

# Guide on the Uncertificated Securities Market

## Contents

1.	Introduction.....	2
2.	Appointment of approved securities registrar .....	3
3.	Change in approved securities registrar .....	4
4.	Disclosure in listing documents.....	5
5.	Permission to list in certificated form after the USM Implementation Date .....	6
6.	Listed issuers' USM participation.....	8
7.	Bad Weather Signal.....	9
8.	Posting of Specified Date list .....	9
9.	USM-related Headline Categories .....	10
10.	Voluntary participation in USM .....	10
11.	Revision of Specified Date by a listed issuer .....	10
12.	Warrants and Rights.....	11
13.	Requirements that apply to issuers of participating securities.....	12
14.	Constitutional documents or terms of issue .....	13
15.	Corporate actions .....	14
16.	Issuer website disclosure .....	15
17.	Non-compliance with USM legislation.....	15
	<b>Appendix 1 – Information to be included in a notification and announcement relating to a change in ASR .....</b>	<b>16</b>
	<b>Appendix 2 – Information regarding USM participation to be included in listing documents, announcements or other disclosures documents.....</b>	<b>20</b>
	<b>Appendix 3 – Guidance on selection of USM Headline Categories on HKEXnews .....</b>	<b>23</b>

## 1. Introduction

- 1.1 This guide has been developed to help issuers of prescribed securities<sup>1</sup> make the disclosures and arrangements necessary to participate in the uncertificated securities market (**USM**).
- 1.2 Unless this guide specifies otherwise, any term not defined here has the same meaning as in the Listing Rules.
- 1.3 Issuers of prescribed securities can participate in USM. Prescribed securities are securities that fall within a class or description of securities set out below:
- (a) shares (for shares that constitute interests in an authorised collective investment scheme (**CIS**) see (d) below);
  - (b) depositary receipts;
  - (c) stapled securities;
  - (d) interests in an authorised CIS which, under the terms of issue of the authorised CIS, may be withdrawn from a clearing and settlement system operated by, or on behalf of, Hong Kong Securities Clearing Company Limited (**HKSCC**);
  - (e) subscription warrants issued for capital fundraising purposes that entitle the holder to subscribe for securities (whether issued or unissued) that fall within a class or description of securities specified in sub-paragraphs (a), (b), (c) or (d) above (**Warrants**); or
  - (f) rights under a rights issue to subscribe for securities that fall within a class or description of securities specified in sub-paragraphs (a), (b), (c) or (d) above (**Rights**); and
- that are listed, or to be listed, on the Exchange.
- 1.4 Securities outside of scope: The following are not prescribed securities and are therefore out of scope of USM requirements: debt securities (including bonds yet to be converted into prescribed securities such as listed shares); interests in an authorised CIS not withdrawable from CCASS; and options, warrants or similar rights to subscribe or purchase equity securities that are not prescribed securities.<sup>2</sup>
- 1.5 Participation deadlines: Listed issuers of prescribed securities of a class falling within paragraphs 1.3(a) to (d) above that are constituted under the laws of Bermuda, Cayman Islands, Hong Kong or the Chinese Mainland (each a **Specified Jurisdiction**) must ensure that those securities become participating securities<sup>3</sup> on or before the date specified for those securities (**Specified Date**) or the expiry of five years after the date of implementation of USM (**USM Implementation Date**), whichever is the earlier.<sup>4</sup> These securities, together with Warrants and Rights, are referred to as **Specified Prescribed Securities** in this guide.

<sup>1</sup> As defined in MB Rule 1.01 / GEM Rule 1.01.

<sup>2</sup> Where the debt securities, options, warrants or similar rights can be converted into prescribed securities, they will fall within the purview of the USM regime when converted.

<sup>3</sup> As defined in MB Rule 1.01 / GEM Rule 1.01.

<sup>4</sup> Rule 28(1) of Securities and Futures (Uncertificated Securities Market) Rules (**USM Rules**).

- 1.6 After the USM Implementation Date, new applicants<sup>5</sup> of Specified Prescribed Securities (except Warrants or Rights) must ensure that those securities become participating securities on their listing date.<sup>6</sup>

## 2. Appointment of approved securities registrar

- 2.1 Deadline for appointment of approved securities registrar<sup>7</sup> (ASR): From the USM Implementation Date onwards, **all** issuers of prescribed securities, both new applicants<sup>8</sup> and listed issuers,<sup>9</sup> must have an ASR as their securities registrar for those securities.<sup>10</sup> **This means that an issuer that is incorporated outside the Specified Jurisdictions, or whose securities have yet to become participating securities, must also appoint an ASR by the USM Implementation Date.**<sup>11</sup>
- 2.2 New applicants must appoint an ASR prior to listing: The Exchange will not approve an application for listing of prescribed securities from a new applicant that has not appointed an ASR.<sup>12</sup> As this is a requirement of law, the Exchange's decision not to approve a listing application in such circumstances will not be reviewable by the Listing Committee or the Listing Review Committee (as the case may be) under Chapter 2B of MB Rules and Chapter 4 of GEM Rules.
- 2.3 From the USM Implementation Date onwards, the Exchange will only approve the listing of the Specified Prescribed Securities of new applicants whose ASR is also a Registrar Participant (i.e. an ASR that has the systems in place to enable USM operations<sup>13</sup> and has completed all necessary interface testing with HKEX).
- 2.4 Listed issuers yet to participate in USM: Listed issuers can retain their existing securities registrar as long as that registrar obtains the SFC's approval to be an ASR by the USM Implementation Date.<sup>14</sup>
- 2.5 If such approval is denied, or if its securities registrar is unlikely to be able to obtain such approval by the USM Implementation Date, the issuer should appoint an alternative securities registrar that is an ASR. It must announce such a change in accordance with the Listing Rules<sup>15</sup> (see Section 3 of this guide) as soon as practicable.
- 2.6 If there is no ASR acting as the securities registrar for any prescribed securities on or after the

<sup>5</sup> For the purposes of this requirement, the successor company of a SPAC is considered to be a new applicant.

<sup>6</sup> Rule 28(2)(a) of USM Rules, save where the Exchange has by notice in writing allowed those securities to become participating securities on a date later than the listing date pursuant to Rule 28(2)(b) of USM Rules.

<sup>7</sup> An ASR is a person approved by the Securities and Futures Commission (SFC) to provide securities registrar services under section 101AAG of the Securities and Futures Ordinance (Cap 571) (SFO).

<sup>8</sup> Section 13 of Securities and Futures (Stock Market Listing) Rules (Statutory Rules).

<sup>9</sup> Section 14 of Statutory Rules.

<sup>10</sup> MB Rule 8.16 / GEM Rule 11.08.

<sup>11</sup> Please also refer to section 2 of the [Guidance Note for Issuers on Participating in the Uncertificated Securities Market Regime](#) published by the SFC (the SFC's Issuers' Guidance Note).

<sup>12</sup> Section 13 of Statutory Rules.

<sup>13</sup> Please also refer to paragraphs 4.8 and 4.9 of the SFC's Issuers' Guidance Note.

