

Part B Consultation Questions

Please indicate your preference by checking the appropriate boxes. Please reply to the questions below that are raised in the Consultation Paper downloadable from the HKEX website at:

<http://www.hkex.com.hk/-/media/HKEX-Market/News/Market-Consultations/2016-Present/September-2018-Adverse-Audit-Opinion/Consultation-Paper/cp201809.pdf>

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

1. Do you agree with the proposal to add a Rule to require trading suspension if an issuer has published a preliminary annual results announcement and its auditor has issued, or has indicated that it will issue, a disclaimer or an adverse opinion on the issuer's financial statements?

Yes

No

If your answer is "No", please give reasons for your views.

As a separate note, please consider if the term "qualified" opinion used in the Listing Rules (eg LR4.03, 4.18, 1.19, Note to LR14.67(6)(a)(i), 14.86 and paragraph 35 of Appendix 1A to the Listing Rules) should be amended to make it clear that the term includes disclaimer of opinion and adverse opinion.

2. Do you agree with the proposed Rule 13.50A to require the issuer to address the issues giving rise to the disclaimer or adverse opinion, provide comfort that a disclaimer or adverse opinion in respect of such issues would no longer be required, and disclose sufficient information for investors to assess its updated financial position before trading resumption (as described in paragraph 32 of the Consultation Paper)?

Yes

No

If your answer is "No", please give reasons for your views.

Although the issues giving rise to the disclaimer or adverse opinion may have been addressed, as mentioned in paragraphs 34 to 36 of the Consultation Paper, the relevant issuer may continue to receive a disclaimer of opinion (or presumably an adverse opinion). If the relevant issuer is allowed to resume its trading, please implement measures to identify that the disclaimer or adverse opinion do not relate to new issues that give rise to the disclaimer or adverse opinion.

- End -