



香港中華煤氣有限公司
The Hong Kong and China Gas Company Limited

R041

24 October 2014

Corporate Communications Department
Hong Kong Exchanges and Clearing Limited
12th Floor, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

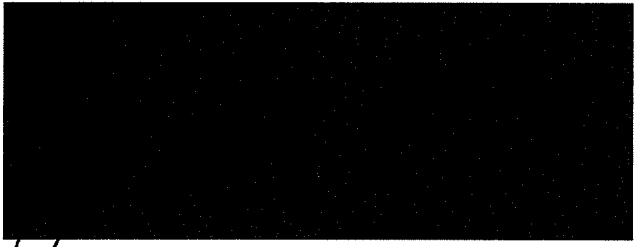
BY HAND &
BY FAX (2524 0149)

Dear Sirs,

Re: Consultation Paper on Review of Listing Rules on Disclosure of Financial Information with reference to the New Companies Ordinance and Hong Kong Financial Reporting Standards and Proposed Minor/Housekeeping Rule Amendments

We enclose herewith the duly completed Questionnaire on Review of Listing Rules on Disclosure of Financial Information with reference to the New Companies Ordinance and Hong Kong Financial Reporting Standards and Proposed Minor/Housekeeping Rule Amendments for your attention.

Yours faithfully,
For and on behalf of
The Hong Kong and China Gas Company Limited



Encl.

Part B Consultation Questions

Please indicate your preference by checking the appropriate boxes. Please reply to the questions below on the proposed change discussed in the Consultation Paper downloadable from the HKEx website at: <http://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp201408.pdf>.

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

Chapter I: Proposed Rule amendments to align the requirements for disclosure of financial information in Main Board Rules Appendix 16 and GEM Rules equivalent with reference to the disclosure provisions in the New Companies Ordinance

1. Do you agree that all issuers (whether or not they are incorporated in Hong Kong) should include disclosures under the provisions of the New Ordinance which reflect alignment of those provisions of the Predecessor Ordinance captured in Main Board Rules Appendix 16 and GEM Rules equivalent as set out in paragraphs 70 to 73 of the Consultation Paper?

Yes

No

Please give reasons for your views.

This will provide up to date and relevant information to shareholders and investors under the New Ordinance.

We suggest to allow directors' report to make reference to the new parts of requirements which have been covered by other sections (MD&A) of annual report rather than reproduction of such descriptions in directors' report.

We also suggest to disclose names of directors of subsidiaries on a consolidated basis or make reference by a link to the issuer's website containing a list of directors of subsidiaries.

Chapter II: Proposed Rule amendments to streamline the disclosure requirements of financial information in the Listing Rules with reference to Hong Kong Financial Reporting Standards

2. Do you agree with the proposed revision of Main Board Rules Chapter 4 and Appendix 16 and GEM Rules equivalent in order to streamline the Listing Rules and to avoid potential duplications with the accounting standards?

Yes

No

Please give reasons for your views.

This will help to avoid confusion and duplication and ensure the alignment of the financial reporting requirements of listed issuers with the current accounting standards.

3. Do you agree with the proposed repeal of the disclosure requirements in relation to financial conglomerates in Main Board Rules Chapter 4 and Appendix 16 and GEM Rules equivalent?

Yes

No

Please give reasons for your views.

No comment.

4. Do you agree with the proposed repeal of Main Board Rules Appendix 15 and GEM Rules equivalent in relation to bank reporting?

Yes

No

Please give reasons for your views.

No comment.

Chapter III: Other financial information disclosures related proposed Rule amendments

5. Do you agree with the proposed Rule amendments to require an issuer to publish an announcement as soon as practicable after the directors decide to revise the published financial statements and the reason leading to the revision of the financial statements?

Yes

No

Please give reasons for your views.

If the revision is material, announcement shall be made as soon as practicable to alert the shareholders and investors.