<sup>14</sup> The SFC will publish the status of securities registrars' ASR applications on its website.

<sup>15</sup> MB Rule 13.51(5) / GEM Rule 17.50(3).

USM Implementation Date, the Exchange must suspend dealings<sup>16</sup> in the prescribed securities no later than: (a) the beginning of the first trading session after the vacancy arises; or (b) the Exchange becomes aware of the vacancy, whichever is later.<sup>17</sup> As this is required by law, such a suspension decision will not be reviewable by the Listing Committee or the Listing Review Committee (as the case may be) under Chapter 2B of MB Rules and Chapter 4 of GEM Rules.

- 2.7 Listed issuers must appoint an ASR that is a Registrar Participant for USM participation: To participate in USM, a listed issuer must ensure that its ASR is a Registrar Participant (i.e. an ASR that has the systems in place to enable USM operations and has completed all necessary interface testing with HKEX). Before participating in USM, a listed issuer is not required to appoint an ASR that is a Registrar Participant.
- 2.8 Terms and conditions of written agreement with ASR: An issuer and its directors should support its ASR's compliance with relevant legal and regulatory requirements applicable to the ASR with respect to its provision of registrar services.
- 2.9 The terms and conditions of the written agreement between an issuer and an ASR regarding registrar services should include the following provisions describing the issuer's commitment:
- (a) to fully assist the ASR perform the ASR's duties under the Code of Conduct for Approved Securities Registrars<sup>18</sup> (**ASR Code**) and any other applicable laws and regulations applicable to the ASR in connection with the ASR's provision of securities registrar services;
  - (b) to procure all relevant parties engaged by the issuer in connection with its securities registrar services to cooperate fully with the ASR to facilitate the ASR's performance of its duties in that regard;
  - (c) to give the ASR every assistance to meet its obligations and responsibilities under the ASR Code and other applicable laws and regulations applicable to the ASR in connection with the ASR's provision of securities registrar services to provide information to the regulators; and
  - (d) to procure or provide all necessary consents required by the ASR concerning the information referred to in sub-paragraphs (a) to (c) above.

### 3. Change in approved securities registrar

- 3.1 Notification requirement: An issuer<sup>19</sup> of prescribed securities must notify the SFC and the

---

<sup>16</sup> Unless the SFC has notified the Exchange that permission has been given under section 14(3)(a) of Statutory Rules to permit the continuation of dealings in those securities despite that vacancy. See MB Rule 13.57A(1) / GEM Rule 17.62A(1).

<sup>17</sup> Section 14 of Statutory Rules.

<sup>18</sup> Published by the SFC and as amended from time to time.

<sup>19</sup> This includes both listed issuers and new applicants.

Exchange, in writing, of each of the following changes:<sup>20 21</sup>

- (a) a person's ceasing to act as the ASR for those securities; and
- (b) a person's beginning to act as the ASR for those securities.

3.2 **Timing of notification:** Such notification must be given to the SFC and the Exchange:

- (a) at least three months before the change takes effect; or
- (b) as soon as reasonably practicable after the issuer becomes aware of the change, whichever is the later.<sup>22</sup>

3.3 **Form of notification:** The notification to the Exchange should be sent, in writing, to the Listing Division officers responsible for monitoring the issuer.<sup>23</sup> The notification should include at least information set out in paragraphs (a) to (d) of Part A (where there is an incoming ASR) or Part B (where there is no incoming ASR) of **Appendix 1** to this guide. Please refer to paragraph 2.4 of the SFC's Issuers' Guidance Note for the manner in which an issuer should notify the SFC.

3.4 **Announcement obligation:** A listed issuer must publish an announcement, as soon as practicable, upon notifying the Exchange regarding any change of its ASR.<sup>24</sup> Where there is an incoming ASR, the announcement should include the information set out in Part A of **Appendix 1** to this guide, as applicable. Where there is no incoming ASR, the announcement should include the information set out in Part B of **Appendix 1** to this guide.

3.5 A listed issuer should publish an announcement describing any change and/or delay to matters it previously announced regarding a change of its ASR. Such an announcement should be made as soon as reasonably practicable after the issuer becomes aware of the change and/or delay and should describe the impact of the change and/or delay on its holders of prescribed securities and include any other information of material relevance.

## 4. Disclosure in listing documents

4.1 **USM disclosure in listing document:** New applicants whose Specified Prescribed Securities will participate in USM upon listing must disclose the information required by the Listing Rules (**USM LD Disclosure**).<sup>25</sup> New applicants should also refer to Part A of **Appendix 2** to this guide in preparing USM LD Disclosure.

4.2 New applicants that submit a listing application prior to the USM Implementation Date, but whose listing date is due to fall after the USM Implementation Date, must ensure that the USM

<sup>20</sup> Sections 15(1) and 15(5) of Statutory Rules.

<sup>21</sup> This notification requirement also applies to listing applicants. Listing applicants should notify, via its sponsor, the responsible Listing Division officers handling their listing application if such a change occurs during the listing application process. Their draft prospectus should be updated to reflect the appointment of the new ASR.

<sup>22</sup> Section 15(2) of Statutory Rules.

<sup>23</sup> Relevant information can be found on the HKEX website under "[Contact Persons in the Listing Division of HKEX for Listed Companies](#)" on the "Contact Us / Make a Complaint" page.

<sup>24</sup> MB Rule 13.51(5) / GEM Rule 17.50(3).

<sup>25</sup> See Paragraph 3 of MB Appendix G1 / Paragraph 3 of GEM Appendix F1.

LD Disclosure is included in the draft listing document submitted for the Exchange's final approval.

- 4.3 New applicants that submit a listing application on or after the USM Implementation Date must include USM LD Disclosure in the Application Proof of the listing document they submit with their listing application. USM LD Disclosure must be redacted for the purpose of publication of the Application Proof on the Exchange's website.
- 4.4 Listings delayed beyond USM Implementation Date: A new applicant that has received the Exchange's final approval of a listing document without USM LD Disclosure must immediately contact the Exchange if its listing date is delayed beyond the USM Implementation Date.

## 5. Permission to list in certificated form after the USM Implementation Date

- 5.1 Circumstances when the Exchange may grant permission for Specified Prescribed Securities to be listed in certificated form: Within the first year of the USM Implementation Date, the Exchange may allow new listings of Specified Prescribed Securities to be listed in certificated form if it is satisfied that:
- (a) there are exceptional circumstances justifying the securities becoming participating securities after the listing date; and
  - (b) requiring the securities to become participating securities on the listing date would cause unreasonable delay to the intended listing date.<sup>26</sup>
- 5.2 Process for obtaining the Exchange's permission to list in certificated form: A new applicant wishing to list its Specified Prescribed Securities in certificated form after the USM Implementation Date must submit, via its sponsor, a request in writing addressed to the Listing Division officers responsible for the new applicant's IPO application. The request should include at least the following information:
- (a) its justification for the Specified Prescribed Securities becoming participating securities after the listing date, with express reference to the matters specified in Rules 28(6) and 28(7) of the USM Rules, as appropriate;
  - (b) the proposed deadline by which the relevant Specified Prescribed Securities must become participating securities (**Proposed Specified Date**)<sup>27</sup> and the proposed date on which its prescribed securities are to become participating securities (**Participation Date**) (which is expected, in practice, to be the same as the Proposed Specified Date<sup>28</sup>);
  - (c) an explanation of how the Proposed Specified Date was determined, setting out all relevant factors taken into account, along with supporting evidence and information;

<sup>26</sup> Rules 28(5) and 28(6) of USM Rules.

