

CONSULTATION RESPONSE

HKEx Consultation Paper: Proposals to Expand the Paperless Listing Regime and Other Rule Amendments

Please state whether your response represents the view of your company/organization or your personal view.

- Company/Organization view
 Personal view

Company/Organization name:

Company/Organization type:

- Accounting Firm
 Corporate Finance Firm / Bank
 HKEX Participant
 Investment Manager
 Law Firm
 Listed Company
 Professional Body / Industry Association
 Other

Contact Person:

Mr./Mrs./Ms.

Name:

Job Title:

Phone Number:

Email Address:

Disclosure of identity

HKEX may publish your identity together with your response. Respondents who do NOT wish their identities to be published should tick the box below, otherwise please click "Next":

- I/We do NOT wish to disclose my/our identity to the members of the public.

Question 1

Do you agree with our proposal to remove the documents identified in Table 1 in Schedule II and that doing so will not jeopardise market quality? Please give reasons for your views.

- Yes
 No

Please give reasons for your views.

Question 2

Do you agree with our proposal to codify the relevant obligations into the Listing Rules or Guidance Materials and repeal the undertakings, confirmations and declarations as set out in Table 2 in Schedule II? Please give reasons for your views.

- Yes
 No

Please give reasons for your views.

Question 3

Do you agree with our proposal to repeal the requirement for listing agreements for listing of debt securities (except for debt issues to professional investors), structured products and interests in CIS and investment companies by codifying the relevant obligations as set out in Table 3 in Schedule II? Please give reasons for your views.

- Yes
 No

Please give reasons for your views.

Question 4

Do you agree with our proposal to incorporate in the Listing Rules an issuer's obligation to obtain necessary authorisations and consents for its actions set out in Part (e) of Table 1 in Schedule II? Please give reasons for your views.

- Yes
 No

Please give reasons for your views.

Question 5

Do you agree with our proposal to require the submission of the overarching undertakings from new applicants and sponsors in the Form A1 referred to in paragraph 38? Please give reasons for your views.

Yes
 No

Please give reasons for your views.

Question 6

Do you agree with our proposal to consolidate the requirement for personal particulars of directors/ supervisors in Form FF004? Please give reasons for your views.

Yes
 No

Please give reasons for your views.

Question 7

Do you agree with our proposal to remove signature and/or certification requirements for documents set out in Table 5 in Schedule II? Please give reasons for your views.

Yes
 No

Please give reasons for your views.

Question 8

Do you agree with our proposal to remove from the Listing Rules any requirement for submission of multiple copies of the same document and to require submission of one electronic copy only in respect of the documents set out in Table 6 in Schedule II? Please give reasons for your views.

Yes
 No

Please give reasons for your views.

Question 9

Do you agree with our proposal to mandate electronic means as the only mode of submission to the Exchange unless otherwise specified in the Listing Rules or required by the Exchange? Please give reasons for your views.

Yes
 No

Please give reasons for your views.

Question 10

Do you agree with our proposal to mandate the digitalisation of the prospectus authorisation and registration processes? Please give reasons for your views.

Yes
 No

Please give reasons for your views.

Question 11

Do you agree with our proposal to amend the Listing Rules to mandate that listed issuers must disseminate corporate communications to their securities holders electronically if this is permitted by their applicable laws and regulations and their constitutional documents? Please give reasons for your views.

Yes
 No

Please give reasons for your views.

We agree with the proposal and consider that such mandate will significantly reduce the use of papers and promote the principles of ESG among listed issuers. It would also allow the securities holders to have greater certainty when such standard is mandated across all listed issuers on the Exchange.

To promote better certainty and clarity, we also suggest that each listed issuer shall disclose in its annual reports if it is restricted by its applicable laws and regulations or its constitutional documents to disseminate corporate communications to its securities holders electronically.

Question 12

Do you agree with our proposal to allow the consent of holders of a listed issuer's securities to be implied for the electronic dissemination of its corporate communications, to the extent permitted under applicable laws and regulations and its constitutional documents? Please give reasons for your views.

Yes
 No

Please give reasons for your views.

We agree with the proposal and consider that an implied consent would provide greater certainty and reduce the administrative burden of the listed issuers when such proposal is implemented.

Question 13

Do you agree with our proposal to state in the Rules that Actionable Corporate Communications must be sent to the securities holders individually and in electronic form if the holders provide functional electronic contact details? Please give reasons for your views.

Yes
 No

Please give reasons for your views.

We agree with the proposal and suggest further clarifications and guidance be provided as to what documents would constitute "Actionable Corporate Communications" as the current proposed definition under paragraph 90 of the consultation paper may create ambiguity.

For instance, while paragraphs 91 and 92 state that notices of general meeting and proxy forms are not considered "Actionable Corporate Communications", the position for the circulars that are usually disseminated alongside such notices and proxy statements is not clear under the consultation paper. It may cause confusion to the securities holders when certain documents (particularly when such documents are related to the same general meeting) are received individually and some documents have to be separately reviewed on the listed issuer or the Exchange's website.

On this basis, we suggest that a detailed list of documents that would constitute "Actionable Corporate Communications" be provided to the listed issuers to avoid any potential confusion.

Question 14

Do you agree that where a listed issuer does not have functional electronic contact details of a securities holder, an Actionable Corporate Communication must be sent to the holder in hard copy form including a request for the security holder's electronic contact details to facilitate electronic dissemination of Actionable Corporate Communications in future? Please give reasons for your views.

- Yes
 No

Please give reasons for your views.

Subject to a clear definition of "Actionable Corporate Communication" as elaborated in our response to Question 13 above, we agree with the proposal and suggest further clarifications be provided as to what constitutes "electronic contact details" given the popularity of certain social media channels.

We also suggest the Exchange to provide guidance to listed issuers with respect to situations where (i) the electronic contact details provided by the shareholders are invalid, obsolete or duplicated; or (ii) there is an electronic delivery failure (such as returned or bounced e-mails).

Question 15

If your answer to Question 13 above is yes, do you agree that we should define Actionable Corporate Communications as "any corporate communication that seeks instructions from an issuer's securities holders on how they wish to exercise their rights as the issuer's securities holders"? Please give reasons for your views.

- Yes
 No

Please give reasons for your views.

Please refer to our response to Question 13 above.

Question 16

We invite comments on the manner in which the Appendices to the Listing Rules are proposed to be categorised/amended and whether they will give rise to any ambiguities or unintended consequences.

Question 17

Do you agree with our proposal to remove the requirement for physical attendance by members to meet the quorum needed for meetings of the Listing Committee and Listing Review Committee? If your answer is “no”, please give reasons for your views.

- Yes
 No

Please give reasons for your views.

Question 18

Do you agree with our proposal to make minor changes to the Listing Rules described in paragraph 122 to reflect current practices and requirements? If your answer is “no”, please give reasons for your views.

- Yes
 No

Please give reasons for your views.