6. Do you agree with the proposed Rule amendment to require disclosure in results announcements where an issuer has made a prior period adjustment to correct a material error?

Yes

No

Please give reasons for your views.

HKAS 8 has already set out the requirements on disclosures of prior period adjustments. Such disclosures will be made in the interim/annual report of the issuer. Same disclosures shall be made in the results announcement so as to make the shareholders and investors aware of the prior period adjustments.

Furthermore, it would also be fair and equitable for the shareholders of a listed issuer, as well as investor community, to be fully informed about any prior period adjustment to correct a material error of previous financial period, if such shareholder has made his/her investment decision, or if any member of the investor community is to gauge his/her investment decision, in the listed issuer's equity securities on the truth and fairness of the listed issuer's past financial track record.

7. Do you agree with the proposed Rule amendments to Main Board Rules Appendix 16 and GEM Rules equivalent to provide references to disclosure requirements relating to periodic financial reports currently required in other parts of the Listing Rules?

Yes

No

Please give reasons for your views.

This will enhance the compliance standards and awareness of listed issuers for full and comprehensive disclosure obligations under the Listing Rules. Furthermore, this will facilitate the preparation of periodic financial reports by the issuer and the audit of such reports by the auditor.

Chapter IV: Proposed Rule amendments consequential to the enactment of the New Companies Ordinance

8. Do you agree that the Listing Rules should be amended to align the notice period requirements for companies incorporated in Bermuda and the Cayman Islands with the relevant requirements under the New Ordinance?

Yes

No

Please give reasons for your views.

This is a reasonable alignment of the requirement under the Predecessor Ordinance and the New Ordinance, subject to the requirements under the laws of Bermuda and Cayman Islands.

9. Do you support the proposal to allow companies incorporated in Bermuda and the Cayman Islands to convene general meetings on shorter notice on the same terms as companies incorporated in Hong Kong (i.e. in accordance with the relevant provisions of the New Ordinance)?

Yes

No

Please give reasons for your views.

See Question 8 above.

Chapter V: Proposed minor Rule amendments

10. Do you agree with the proposal to amend Main Board Rule 13.45(1) and GEM Rules equivalent to require issuers to announce the expected payment dates for their dividends or other distributions as described in paragraph 143 of the Consultation Paper?

Yes

No

Please give reasons for your views.

As per the Guide on Distribution of Dividends and Other Entitlements published by HKEx, this will facilitate the cash flow planning by the shareholders as well as provide useful information to the investors.

11. Do you agree with the proposal to amend Main Board Rule 5.03 and GEM Rules equivalent to clarify that a property valuation is required for the circular of any connected transaction that involves an acquisition or disposal of any property interest or property company?

Yes

No

Please give reasons for your views.

This is a reasonable amendment.

12. Do you agree with the proposal to amend Main Board Rules 14.66(8) and 14A.70(15) and GEM Rules equivalent to remove the requirement to disclose information about competing interests of directors of the issuer's subsidiaries and their close associates in transaction circulars?

Yes

No

Please give reasons for your views.

This will help to avoid irrelevant and insignificant information to the investors and ease the burden of the issuer on reporting.

13. Do you agree with the proposal to amend the GEM Rules to include a new GEM Rule 17.49A to require trading suspension for issuers that fail to publish their financial results announcements as described in paragraph 153 of the Consultation Paper?

Yes

No

Please give reasons for your views.

This is a reasonable alignment of the Main Board Rule and GEM Rule.

14. The Exchange invites your comments regarding whether the manner in which (i) the proposed Rule amendments consequential to the enactment of the New Ordinance as set out in Chapter IV (see paragraphs 116 to 137 of the Consultation Paper) and (ii) the proposed housekeeping Rule amendments set out in Chapter VI, have been drafted will give rise to any ambiguities or unintended consequences.

15. Do you have any other comments in respect of the matters discussed in the Consultation Paper? If so, please set out your additional comments.

- End -