<sup>27</sup> The Proposed Specified Date must not be later than five years after the USM Implementation Date.

<sup>28</sup> Paragraph 3.4 of the SFC's Issuers' Guidance Note. Also see paragraph 5.15 of the SFC's Issuers' Guidance Note for further guidance on changes to the Participation Date.

- (d) a written confirmation from the issuer (via its sponsor, as applicable) confirming that, save for unforeseen circumstances beyond the issuer's control, the Specified Prescribed Securities are expected to become participating securities on or before the Proposed Specified Date,<sup>29</sup> and that the issuer is not aware of any matter that will result in further deferral; and
- (e) a written confirmation from the ASR that it is able to accommodate the Proposed Specified Date without adversely affecting the timetable and arrangements for other prescribed securities to become participating securities.
- 5.3 In considering a request to permit the listing of Specified Prescribed Securities in certificated form after the USM Implementation Date, the Exchange will take into account: the information set out in the request; the matters specified under the USM Rules,<sup>30</sup> and all other relevant information.
- 5.4 Decision relating to the request: The Exchange will communicate its decision to permit or decline a request served, in writing, on the new applicant via its sponsor.<sup>31</sup>
- 5.5 Revision of Proposed Specified Date: An issuer that has been permitted to list in certificated form<sup>32</sup> must apply to the Exchange, via its sponsor (if any), to revise its previously permitted Proposed Specified Date.<sup>33</sup> The application should: be made in writing by email; include the information under paragraphs 5.2(a) to (e); and specify a revised Proposed Specified Date that has been agreed by its ASR.
- 5.6 Application to SFC: If a new applicant does not accept the decision made by the Exchange with respect to the permission for its Specified Prescribed Securities to be listed in certificated form (including any date specified in the notice given by the Exchange<sup>34</sup>), the new applicant may apply to the SFC for an exemption<sup>35</sup> from compliance with USM participation requirements<sup>36</sup> under the USM Rules. Issuers should refer to paragraphs 5.16 to 5.18 of the SFC's *Issuers' Guidance Note* for further guidance on such applications.
- 5.7 Disclosure obligations relating to the Exchange's permission: A new applicant that has been granted permission by the Exchange to list in certificated form must disclose, in its listing document, the information relating to that permission required by the Listing Rules.<sup>37</sup> The new applicant should refer to Part A of **Appendix 2** to this guide in preparing such disclosures.
- 5.8 Disclosure obligations relating to the SFC's exemption: A new applicant that has been granted permission by the SFC to list in certificated form must disclose, in its listing document, the information relating to that exemption required by the Listing Rules.<sup>38</sup> The new applicant should

<sup>29</sup> It is expected that, in practice, the Specified Date and Participation Date for any particular prescribed securities will be the same. Paragraph 3.4 of the SFC's *Issuers' Guidance Note*. Also see paragraph 5.15 of the SFC's *Issuers' Guidance Note* for further guidance on changes to the Participation Date.

<sup>30</sup> Rules 28(6) and 28(7) of USM Rules.

<sup>31</sup> Rule 28(5) of USM Rules.

<sup>32</sup> Pursuant to Rule 28(5) of USM Rules.

<sup>33</sup> Rule 28(8) of USM Rules.

<sup>34</sup> Pursuant to Rule 28(2)(b) of USM Rules.

<sup>35</sup> Rule 32 of USM Rules.

<sup>36</sup> The provisions in Part 7 of USM Rules, in particular, Rule 28 of USM Rules.

<sup>37</sup> Paragraph 4 of MB Appendix G1 / Paragraph 4 of GEM Appendix F1.

<sup>38</sup> Paragraph 5 of MB Appendix G1 / Paragraph 5 of GEM Appendix F1.

refer to Part A of **Appendix 2** to this guide in preparing such disclosures.

- 5.9 Subsequent disclosures: An issuer that has listed its prescribed securities in certificated form after the USM Implementation Date must publish announcements disclosing information relating to its plan for its prescribed securities becoming participating securities at the relevant times required by the Listing Rules<sup>39</sup> (see Section 6 of this guide). The requirement to announce a Specified Date<sup>40</sup> will not apply to such an issuer (see paragraph 6.1 of this guide), so long as any previous disclosure made by it remains accurate and complete.

## 6. Listed issuers' USM participation

- 6.1 Specified Date: A listed issuer of any Specified Prescribed Securities (except Warrants or Rights) must ensure that those securities become participating securities on or before the Specified Date for those securities, or the expiry of five years after the USM Implementation Date, whichever is the earlier.<sup>41</sup> To facilitate efficient operational implementation by ASRs and HKSCC, it is expected that, in practice, the Specified Date and the Participation Date for any particular prescribed securities will be the same.<sup>42</sup>
- 6.2 Proposing a Specified Date: A listed issuer of Specified Prescribed Securities (except Warrants or Rights) is expected to engage in prior discussions with its ASR regarding potential Specified Dates before a Specified Date is proposed for review by the ASR, HKSCC and the Exchange. Any concerns an issuer may have regarding its potential Specified Date should be addressed during those discussions.
- 6.3 Notification of Specified Date: Upon agreement on a proposed Specified Date between an ASR, HKSCC and the Exchange, each listed issuer's authorised representatives will receive a written notice<sup>43</sup> specifying the relevant securities and the applicable Specified Date.
- 6.4 Announcement of Specified Date: A listed issuer must, in accordance with the Listing Rules, announce its Specified Date on the HKEX website (and its own website) as soon as reasonably practicable and no later than one business day after being served the written notice<sup>44</sup> to ensure that its shareholders are aware of the Specified Date.
- 6.5 Announcement of USM Transition Plan: A listed issuer must publish an announcement containing the details of its transition to USM (**USM Transition Plan**), including the Participation Date and, where required, the steps it will take (or has taken) to amend its constitutional documents or terms of issue (see Section 14 of this guide)<sup>45</sup>, as soon as reasonably practicable following the finalisation of its plan for its prescribed securities to

---

<sup>39</sup> Paragraphs 8 to 10 of MB Appendix G1 / Paragraphs 8 to 10 of GEM Appendix F1.

<sup>40</sup> Paragraph 7 of MB Appendix G1 / Paragraph 7 of GEM Appendix F1.

<sup>41</sup> Rule 28(1) of USM Rules.

