

## Part B Consultation Questions

Please indicate your preference by checking the appropriate boxes and provide reasons to support your view. Where there is insufficient space, please attach additional pages as necessary.

1. Do you agree shares should be traded ex-entitlement (for conditional entitlements) only after shareholder approval?

☒ Yes

☐ No

Please provide reasons to support your view.

**We advocate that the ex-entitlement trading arrangement should ideally be set after shareholder approval so as to reduce unnecessary market uncertainty and risk.**

2. If the shares are required to be traded ex-entitlement after shareholder approval, do you agree the record date should be set at least 3 business days after the date of shareholder approval (i.e. at least one cum-trading day be provided)?

☒ Yes

☐ No

If your answer is "No", please suggest the minimum period between the record date and the date of shareholder approval. Please provide reasons to support your view.

3. If the issuer fails to publish its voting results via HKExnews website by 11pm on the date of the general meeting, do you agree the last cum-trading day should be extended to at least the second business day after the general meeting?

☐ Yes

☒ No

4. Should any requirement to trade shares ex-entitlement only after shareholder approval has been given be applied to all conditional entitlements?

☒ Yes

☐ No (only to some of the conditional entitlements)

If your answer is “No”, please specify the types of entitlements that should be traded ex-entitlement after shareholder approval. Please provide reasons to support your view.

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| <b>We support an unified approach of requiring ex-entitlement trading only after shareholder approval for all conditional entitlements so that it would be easier and clearer for market practitioners to follow.</b> |
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5. Do you have any other comments in relation to the ex-entitlement arrangements?

☒ Yes

☐ No

If your answer is “Yes”, please state and provide reasons to support your view.

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| <b>For best practice, Issuers should first set a record date for eligible shareholders to attend and vote at the general meeting and then a record date for entitlement.</b> |
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