

## Part B Consultation Questions

Please indicate your preference by checking the appropriate boxes. Please make your comments by replying to questions below against proposed changes discussed in the Consultation Paper at the hyperlink:

[http://www.hkex.com.hk/consul/paper/cp200909cr\\_e.pdf](http://www.hkex.com.hk/consul/paper/cp200909cr_e.pdf)

Where there is insufficient space provided for your comments, please attach additional pages.

### A. Financial information in circular or listing document

#### (1) Accountants' report on the listed group for very substantial disposals (VSD)

1. Do you agree with our proposal to remove the current accountants' report requirements for VSD?

Yes

No

Please provide reasons for your views.

*I agree that it is not necessary to prepare the accountants' report in this case.*

2. If your answer to question 1 is "Yes", do you agree with our proposal to require a VSD circular to disclose financial information described in paragraph 15 of the Consultation Paper?

Yes

No

Please provide reasons for your views.

*As suggested in paragraph 15, the review should be conducted in accordance with HKSRE 2410 issued in March 2007 by HKICPA.*

3. If your answers to questions 1 and 2 are "Yes", do you agree that the proposed draft Rule amendments in Appendix I to the Consultation Paper will implement our proposal?

Yes

No

If your answer is "No", please provide reasons and alternative views.

*The proposed amendments are appropriate.*

**(2) Reporting period of accountants' report in major acquisition or very substantial acquisition circular**

4. Do you agree with our proposal to remove the requirement in Rule 4.06 that the reporting period of an accountants' report in a major transaction or very substantial acquisition circular must cover the financial year immediately before the circular date?

Yes

No

Please provide reasons for your views.

*The proposal reflects the current market expectation.*

5. If your answer to question 4 is "Yes", do you agree that the proposed draft Rule amendments in Appendix I to the Consultation Paper will implement our proposal?

Yes

No

If your answer is "No", please provide reasons and alternative views.

**(3) Indebtedness statement in a notifiable transaction circular**

6. Do you consider that the requirement for disclosing an indebtedness statement in a notifiable transaction circular should be retained?

Yes

No

Please provide reasons for your views.

*According to my experience, the preparation of indebtedness statement is not costly and should not cause delay to publication of circular. Besides, indebtedness statement is piece of useful information for investors.*

**(4) Working capital statement in a notifiable transaction circular**

7. Do you agree with our proposal to amend Rule 14.66(10) to clarify that the working capital statement in a notifiable transaction circular must take into account the effect of the proposed transaction?

Yes

No

Please provide reasons for your views.

*The proposal reflects the current market expectation.*

8. If your answer to question 7 is "Yes", do you agree that the proposed draft Rule amendments in Appendix I to the Consultation Paper will implement our proposal?

Yes

No

If your answer is "No", please provide reasons and alternative views.

**(5) Reproducing published financial information in circular or listing document**

9. Do you agree with our proposal to allow issuers to make references in their circulars or listing documents to published documents set out in paragraph 31(3) of Appendix 1B, instead of reproducing the same information?

Yes

No

Please provide reasons for your views.

*Financial information which is useful for investors to make decision should be contained in one document instead of disseminated over different documents which may or may not be easily available for such investors.*

10. If your answer to question 9 is "Yes", do you agree that the proposed draft Rule amendments in Appendix I to the Consultation Paper will implement our proposal?

Yes

No

If your answer is "No", please provide reasons and alternative views.

*Please see answer to Question 9 above.*

**(6) Combined financial information of the enlarged group under paragraph 31(3)(b) of Appendix 1B to the Rules**

11. Do you agree with our proposal to remove the requirement for disclosure of a combined statement from paragraph 31(3)(b) of Appendix 1B to the Rules?

Yes

No

Please provide reasons for your views.

*The proposed amendments are appropriate.*



12. If your answer to question 11 is "Yes", do you agree that the proposed draft Rule amendments in Appendix I to the Consultation Paper will implement our proposal?

Yes

No

If your answer is "No", please provide reasons and alternative views.

**B. Other disclosure requirements for circular or listing document**

- (1) **Directors' statement on the accuracy and completeness of information in notifiable or connected transaction circular and listing document**

13. Do you agree with our proposal to modify the directors' responsibility statement to include a confirmation that the information in the document is accurate and complete in all material respects and not misleading or deceptive?

Yes

No

Please provide reasons for your views.

*The proposed amendments are appropriate.*

14. If your answer to question 13 is "Yes", do you agree that the proposed draft Rule amendments in Appendix I to the Consultation Paper will implement our proposal?

Yes

No

If your answer is "No", please provide reasons and alternative views.