<sup>42</sup> Paragraph 3.4 of the SFC's Issuers' Guidance Note. Please also refer to paragraph 5.15 of the SFC's Issuers' Guidance Note for further guidance on changes to the Participation Date.

<sup>43</sup> Rule 28(4)(b) of USM Rules.

<sup>44</sup> Paragraph 7 of MB Appendix G1 / Paragraph 7 of GEM Appendix F1.

<sup>45</sup> Alternatively, where amendments to the issuer's constitutional documents or terms of issue is not required (or where such has been completed), a statement to that effect.

become participating securities.<sup>46</sup> Please refer to Part B of **Appendix 2** to this guide for guidance on preparing such an announcement.

- 6.6 If a listed issuer is in a position to announce the details of its USM Transition Plan upon receiving the notice of its Specified Date, the listed issuer must satisfy the requirements to announce its Specified Date<sup>47</sup> and its USM Transition Plan<sup>48</sup> in a single announcement as soon as reasonably practicable and no later than one business day after being served a notice of its Specified Date.<sup>49</sup>
- 6.7 Announcement of imminent transition to USM: Listed issuers are required to announce a reminder of its USM Transition Plan no later than 21 business days prior to its relevant prescribed securities becoming participating securities.<sup>50</sup> Listed issuers may include a statement in this announcement to encourage holders to set up USI profiles<sup>51</sup> with the issuer's ASR in advance of the Participation Date.
- 6.8 Last window for registration of transfers which entitle receipt of physical certificates: Under all circumstances, the last day for registration of transfer documents that would entitle the transferee to receive physical certificates should be the tenth business day prior to the issuer's USM Participation Date. Listed issuers should ensure that such day is not a book close day.

## 7. Bad Weather Signal

- 7.1 The Exchange would not normally accept a Bad Weather Signal<sup>52</sup> being in force to be a reason to cancel or revise a scheduled Participation Date.
- 7.2 An issuer should put in place necessary arrangements to minimise the impact of a Bad Weather Signal falling on any milestone date of its USM transition with a view to ensure that its prescribed securities could participate in USM on the scheduled Participation Date.
- 7.3 In the event that a Bad Weather Signal would result in any material changes to its plan for prescribed securities to participate in USM, the issuer must announce, as soon as reasonably practicable, the impact of the Bad Weather Signal being in force on its USM transition timeline, contingency measures taken in response, and any other information required under the Listing Rules.<sup>53</sup>

## 8. Posting of Specified Date list

- 8.1 HKEX will publish lists, on the [USM page](#) of the HKEX website, setting out, among other things,

---

<sup>46</sup> See Paragraph 8 of MB Appendix G1 / Paragraph 8 of GEM Appendix F1 for information to be included in such announcement.

<sup>47</sup> Paragraph 7 of MB Appendix G1 / Paragraph 7 of GEM Appendix F1.

<sup>48</sup> Paragraph 8 of MB Appendix G1 / Paragraph 8 of GEM Appendix F1.

<sup>49</sup> Note 2 to Paragraph 8 of MB Appendix G1 / Note 2 to Paragraph 8 of GEM Appendix F1.

<sup>50</sup> See Paragraph 10 of MB Appendix G1 / Paragraph 10 of GEM Appendix F1 for information to be included in such announcement.

<sup>51</sup> An electronic profile set up with an ASR by holders to hold and manage their uncertificated securities.

<sup>52</sup> "Bad Weather Signal" has the same meaning in MB Rule 1.01 / GEM Rule 1.01, i.e. a No. 8 typhoon warning signal or above, a black rainstorm warning signal and/or "extreme conditions" as announced by the Hong Kong Government.

<sup>53</sup> Paragraph 9 of MB Appendix G1 / Paragraph 9 of GEM Appendix F1.

the Specified Dates and the Participation Dates of listed issuers. These lists will be updated periodically to ensure that the market, as a whole, is aware of those dates and the progress of the market-wide transition to USM.

## 9. USM-related Headline Categories

- 9.1 Issuers must ensure that correct Headline Categories (as set out in **Appendix 3** to this guide) are selected when publishing announcements related to USM on [HKEXnews](#).

## 10. Voluntary participation in USM

- 10.1 Voluntary participation in USM is strongly encouraged. Issuers of prescribed securities that are incorporated in a place other than a Specified Jurisdiction (or whose securities are otherwise constituted under the law of such a jurisdiction) may participate in USM voluntarily.<sup>54</sup> These issuers are encouraged to ascertain whether the laws of their home jurisdictions are compatible with the USM regime<sup>55</sup> and, if compatible, to take all reasonable steps for the securities to become participating securities:
- (a) within five years from the date of implementation of the USM regime (where the issuer is already listed at the time the USM regime is implemented); or
  - (b) from the date of their first listing (where the issuer is listed after the implementation of the USM regime).
- 10.2 Seek professional advice: An issuer of such prescribed securities should seek legal advice on such voluntary participation.
- 10.3 Reference materials: For further information on amending the terms of issue of prescribed securities for USM purposes, including key areas of focus when reviewing the terms of issue and sample provisions, please refer to paragraphs 4.3 to 4.7 and Appendix 2 of the SFC's Issuers' Guidance Note.

## 11. Revision of Specified Date by a listed issuer

- 11.1 A listed issuer's Specified Date must be revised in the same manner as it was specified.<sup>56</sup>
- 11.2 Submission of the request: A listed issuer that needs to revise its Specified Date should approach its ASR as soon as reasonably practicable in the first instance to discuss a revision of its Specified Date. It must then submit a formal request for the change in writing addressed to the Listing Division officers<sup>57</sup> responsible for monitoring the issuer, its ASR and the HKSCC.

---

<sup>54</sup> Please also refer to paragraph 3.3 of the SFC's Issuers' Guidance Note.

<sup>55</sup> i.e. whether the requirements of the USM regime are prohibited by, or in conflict or inconsistent with, the laws of its jurisdiction of incorporation or its constitutional documents.

<sup>56</sup> Rule 28(8) of USM Rules.

<sup>57</sup> Relevant information can be found on the HKEX website under "[Contact Persons in the Listing Division of HKEX for Listed Companies](#)" on the "Contact Us / Make a Complaint" page.

