

Submitted via Qualtrics

Skadden Arps Slate Meagher & Flom

Company/Organisation view

Law Firm

Question 1

Do you agree with the Electronic Instructions Proposal as detailed in paragraphs 29 to 45 of the Consultation Paper?

Yes

Please give reasons for your views.

This is a welcome initiative. While it is stated in paragraph 30 of the Consultation Paper that the Exchange does not propose to mandate that securities holders must send Requested Communications by electronic means, we would submit that listed issuers themselves be given the flexibility to so mandate if they wish to do so, such that listed issuers may dispense entirely with paper-based communications if they opt to do so.

Question 2

Do you agree with the implementation timeline (including the availability of transitional arrangements) for the Electronic Instructions Proposal as set out in paragraphs 47 to 54 of the Consultation Paper?

Yes

Please give reasons for your views.

Question 3

Do you agree with the Real-time Electronic Payment Proposal as detailed in paragraphs 69 to 74 of the Consultation Paper?

Yes

Please give reasons for your views.

We agree with the proposal. However, we note a potential inconsistency arising from the addition of “payments in connection with takeovers and privatizations” in the proposed definition of “corporate action proceeds”. We note that, in cases where the offeror in a takeover offer is a company listed on the Exchange, proposed Listing Rule 2.07E would apparently apply to require the option of CHATS payment to be provided. This would also appear to be the case in a privatization offer by a controlling shareholder or in an agreed takeover offer where the offeror and target

issue joint announcements in respect of the offer, in which case the announcement would be made by the “listed issuer” such that the requirement to offer a CHATS payment option would apply, even where the offeror is not a listed issuer on the Exchange. However, in a takeover offer where the offeror is not listed on the Exchange, the entity announcing the payment of proceeds would not be a “listed issuer” subject to the Listing Rules and therefore not required to offer the CHATS payment option for the takeover offer proceeds. We would invite the Exchange to consider a way to resolve this inconsistency.

Question 4

Do you agree with the Electronic Subscription Monies Proposal as detailed in paragraphs 83 to 89 of the Consultation Paper?

Yes

Please give reasons for your views.

Question 5

Do you agree that MMOs should no longer be available to issuers as set out in paragraph 99 of the Consultation Paper?

Yes

Please give reasons for your views.

Question 6

Do you agree with the Hybrid General Meeting and E-voting Proposal as detailed in paragraphs 129 to 134 of the Consultation Paper?

Yes

Please give reasons for your views.

We note that amended paragraph 14(6) of Appendix A1 would appear to permit issuers to hold general meetings either as hybrid meetings or as virtual meetings, such that meetings may also be held online only with no facility provided for shareholders to attend in person. We agree with this approach.

Question 7

Should issuers be required to provide securities holders with an option to attend general meetings remotely and vote via electronic means (as set out in paragraph 135 of the Consultation Paper)?

Yes

Please give reasons for your views.

Question 8

Should web accessibility guideline(s) (e.g. WCAG) be incorporated into, or referred to, in the Listing Rules (for example, the CG Code) or the Exchange's guidance, such that any corporate communications made available on issuers' website under the Rules should conform to such guideline(s), as set out in paragraph 146 of the Consultation Paper?

No

Please give reasons for your views.

We submit that it is not appropriate to codify into the Listing Rules matters of technical standards that may change over time. Such matters are better addressed in guidance letters which may more readily be updated to account for changes in technology in a timely and responsive manner.

Question 9

Do you agree with adding a new note to MB Rule 13.46(1) to clarify that the conditions for granting waivers from the publication and distribution requirements of annual results/reports also apply to issuers that are neither overseas issuers nor PRC issuers (see paragraph 151 of the Consultation Paper)?

Yes

Please give reasons for your views.

Question 10(a)

Do you agree with the following proposed amendments to align requirements:

To amend paragraph 12B of Appendix D2 to the MB Rules (GEM Rule 18.39B) to remove the annual affirmation requirement for independent non-executive director (see paragraph 152 of the Consultation Paper)?

Yes

Please give reasons for your views.

Question 10(b)

Do you agree with the following proposed amendments to align requirements:

Amend MB Rule 9.11(33) (GEM Rule 12.25(2)) to more accurately reflect the documentary requirements for the registration of a prospectus of C(WUMP)O (see paragraph 154 of the Consultation Paper)?

Yes

Please give reasons for your views.

Question 10(c)

Do you agree with the following proposed amendments to align requirements:

To remove GEM Rule 18.50C to align the requirement on the timeframe for submission of annual report with the MB Rules (see paragraph 155 of the Consultation Paper)?

Yes

Please give reasons for your views.

Question 10(d)

Do you agree with the following proposed amendments to align requirements:

To align the market capitalisation information required on Main Board and GEM listing application forms (see paragraph 157 of the Consultation Paper)?

Yes

Please give reasons for your views.

Question 11

Do you agree with the proposal to amend MB Rule 2.07C to cover the types of announcements mentioned in paragraphs 158 and 159 of the Consultation Paper?

Yes

Please give reasons for your views.

Question 12

Do you agree with the proposal to amend MB Rule 37.06 as mentioned in paragraphs 161 to 164 of the Consultation Paper?

Yes

Please give reasons for your views.

Question 13

Do you agree with the proposal to clarify the scope of Professional Debt Issuers' continuing obligation to notify the Exchange of their proposals to amend trust deed (see paragraphs 165 and 166 of the Consultation Paper)?

Yes

Please give reasons for your views.

Question 14

Do you agree with the proposal to clarify the scope of Professional Debt Issuers' continuing obligation to submit financial statements to the Exchange (see paragraphs 167 and 168 of the Consultation Paper)?

Yes

Please give reasons for your views.

Question 15

Do you agree with the proposal to revise the scope of Public Debt Issuers' continuing obligation to inform and submit drafts to the Exchange with respect to their proposal to amend documents that affect the rights of the holders of their listed debt securities (see paragraphs 169 to 171 of the Consultation Paper)?

Yes

Please give reasons for your views.

Question 16

Do you agree with the proposal to clarify the validity period of a debt programme under MB Rule 37.41 (GEM Rule 30.34) (see paragraphs 172 and 173 of the Consultation Paper)?

Yes

Please give reasons for your views.

Question 17

Do you agree with the proposal to revise the definition of supranationals under the MB Rules (see paragraphs 174 and 175 of the Consultation Paper)?

Yes

Please give reasons for your views.

Question 18

Do you agree with the proposal to require all Public Debt Issuers (except States and supranationals) to publish the English and Chinese versions of their financial statements (see paragraphs 176 to 178 of the Consultation Paper)?

Yes

Please give reasons for your views.

Question 19

Do you agree with the proposal to replace references to “general meeting” with “meeting of holders of the debt securities” in paragraph 9 of Appendix A2 to the MB Rules (paragraph 9 of Appendix A2 to the GEM Rules) (see paragraphs 179 and 180 of the Consultation Paper)?

Yes

Please give reasons for your reviews.