(2) **Information in board minutes for connected transactions**

15. Do you agree with our proposal to remove the filing requirement for the board minutes approving connected transactions and instead, require issuers to disclose the information contained therein (i.e. whether any directors have a material interest in the transaction and have abstained from voting) in their connected transaction circulars (or if no circular is required under the Rules, their announcements)?

Yes

No

Please provide reasons for your views.

*The proposal reflects the current market expectations.*

16. If your answer to question 15 is "Yes", do you agree that the proposed draft Rule amendments in Appendix I to the Consultation Paper will implement our proposal?

Yes

No

If your answer is "No", please provide reasons and alternative views.



(3) **Circular content requirements for a notifiable transaction involving an acquisition and a disposal**

17. Do you agree with our proposal that the circular content requirements for each of the acquisition and the disposal under a transaction should be determined by their respective transaction classification?

Yes

No

Please provide reasons for your views.

*The proposal reflects the current market expectation.*

18. If your answer to question 17 is "Yes", do you agree that the proposed draft Rule amendments in Appendix I to the Consultation Paper will implement our proposal?

Yes

No

If your answer is "No", please provide reasons and alternative views.

**(4) Disclosure in listing documents of listed overseas or PRC issuer regarding provisions in constitutional document and regulatory provisions in the relevant jurisdiction**

19. Do you agree with our proposal to remove the disclosure and document inspection requirements regarding provisions in constitutional documents and regulatory provisions for listing documents for subsequent issue of securities by PRC issuers and overseas issuers (other than in connection with an introduction or a deemed new listing under the Rules)?

Yes

No

Please provide reasons for your views.

*The proposed amendments are appropriate.*

20. If your answer to question 19 is "Yes", do you agree that the proposed draft Rule amendments in Appendix I to the Consultation Paper will implement our proposal?

Yes

No

If your answer is "No", please provide reasons and alternative views.

(5) **Additional disclosure requirements for listing documents of PRC issuers**

21. Do you agree with our proposal to remove the disclosure requirements under paragraphs 45, 46, 48 and 49 of Appendix 1B to the Rules for listing documents for subsequent issue of securities by PRC issuers?



Yes



No. The following disclosure requirement(s) should be retained (*please check the appropriate box(es)*):



Paragraph 45 of Appendix 1B



Paragraph 46 of Appendix 1B



Paragraph 48 of Appendix 1B



Paragraph 49 of Appendix 1B

Please provide reasons for your views.

*The proposed amendments are appropriate.*

22. If your answer to question 21 is "Yes", do you agree that the proposed draft Rule amendments in Appendix I to the Consultation Paper will implement our proposal?



Yes



No

If your answer is "No", please provide reasons and alternative views.

**C. Timing for despatch of circulars**

**(1) Timing for despatch of notifiable or connected transaction circulars**

23. Do you agree with our proposal to remove the 21-day requirement for publication of a notifiable or connected transaction circular (other than information circular) and instead, require disclosure of the expected timing for despatch of circular and the reasons for any delay?

Yes

No

Please provide reasons for your views.

*I consider that the current 21 days requirement (or the proposed 15 business days) should be retained. The existing requirement works well where it sets the expected maximum number of days (save for waivers granted by the Stock Exchange) on or before which the shareholders should be able to receive the circular.*

24. Do you agree with our proposal to amend the timing requirement for despatch of information circular from 21 calendar days to 15 business days?

Yes

No

Please provide reasons for your views.

*I agree with this because 21 days' period is more or less equivalent to 15 business days' period.*

25. If your answers to questions 23 and 24 are "Yes", do you agree that the proposed draft Rule amendment(s) in Appendix I to the Consultation Paper will implement our proposals?

Yes

No

If your answer is "No", please provide reasons and alternative views.

*Please see Answer to Question 23. Furthermore, the 21-day requirement (or 15-business day requirement) should be applicable to all circulars regardless of whether the issuer has obtained written shareholders' approval for the transaction.*

**(2) Timing for despatch of supplementary circulars**

26. Do you agree with our proposal to amend the timing for despatch of supplementary circulars from 14 calendar days to 10 business days?

Yes

No

Please provide reasons for your views.

*The proposed amendment is consistent with the proposal in Question 24 above.*

27. If your answer to question 26 is "Yes", do you agree that the proposed draft Rule amendments in Appendix I to the Consultation Paper will implement our proposal?

Yes

No

If your answer is "No", please provide reasons and alternative views.

28. Are there any other comments you would like to make?

Yes

No

If your answer is "Yes", please elaborate your views.

- End -