- 11.3 Contents of request: The written request for change must include: (a) the listed issuer's name, stock code of the relevant prescribed securities, and the approved securities registrar; (b) the original Specified Date and the proposed new Specified Date; (c) the reasons for the request; and (d) a confirmation that, save for unforeseen circumstances beyond the issuer's control, the Specified Prescribed Securities are expected to become participating securities on or before the proposed new Specified Date, and that the issuer is not aware of any matter that will result in further deferral.<sup>58</sup> The request should be accompanied by such necessary supporting particulars or supplementary information required by the Exchange, the issuer's ASR and/or HKSCC to properly assess the request.
- 11.4 Timing of request: To facilitate a smooth and orderly transition to USM, such a request should be submitted at least 30 business days before its original Specified Date.
- 11.5 The revision of a Specified Date requires agreement to be reached between the Exchange, the issuer's ASR and HKSCC. In considering a request, the Exchange, the issuer's ASR and HKSCC will take into account: the information set out in the request; matters specified under the USM Rules; and any other information considered relevant by the Exchange, the issuer's ASR and/or HKSCC.<sup>59</sup>
- 11.6 Decision relating to the request: The Exchange will communicate, in writing, to the listed issuer the joint decision made by the Exchange, the issuer's ASR and HKSCC as to whether the issuer's request is permitted or declined.
- 11.7 Disclosure obligation: Upon notification by the Exchange of approval of the revision of the Specified Date, the listed issuer must, as soon as reasonably practicable, publish an announcement to inform the market accordingly.<sup>60</sup>
- 11.8 Content of announcement: Such an announcement must include the information required by the Listing Rules and should also include any other relevant particulars that may have a material impact on the listed issuer's securities holders.<sup>61</sup>
- 11.9 Application to SFC: Listed issuers may apply to the SFC for an exemption<sup>62</sup> from compliance with USM requirements<sup>63</sup> under the USM Rules. If the SFC grants an exemption, the issuer must publish an announcement to inform the market as soon as reasonably practicable upon notification by the SFC of its decision.<sup>64</sup> Listed issuers should refer to paragraphs 5.16 to 5.18 of the SFC's *Issuers' Guidance Note* for further guidance on such applications.

## 12. Warrants and Rights

- 12.1 Warrants and Rights as participating securities: Where the underlying securities of Warrants or Rights are participating securities at the time when those Warrants or Rights are issued, an

<sup>58</sup> A listed issuer should prepare such request using the template published on the HKEX website.

<sup>59</sup> Including matters set out in Rule 28(7) of USM Rules.

<sup>60</sup> Paragraphs 7 and 9 of MB Appendix G1 / Paragraphs 7 and 9 of GEM Appendix F1.

<sup>61</sup> Paragraph 9 of MB Appendix G1 / Paragraph 9 of GEM Appendix F1.

<sup>62</sup> Rule 32 of USM Rules.

<sup>63</sup> The provisions in Part 7 of USM Rules.

<sup>64</sup> Paragraph 11 of MB Appendix G1 / Paragraph 11 of GEM Appendix F1.

issuer must ensure that such new issues of Warrants or Rights become participating securities upon listing.<sup>65</sup> Title documents such as provisional allotment letters will not be issued in respect of Rights that are participating securities.

- 12.2 Voluntary participation: There is no requirement for Warrants or Rights to become participating securities by a particular date if they are listed before their underlying securities become participating securities.<sup>66</sup>
- 12.3 If an issuer with such Warrants or Rights in issue wishes them to become participating securities, it should:
- (a) make an announcement of the issuer's plan for such Warrants or Rights to become participating securities (see paragraph 6.5 of this guide); and
  - (b) make an announcement reminding its securities holders that the issuer's Warrants or Rights will shortly become participating securities (see paragraph 6.7 of this guide).
- 12.4 In case of the issue of warrants relating to the issuer's shares, to facilitate the transfer of records between HKEX and ASR, an announcement about the change of warrant securities details regarding warrant exercise (including a change of nominal value and/or subscription price) should be made no later than 8:30 a.m. on the fourth business day prior to the effective date of the change.

## 13. Requirements that apply to issuers of participating securities

- 13.1 Issuers should note that, other than the Listing Rules and this guide, their participation in USM is also subject to applicable statutory laws<sup>67</sup> and regulations.<sup>68</sup> Issuers of participating securities must comply with applicable legal requirements relating to USM, including but not limited to:
- (a) the prohibition on subsequently issuing any participating securities in certificated form;<sup>69</sup>
  - (b) the prohibition on issuing title instruments for participating securities;<sup>70</sup> and
  - (c) the obligation to ensure all participating securities held in the name of HKSCC or its nominee and covered by a valid title instrument held in the custody of HKSCC are dematerialized within six months of the prescribed securities becoming participating securities.<sup>71</sup>

Issuers should refer to section 6 of the SFC's *Issuers' Guidance Note* for further guidance on such requirements.

---

<sup>65</sup> Rule 28(3) of USM Rules.

<sup>66</sup> Rule 28(3) of USM Rules.

<sup>67</sup> E.g. SFO.

<sup>68</sup> E.g. Statutory Rules and USM Rules.

<sup>69</sup> Rule 29 of USM Rules.

<sup>70</sup> Rule 30 of USM Rules.

<sup>71</sup> Rule 31 of USM Rules.

- 13.2 After participating in USM, issuers must also comply with Listing Rules regarding:
- (a) disclosures when issuing subscription Warrants or Rights;<sup>72</sup>
  - (b) disclosures relating to corporate actions, which should include information regarding the deposit, registration, dematerialization, transfer, trading and clearing arrangements applicable to their participating securities;<sup>73</sup> and
  - (c) display on the issuer's website of the information that would otherwise be included in documents of title.<sup>74</sup>
- 13.3 Planning corporate actions after USM participation: Processing lead times and clearing and settlement deadlines for corporate actions may vary after prescribed securities become participating securities. To ensure that corporate actions are conducted in an orderly manner, issuers should consult their ASR at an early stage when contemplating them so that issuers and their ASR can plan an appropriate corporate action timetable. Issuers should also refer to Part C of **Appendix 2** to this guide when preparing disclosure documents relating to corporate actions conducted after USM participation.

## 14. Constitutional documents or terms of issue

- 14.1 The USM requirements are applicable to issuers of prescribed securities, whether incorporated in a Specified Jurisdiction or otherwise. Issuers should ascertain whether amendments to their constitutional documents or other terms of issue are necessary to conform with the requirements of the USM regime.
- 14.2 For issuers of prescribed securities incorporated in Hong Kong, USM requirements prevail regardless of any conflict or inconsistency with the issuer's constitutional documents or terms of issue.<sup>75</sup>
- 14.3 For issuers of prescribed securities incorporated in a place outside Hong Kong, USM requirements apply to the extent that they are not prohibited under, in conflict or inconsistent with the laws of the jurisdiction governing the relevant securities.<sup>76</sup> These issuers should ascertain the extent to which the laws of their home jurisdiction are compatible with the USM regime.
- 14.4 Where necessary, issuers should obtain independent legal advice on the above.
- 14.5 Deadline for amendment: Listed issuers of Specified Prescribed Securities that need to amend their constitutional documents to conform with USM requirements should do so:
- (a) within one year of the USM Implementation Date; or
  - (b) on or before their next annual general meeting held after the USM Implementation Date,

<sup>72</sup> Paragraph 12 of MB Appendix G1 / Paragraph 12 of GEM Appendix F1.

<sup>73</sup> Paragraph 13 of MB Appendix G1 / Paragraph 13 of GEM Appendix F1.

<sup>74</sup> Paragraphs 16 and 17 of MB Appendix G1 / Paragraphs 16 and 17 of GEM Appendix F1.

<sup>75</sup> Section 101AAD of SFO.

