

Part B Consultation Questions

Please reply to the questions below that are raised in the Consultation Paper downloadable from the HKEX website at: <https://www.hkex.com.hk/-/media/HKEX-Market/News/Market-Consultations/2016-Present/July-2020-Paperless-Listing/Consultation-Paper/cp202007.pdf>. Please indicate your preference by ticking the appropriate boxes.

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

We encourage you to read all of the following questions before responding.

1. Do you agree with our proposal to amend the Listing Rules to require (i) all listing documents in a new listing (“**New Listing**”)¹ to be published solely in an online electronic format and cease printed form listing documents; and (ii) except for Mixed Media Offers², all New Listing subscriptions, where applicable, to be made through online electronic channels only?

Yes

No

Please give reasons for your views.

This proposal will avoid excessive paper consumption, support sustainable and environmentally friendly practices, lower costs, and improve efficiency. It will also encourage a paperless office among the business community.

2. As a consequence of our proposal in Question 1, do you agree with our proposal to amend the Listing Rules to remove the requirement for listed issuers to make available physical copies of listing documents to the public at the address(es) set out in a formal notice?

Yes

No

Please give reasons for your views.

Similarly, this proposal will avoid excessive paper consumption and encourage the adoption of sustainable practices.

¹ “New Listing” refers to an application for listing of equities (including stapled securities and depositary receipts), debt securities and collective investment schemes (“**CIS**”) on the Exchange by a new applicant where a listing document is required under the Listing Rules but excludes a Mixed Media Offer. For the purpose of the Consultation Paper, debt securities refer to debt securities (including debt issuance programmes) listed pursuant to chapters 22 to 36 of Main Board Listing Rules and chapters 26 to 29, 32 to 35 of GEM Listing Rules.

² “Mixed Media Offer” refers to an offer process whereby an issuer or a CIS offeror can distribute paper application forms for public offers of certain securities without a printed prospectus, so long as the prospectus is available on the HKEX website and the website of the issuer/CIS offeror and it makes printed prospectuses publicly available free of charge upon request at specified locations (which do not have to be the same locations as where the printed application forms are distributed).

3. Do you agree with our proposal to require issuers to only post documents³ online on both the Exchange's e-Publication System and the issuer's website ("**Online Display Documents**") and to remove the requirement for their physical display?

Yes

No

Please give reasons for your views.

As with the previous questions, this proposal will avoid excessive paper consumption. It will also encourage the adoption of sustainable practices among the business community.

4. Do you agree that Online Display Documents should be displayed online for a specified period⁴ except for those documents that are required by the Listing Rules to be made available on an ongoing basis?

Yes

No

Please give reasons for your views.

As with the previous questions, this proposal will avoid excessive paper consumption while ensuring compliance with the disclosure obligations or related requirements.

5. Do you agree that the Exchange should continue to allow redaction of Online Display Documents in only very limited circumstances?

Yes

No

Please give reasons for your views.

Continuing to allow redaction of Online Display Documents in limited circumstances does not have a significant impact on our normal practices in compliance with the disclosure obligations or related requirements. In view of this, we do not see there is a need for any changes.

³ Such documents are listed in Appendix I to the Consultation Paper, save for the changes proposed in respect of notifiable transactions and connected transactions as set out in Section G of the Consultation Paper.

⁴ The time frames are set out in Appendix 1 to the Consultation Paper.

6. Do you agree that the current definition of “material contract” remains fit for purpose and that the Exchange should continue to apply it under our proposals?

Yes

No

Please give reasons for your views.

Material contracts are currently published electronically by the Companies Registry and online by the Securities and Futures Commission. This current practice is environmentally friendly and convenient for issuers to search the material contracts on the Internet. In view of this, we do not see there is a need for any changes.

7. Do you agree that restrictions should not be placed on downloading and/or printing Online Display Documents?

Yes

No

Please give reasons for your views.

If there are restrictions for downloading / printing Online Display Documents, it may cause inconvenience for issuers to edit the forms required for certain submissions to HKEX under Listing Rules disclosures or specific compliance requirements.

8. Do you agree with our proposal not to put in place a system that would enable issuers to record and verify the identity of a person who accesses Online Display Documents?

Yes

No

Please give reasons for your views.

In view of the Personal Data (Privacy) Ordinance, we agree that a system should not be put in place to record and verify the identity of any person who accesses Online Display Documents.

9. In respect of a relevant notifiable transaction⁵, do you agree with our proposal to:
- i) require the issuer to display the contracts pertaining to the transaction only; and
 - ii) remove the requirement to display all material contracts entered into by the issuer within the last two years before the issue of the circular?

Yes

No

Please give reasons for your views.

Removing the requirement to display all material contracts entered into by the issuer within the last two years before the issue of the circular could streamline the process as the documents might not be directly related to the transaction. Information overload might cause difficulty for the public in understanding the key issues and making investment decisions.

10. In respect of a connected transaction that is subject to the shareholders' approval requirement, do you agree with our proposal to:

- i) require the issuer to display the contracts pertaining to the transaction only; and
- ii) remove the requirement to display contracts referred to in the circular and directors' service contracts⁶?

Yes

No

Please give reasons for your views.

Removing the requirement to display all material contracts entered into by the issuer within the last two years before the issue of the circular could streamline the process as the documents might not be directly related to the transaction. Information overload might cause difficulty for the public in understanding the key issues and making investment decisions.

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⁵ A relevant notifiable transaction refers to a major transaction, a very substantial disposal or a very substantial acquisition as defined in the Consultation Paper.

⁶ Excluding contracts that are expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation).