accountants’ report, a draft of any statement of adjustments relating to the accountants’ report;

(3) if the listing document contains a profit forecast (see rules 11.16 to 11.19), a draft of the board’s profit forecast memorandum with principal assumptions, accounting policies and calculations for the forecast; and

(4) for issue of new warrants to existing warrant holders, a legal opinion, from a lawyer of the relevant jurisdiction, confirming that the warrant proposal complies with the relevant provisions of the issuer’s constitutive documents and the terms of the existing warrant instrument (see paragraph 4(f) of Practice Note 4).

**Before bulk-printing of the listing document**

9.20 The following documents must be submitted to the Exchange before bulk-printing of the listing document:—

(1) if the listing document contains a statement as to the sufficiency of working capital, a letter from the issuer’s financial advisers or auditors, confirming that:

   (a) the statement has been made by the directors after due and careful enquiry; and

   (b) persons or institutions providing finance have stated in writing that such facilities exist; and
(2) if the vendor of securities being marketed has not paid in full for those securities at the date of the offer:—

(a) a certified copy of an irrevocable authority given by the vendor to the receiving bankers for the offer authorising the receiving bankers to apply the proceeds of the offer to discharge the outstanding debt; and

(b) a certified copy of the receiving bankers’ acknowledgement of this authority and an agreement to act on it.

**On or before the date of issue of the listing document**

9.21 The following documents must be submitted to the Exchange on or before the date of issue of the listing document:—

(1) every written undertaking from the listed issuer, its shareholders and/or other relevant parties to the Exchange referred to in the listing document; and

(2) for listing of a new class of securities, a copy of the written notification issued by HKSCC stating that the securities will be Eligible Securities.

**In case of a listing document constituting a prospectus under the Companies Ordinance**

9.22 If the listing document constitutes a prospectus under the Companies Ordinance, the following documents must be submitted to the Exchange:—

(1) at least 14 days before the proposed date of registration of the prospectus by the Registrar of Companies, notice of the proposed date of registration of the prospectus (see rule 11A.09);

(2) by 11 a.m. on the intended date of authorisation for registration of the prospectus,

(a) an application for authorisation for registration of the prospectus under section 38D(3) or section 342C(3) of the Companies Ordinance (as the case may be);

(b) two printed copies of the prospectus, duly signed in accordance with section 38D(3) or section 342C(3) of the Companies Ordinance (as the case may be) and having endorsed thereon or annexed thereto the documents required under the relevant section;
(c) in respect of every Chinese translation of the prospectus,

(i) a certificate issued by the translator certifying that the Chinese translation of the English version of the prospectus is true and accurate; and

(ii) a certificate issued by the issuer certifying that the translator is competent to have given the certificate referred to in (i) above; and

(d) any power of attorney or other authority under which the prospectus is signed, together with a certified copy thereof; and

(3) as soon as after the registration of the prospectus, a copy of the letter from the Registrar of Companies confirming the registration (see rule 2.07C(1)(b)(iii)).

Before dealings commence

9.23 The following documents must be submitted to the Exchange before dealings commence:—

(1) a certified copy of the resolution(s) of the board of directors or other governing body or any other person to whom it has properly delegated these powers (together, in such cases, with a certified copy of the power of attorney or resolution delegating the powers) authorising the issue and allotment of such securities, the making of the application for listing in the form set out in Form C1 in Appendix 5, and where applicable, the making of all necessary arrangements enabling such securities to be admitted into CCASS, and approving and authorising the issue of the listing document;

(2) in the case of the placing by a listed issuer of a class of securities new to listing:

(a) a copy of the placing letter and separate marketing statements in the form set out in Form D in Appendix 5, signed by each of: (i) the lead broker; (ii) any distributors; and (iii) any Exchange Participant referred to in paragraph 9 of Appendix 6; and

(b) a list from each placing broker setting out the names, addresses and identity cards or passport numbers (in the case of individuals) and the names, addresses and registration numbers (in the case of companies) of all its placees, the names and addresses of the beneficial owners (in the case of nominee companies) and the amounts taken up by each of its placees. Such lists may be supplied directly to the Exchange by each placing broker in order to maintain confidentiality.
In the case of the placing by a listed issuer of a class of securities already listed, the Exchange may require the issuer to submit information on the placees for the purpose of establishing their independence (see also rule 13.28(7));

(3) in the case of securities issued as consideration for shares in a listed company which are acquired under section 168 of the Companies Ordinance, a certified copy of the notice given under that section;

(4) if the listing document provides for a capital reduction, scheme of arrangement or similar proposal requiring the approval of the court, a certified copy of the court order and of any certificate of registration issued by the Registrar of Companies or of any equivalent document;

(5) if required, a declaration from the security printers responsible for production of bearer documents of title in accordance with paragraph 25 of Part B of Appendix 2; and

(6) a declaration substantially in the form set out in Form F in Appendix 5, signed by a director and the secretary of the issuer together with any annual listing fee which is payable and which has not previously been paid (see Appendix 8).