<sup>76</sup> Section 101AAE of SFO.

whichever is later.<sup>77</sup>

- 14.6 New applicants of Specified Prescribed Securities must ensure that their constitutional documents conform with USM requirements prior to listing. Those whose prescribed securities are already listed on another exchange (e.g. those with A shares listed on a Chinese Mainland exchange) should note that, prior to listing, they may need to obtain shareholders' approval, at a general meeting, of any amendments to their constitutional documents that are necessary to conform with USM requirements.
- 14.7 The SFC has published useful guidance regarding the form and content of constitutional documents with regard to USM requirements. We encourage issuers to refer to paragraphs 4.3 to 4.7 and Appendix 2 to SFC's *Issuers' Guidance Note* for further guidance on this matter.

## 15. Corporate actions

- 15.1 Corporate actions moratorium: To facilitate a smooth and orderly transition to USM, issuers should carefully schedule their corporate actions so that no corporate action that involves a reference to, or a change of, their register of holders or the determination of their entitlements should take place with the period starting from 13 business days before and ending 10 business days after their Participation Date inclusive (**Moratorium Period**).<sup>78</sup>
- 15.2 In general, this means scheduling corporate actions so that certain key dates in respect of them (see examples in paragraph 15.3 below) do not fall within the Moratorium Period. For the avoidance of doubt, the Moratorium Period does not preclude issuers from scheduling payments of cash dividends or holding general meetings within the Moratorium Period.
- 15.3 These key dates would include (without limitation):
- (a) last registration dates;
  - (b) securities entitlement distribution dates (e.g., bonus issues, scrip dividends, rights, shares issued upon exercise of rights); and
  - (c) conversion effective dates (e.g., following a securities consolidation or sub-division exercise).
- 15.4 Issuers should consider deferring corporate action events until after the Moratorium Period. Where the timing of such events cannot be changed, issuers should consider deferring their Specified Date to avoid the event occurring during such a period. Failing that, an issuer that wishes to conduct any corporate action during the Moratorium Period should consult its relevant ASR and HKSCC well in advance.

---

<sup>77</sup> Issuers incorporated in Hong Kong may participate in USM before amending their constitutional documents by relying on the deeming provisions in section 101AAD of the Securities and Futures Ordinance. Issuers incorporated in jurisdictions other than Hong Kong are advised to seek legal advice regarding amendments to their constitutional documents. That said, issuers are still expected to change their constitutional documents as soon as reasonably possible.

<sup>78</sup> Please also refer to paragraphs 4.12 to 4.14 of the SFC's *Issuers' Guidance Note*.

## 16. Issuer website disclosure

- 16.1 USM-specific webpage: An issuer of prescribed securities is required to maintain a webpage on USM matters.<sup>79</sup> The information on this webpage should be updated, as necessary, from time-to-time.
- 16.2 The USM-specific webpage must contain information relating to the participating securities set out in its listing document (see Section 4 of this guide)<sup>80</sup> and USM-related announcements (see Section 6 of this guide),<sup>81</sup> as applicable.
- 16.3 This webpage must remain operational for at least a year after the relevant prescribed securities become participating securities (i.e. one year after its date of listing if it listed as participating securities after the USM Implementation Date) or its Participation Date, as applicable.<sup>82</sup>
- 16.4 Terms otherwise in documents of title: An issuer must publish, on a dedicated section of its website, information that was previously included on the face of the issuer's definitive (and temporary) certificated documents of title.<sup>83</sup>

## 17. Non-compliance with USM legislation

- 17.1 Our existing guidance on a listed issuer's suitability for continued listing states that listed issuers should comply with applicable laws and regulations at all times. Intentional, systemic and/or repeated breaches of laws and regulations may affect an issuer's suitability for continued listing.<sup>84</sup>
- 17.2 The Exchange would apply this guidance to a failure to comply with USM legislation, which would include a failure to comply with the USM Rules or other applicable legal obligations with respect to the USM regime.

### Important note:

This guide does not override the Listing Rules and is not a substitute for advice from qualified professional advisers. If there is any conflict or inconsistency between this guide and the Listing Rules, the Listing Rules prevail. You may consult the Listing Division on a confidential basis for an interpretation of the Listing Rules, or this guide.

<sup>79</sup> Paragraphs 3(6), 4(11), 5(9), 8(9), 9(7), 10(9), 11(9) and 12(6) of MB Appendix G1 / paragraphs 3(6), 4(11), 5(9), 8(9), 9(7), 10(9), 11(9) and 12(6) of GEM Appendix F1.

<sup>80</sup> Paragraphs 3(6), 4(11) and 5(9) of MB Appendix G1 / Notes to paragraphs 3(6), 4(11) and 5(9) of GEM Appendix F1.

<sup>81</sup> Paragraphs 8(9), 9(7), 10(9), 11(9) and 12(6) of MB Appendix G1 / Paragraphs 8(9), 9(7), 10(9), 11(9) and 12(6) of GEM Appendix F1.

<sup>82</sup> Notes to paragraphs 3(6), 4(11), 5(9), 8(9), 9(7), 10(9), 11(9) and 12(6) of MB Appendix G1 / Notes to paragraphs 3(6), 4(11) and 5(9), 8(9), 9(7), 10(9), 11(9) and 12(6) of GEM Appendix F1.

<sup>83</sup> Paragraphs 16 and 17 of MB Appendix G1 / Paragraphs 16 and 17 of GEM Appendix F1.

<sup>84</sup> Paragraph 22, [GL96-18](#).

## Appendix 1 – Information to be included in a notification and announcement relating to a change in ASR

### Part A: Information to be included in notifications and announcements relating to a change in ASR where there is an incoming ASR

For the notification to the Exchange referred to in paragraph 3.1 of this guide, issuers should include at least the information set out in **paragraphs (a) to (d) below**.<sup>85</sup> For the announcement relating to a change in ASR, issuers should include **all** the following information (**as applicable**).

- (a) the prescribed securities to which the change relates;
- (b) the date on which the change in ASR takes effect (**ASR Change Date**);
- (c) information on the outgoing ASR, including its:
  - Name
  - Address
  - Telephone number
  - Website
- (d) information on the incoming ASR, including:
  - Name
  - Address
  - Telephone number
  - Website
- (e) details of arrangements for the return or transfer of physical documents (e.g. certificates and instrument of transfer) relating to requests<sup>86</sup> not processed by the outgoing ASR before the ASR Change Date, including:
  - the general practice that relevant documents will be made available for holders' collection at the outgoing ASR's counter for 10 business days following the ASR Change Date; and
  - that uncollected documents will be transferred to the issuer, or the incoming ASR, upon expiry of this collection period;
- (f) details of the contact point(s) for handling queries in relation to the change of ASR;
- (g) the cut-off times for submitting different types of requests to the outgoing ASR, including:
  - a request to transfer securities using an instrument of transfer;

---

<sup>85</sup> Section 15 of Statutory Rules.

<sup>86</sup> For example, requests with incomplete information that cannot be processed.

- any other types of transfer or holder requests<sup>87</sup>;
- a request to transfer securities in uncertificated form via USI facility or HKSCC;
- a request to dematerialize securities in certificated form and transfer; and
- a request to dematerialize securities in certificated form,

and the consequences of missing the cut-off times for submission of documents;

- (h) where the issuer has previously announced corporate actions and the milestones for them fall on a date close to the ASR Change Date, any change to the timetable<sup>88</sup> and related arrangements for such corporate actions, such as transitional arrangements for exercising subscription warrants, rights and other prescribed securities;<sup>89</sup>
- (i) a statement to the effect that holders should set up/maintain USI profiles with the incoming ASR to enable them to view and manage their holdings in the relevant securities via the incoming ASR's USI facility on or after the ASR Change Date;
- (j) where the incoming ASR intends to perform USI matching<sup>90</sup> using the identity details provided by the outgoing ASR, a statement reminding holders wishing to link their holdings to their USI profile with the incoming ASR through the USI matching process to ensure that:
- it has a registered USI profile with the incoming ASR prior to the ASR Change Date; and
  - it has used the same identity document to set up USI profiles with both the outgoing ASR and the incoming ASR;
- (k) provisional system-member: where: (i) the incoming ASR decides not to perform USI matching using the identity details provided by the outgoing ASR; (ii) USI matching is unsuccessful; or (iii) a holder does not have a USI profile registered with the incoming ASR, the incoming ASR will set up a provisional USI profile in the holder's name to receive the securities concerned and any entitlements flowing from such securities, and holders will become provisional system-members of the incoming ASR.

The announcement should state that a provisional system-member must set up a USI profile with the incoming ASR and complete the necessary procedures to link its holdings in the relevant prescribed securities to that profile to enable it to view or manage prescribed securities through the incoming ASR's USI facility;

- (l) a statement that, on the ASR Change Date and thereafter, a holder's USI profile within the outgoing ASR's USI facility will no longer display holdings in the relevant securities. The outgoing ASR may also place limitations on access to historical records relating to those

<sup>87</sup> Including but not limited to a change of particulars (name/ address/ bank account) request, share movement request after share repurchase, deceased case handling etc.

<sup>88</sup> If there is any change to the timetable, the issuer should clearly identify the old and new milestones, time and date. Any shifts in deadlines should also be highlighted.

<sup>89</sup> Including whether the Rights and Warrants will continue to be exercised without interruption; the specific procedures for holders to exercise the rights around the effective date of the change; and any applicable deadlines.

<sup>90</sup> A process where the outgoing ASR will pass relevant USI holders' identity information to the incoming ASR for automatic matching. If matching is successful, the holder will be able to view its holdings in the relevant securities in its USI profile within the incoming ASR's USI facility on the ASR Change Date without taking any action.

securities. The announcement should provide information on the outgoing ASR's arrangements (if any) for holders' continued access to such historical records and the steps a holder must take to access such records<sup>91</sup>; and

(m) any other information of material relevance to the above.<sup>92</sup>

### **Part B: Information to be included in notifications and announcements relating to a change in ASR where there is no incoming ASR**

For the notification to the Exchange referred to in paragraph 3.1 of this guide, issuers should include at least the information set out in **paragraphs (a) to (d) below**.<sup>93</sup> For the announcement relating to a change in ASR **where there is no incoming ASR**, issuers should include **all** the following information:

- (a) the prescribed securities to which the change relates;
- (b) the ASR Change Date;
- (c) information on the outgoing ASR, including its:
  - Name
  - Address
  - Telephone number
  - Website
- (d) details of arrangements for the return or transfer of physical documents (e.g. certificates and instrument of transfer) relating to requests<sup>94</sup> not processed by the outgoing ASR before the ASR Change Date;
- (e) the reason for the absence of an incoming ASR, with reference to the specific facts and circumstances giving rise to the outgoing ASR ceasing to act as the issuer's ASR;
- (f) a clear statement that dealings in the relevant prescribed securities will be suspended in the absence of an ASR acting as the securities registrar,<sup>95</sup> including:
  - the date on which suspension in dealings takes effect; and
  - an explanation of the statutory requirement to have an ASR acting as the securities

<sup>91</sup> For example, the process to retrieve and retain historical records via the outgoing ASR's USI facility, or the deadline to attend the outgoing ASR's office for retrieval of such records.

<sup>92</sup> For example, remind holders to keep their contact details with the outgoing ASR up-to-date in order to receive the special annual statement. A special annual statement refers to the annual statement that the outgoing ASR is required to send to holders under Rule 24(2) of Securities and Futures (Approved Securities Registrars) Rules, covering the period from the first day of the year to the date on which the outgoing ASR ceases to act as the securities registrar.

<sup>93</sup> Section 15 of Statutory Rules.

<sup>94</sup> For example, requests with incomplete information that cannot be processed.

<sup>95</sup> Unless the SFC grants permission for the continuity or recommencement of dealing in the prescribed securities in accordance with sections 14(3)(a) and 14(3)(b) of Statutory Rules in exceptional circumstances.

registrar for prescribed securities<sup>96</sup>;

- (g) an outline of the remedial steps taken or to be taken to appoint a new ASR<sup>97</sup> ;
- (h) the expected timeline for the appointment and onboarding of the new ASR. Where the issuer does not expect to appoint a new ASR within a short period of time, the announcement should include a warning of a possible prolonged suspension of dealings in the relevant securities;
- (i) a summary of the actual and potential impact that the absence of ASR may have on securities holders, including the impact on any deposit, registration, dematerialization, transfer, trading and clearing arrangements, with reference to facts and circumstances specific to the listed issuer;
- (j) a statement to the effect that the issuer will keep holders and investors informed, on a regular basis, of the progress made with respect to the appointment of a new ASR;
- (k) a statement to the effect that the issuer will keep holders and investors informed of the actions required (if any), and the implications of any inaction;
- (l) a statement that, on the ASR Change Date and thereafter, a holder's USI profile within the outgoing ASR's USI facility will no longer display holdings in the relevant securities. The outgoing ASR may also place limitations on access to historical records relating to those securities;
- (m) details of the contact point(s) for handling queries in relation to the change of ASR<sup>98</sup>; and
- (n) any other information of material relevance to the above.

The above disclosure requirements are in addition to any other disclosure requirements imposed by applicable laws, regulations and the Listing Rules, including continuous inside information disclosure requirements. Issuers must comply with all other requirements pertinent to their specific circumstances.

---

<sup>96</sup> Pursuant to section 14 of Statutory Rules, if there is no ASR acting as the securities registrar for any prescribed securities, the Exchange must suspend dealings in those securities unless the SFC has given a permission in respect of that vacancy.

<sup>97</sup> For example, that a formal tender process has been initiated to evaluate and appoint a new ASR.

<sup>98</sup> For example, queries in relation to the return of physical documents, or retrieval or retention of historical records.

## Appendix 2 – Information regarding USM participation to be included in listing documents, announcements or other disclosures documents

### A. INFORMATION TO BE INCLUDED IN LISTING DOCUMENTS OF NEW APPLICANTS OF PRESCRIBED SECURITIES

1. Applicants whose securities will be participating securities on the listing date should include in their listing documents:
  - (a) disclosures required under paragraph 3 of MB Appendix G1 (or GEM Appendix F1);
  - (b) a statement to the effect that holders wishing to hold and manage uncertificated holdings in their own names must set up a USI profile with the issuer's ASR; and
  - (c) a hyperlink to a page on the ASR's website where holders may find information relating to the process of setting up a USI profile, and the consequences of failing to do so.
2. Applicants whose securities will become participating securities on a date later than the listing date should include in their listing documents:
  - (a) the disclosures required under paragraph 4 of MB Appendix G1/GEM Appendix F1 (where permission to list in certificated form has been granted by the Exchange), or paragraph 5 of MB Appendix G1/GEM Appendix F1 (where exemption from listing in uncertificated form has been granted by the SFC). In particular, disclosure made pursuant to paragraph 4(7) of MB Appendix G1/GEM Appendix F1 or paragraph 5(6) of MB Appendix G1/GEM Appendix F1, as the case may be, should include the following:
    - (i) a statement to the effect that, after its participation, holders are encouraged to dematerialize their securities at the earliest opportunity, but will not be compelled to do so; and
    - (ii) the steps that holders must take, after its participation, to dematerialize their securities, including the documents that must be submitted and the applicable costs;
    - (iii) a statement to the effect that, after its participation, no new title instrument will be issued, and as such, the securities must be dematerialized upon the next transfer or upon any application to cancel lost or damaged title instrument;
    - (iv) a caution that, after its participation, all new units of the securities will be issued in uncertificated form. Where a holder has yet to set up a USI profile within the ASR's USI facility, the holder will become a provisional system-member and will not be able to view or manage the relevant securities; and
    - (v) a statement to the effect that, after its participation, securities held within CCASS will be dematerialized on or shortly after the Participation Date.
  - (b) a hyperlink to a page on the ASR's website where holders may find information relating to the process of setting up a USI profile, and the consequences of failing to do so; and

- (c) the last day for registration of transfer documents that would entitle the transferee to receive physical certificates, i.e. the tenth business day prior to the Participation Date (see paragraph 6.8 of this guide).

## **B. INFORMATION TO BE INCLUDED IN ANNOUNCEMENTS REGARDING LISTED ISSUERS' PLANS TO TRANSITION TO USM**

1. The disclosures required under paragraph 8 of MB Appendix G1/GEM Appendix F1;
2. Where an issuer's Participation Date differs from the Specified Date,<sup>99</sup> the issuer should explain why and confirm that HKSCC, its ASR and the Exchange have agreed to the stated Participation Date; and
3. A hyperlink to a page on the ASR's website where holders may find information relating to the process of setting up a USI profile, and the consequences of failing to do so.

## **C. INFORMATION TO BE INCLUDED IN ANNOUNCEMENTS OR OTHER DISCLOSURE DOCUMENTS IN RESPECT OF CORPORATE ACTIONS CONDUCTED AFTER USM PARTICIPATION**

1. Implications for holders who have yet to set up a USI profile within the ASR's USI facility. In particular,
  - (a) where holders are expected to give instructions or exercise their rights in respect of actionable corporate actions:
    - an explanation as to what a holder without a USI profile must do to give instructions or exercise its rights in respect of its securities; and
    - clear cut-off times for taking the requisite steps<sup>100</sup>.
  - (b) where new units of the securities will be issued:
    - a statement that all new units of the securities will be issued in uncertificated form. Where a holder has yet to set up a USI profile, the holder will become a provisional system-member and will not be able to view or manage the relevant securities via the ASR's USI facility; and
    - clear cut-off times for taking the requisite steps<sup>101</sup>.
2. A hyperlink to a page on the ASR's website where holders may find information relating to the process of setting up a USI profile, and the consequences of failing to do so; and

---

<sup>99</sup> As stated in paragraph 6.1 of this guide, it is expected that, in practice, the Specified Date and Participation Date for any particular prescribed securities will be the same.

<sup>100</sup> For example, the deadline for submitting dividend election instructions, and the date by which holders must establish a USI profile in order to submit such instructions via a USI facility.

<sup>101</sup> For example, the deadline for setting up the USI profile so that holdings in the new units of securities can be reflected in the holder's USI profile within the ASR's USI facility on the issue date.

3. The change (if any) in timeline, processes or procedures for conducting the corporate action in respect of securities in uncertificated form, in comparison to securities in certificated form.<sup>102</sup>

---

<sup>102</sup> For example, in the case of a share consolidation or share sub-division, the relevant disclosure document should, when setting out the formula for calculating the number of consolidated or sub-divided units, specify whether securities held in certificated form and those held in uncertificated form will be calculated separately or on an aggregated basis.

## Appendix 3 – Guidance on selection of USM Headline Categories on HKEXnews

### 1. Purpose

This Appendix helps issuers select the correct USM headline category and sub-category when publishing announcements on HKEXnews.

### 2. Headlines to use

For all announcements relating to USM, issuers should select “ <b>Uncertificated Securities Market</b> ” under “ <b>Announcements and Notices</b> ”		
Announcement	Headline to use	Relevant Rule
Notification of Specified Date (after receiving notice under USM Rule 28(4) (or as revised under 28(8)))	Notification of USM Specified Date	MB Appendix G1/ GEM Appendix F1 Para 7 and Para 8 (Note 2)
Plan for prescribed securities to become participating securities	USM Transition Plan	MB Appendix G1/ GEM Appendix F1 Para 8
Any material changes to the transition plan (including a change to Specified Date or Participation Date)	Material Change to USM Transition Plan	MB Appendix G1/ GEM Appendix F1 Para 9 (incl. Note)
Reminder no later than 21 business days before Participation Date	Imminent USM Participation	MB Appendix G1/ GEM Appendix F1 Para 10
SFC exemption to list in certificated form granted under USM Rule 32(4)	SFC Exemption to List in Certificated Form	MB Appendix G1/ GEM Appendix F1 Para 11
Listing of subscription warrants or rights where underlying securities are already participating securities (or to disclose that warrants / rights will become participating securities)	Warrants / Rights to Become Participating Securities	MB Appendix G1/ GEM Appendix F1 Para 12
For all announcements relating to a <b>change of ASR</b> , issuers should select “ <b>Change in Approved Securities Registrar/ Securities Registrar/ Transfer Agent</b> ” under “ <b>Announcements and Notices</b> ”		
Change in ASR	Approved Securities Registrar/ Securities Registrar/ Transfer Agent	MB Rule 13.51(5)/ GEM Rule 17.51(3)

# Hong Kong Exchanges and Clearing Limited

8/F, Two Exchange Square,  
8 Connaught Place,  
Central, Hong Kong

[hkexgroup.com](http://hkexgroup.com) | [hkex.com.hk](http://hkex.com.hk)

[info@hkex.com.hk](mailto:info@hkex.com.hk)  
**T** +852 2522 1122  
**F** +852 2295 3106