

HKE_x GUIDANCE LETTER

HKE_x-GL55-13 (July 2013, updated in September 2013, February 2014 and March 2014) – effective for applications submitted on or after 1 October 2013

Subject	Guidance on Documentary Requirements and Administrative Matters for New Listing Application (Equity)
Listing Rules and Regulations	Main Board Rules 9.03, 9.10A, 9.11 and 19A.22A GEM Rules 12.12 to 12.14, 12.22 to 12.26 and 25.17A
Related Publications	See body of this Guidance Letter
Author	IPO Transactions Department

Important note: *This letter does not override the Listing Rules and is not a substitute for advice from qualified professional advisers. If there is any conflict or inconsistency between this letter and the Listing Rules, the Listing Rules prevail. You may consult the Listing Division on a confidential basis for an interpretation of the Listing Rules or this letter.*

1. Purpose

- 1.1 This letter provides guidance on the documentary requirements and administrative matters for new listing applications submitted on or after 1 October 2013.
- 1.2 The Exchange expects applicants to follow this guidance letter when preparing their listing applications. An applicant that does not follow this guidance may render the listing application not considered substantially complete as required under the Listing Rules.

2. Background

- 2.1 The current filing requirements for a listing application require different documents to be submitted at various stages to facilitate the vetting process in a sequenced and orderly manner. There are corresponding checklists which set out the documents required to be submitted at different stages.
- 2.2 Under the Securities and Futures Commission's new sponsor regulation effective on 1 October 2013, an Application Proof and related documentation must be substantially complete and the time between the date of the listing application and the actual listing should be shortened. To streamline the checklists and documentary requirements, the Exchange has amended the Listing Rules to complement the new sponsor regulation.

3. Relevant Listing Rules

- 3.1 Main Board Rules 9.03, 9.10A and 9.11 (GEM Rules 12.12 to 12.14 and 12.22 to 12.26) set out the documentary requirements for application for the listing of equity securities.
- 3.2 For a PRC incorporated applicant, Main Board Rule 19A.22A (GEM Rule 25.17A) sets out the timing (i.e. at least four clear business days before the expected hearing date) when it is required to submit a certified copy of the document issued by the China Securities Regulatory Commission or other PRC competent authority expressly approving its listing on the Exchange.

4. Guidance

- 4.1 To streamline the application process, the majority of the documents previously required to be submitted in stages will now have to be submitted together with the Form A1 (Main Board)/ Form 5A (GEM). The Exchange has retained the requirement to submit some checklists on the compliance with the Listing Rules and Companies Ordinance¹, but has removed checklists which are not considered essential (*Updated in March 2014*).
- 4.2 To facilitate applicants and their sponsors to assemble information required for a new listing application in an orderly manner and on a timely basis, the following attachments are the documents required to be submitted to the Exchange and the administrative matters to be followed at different stages of the application process:-
- (i) **Attachment IM** – Documentation and Administrative Matters for Main Board Applicants
 - (ii) **Attachment IG** – Documentation and Administrative Matters for GEM Applicants

¹ Retitled as the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) with effect from March 2014.

Documentation and Administrative Matters for Main Board Applicants

The Exchange requires the following documents to be submitted and administrative matters to be followed at different stages of the application process:

<u>Before A1 submission</u>	
1	The sponsor, if not yet registered as a user of the Exchange's e-submission system ("HKEx-ESS"), to register as soon as possible but at least three business days before submission of the listing application to use HKEx-ESS for publication of listing-related documents through HKEx-EPS. Details of the registration process are set out at www.esubmission.hkex.com.hk . Please contact HKEx-ESS hotline on (852) 2840-3460 for any questions.
2	The sponsor to obtain a company case number from the Listing Division – IPO Transactions Department at least one business day before submission of the listing application and listing-related documents through HKEx-ESS. Please refer to Enclosure 4 of Guidance Letter HKEx-GL57-13 – Guidance on logistical arrangements for publication of Application Proofs, Post Hearing Information Packs ("PHIPs") and related materials on the Exchange's website for listing applicants.
<u>At the time of A1 submission</u>	
3	A sponsor's confirmation that the applicant has submitted the Application Proof for publication on the Exchange's website in accordance with Main Board Rule 12.01A ² . Please refer to form M115 and Enclosure 5 of Guidance Letter HKEx-GL57-13 – Guidance on logistical arrangements for publication of Application Proofs, Post Hearing Information Packs ("PHIPs") and related materials on the Exchange's website for listing applicants.
4	Documents under Main Board Rules 9.03, 9.11(1) to 9.11(17c) together with additional information set out in form M104 to be submitted with Form A1. Documents should be printed <u>double-sided</u> . For the purpose of Main Board Rule 9.11(1), the Exchange requires 15 copies of an Application Proof. For all other documents to be submitted under Main Board Rules 9.11(2) to 9.11(17c), the Exchange requires two copies for each of these documents.
5	Completed checklists on (i) basic qualifications for new listing under the Rules (form M105); (ii) basic requirements for contents of listing document under the Rules and Companies Ordinance ¹ (form M106); (iii) rules on valuation of and information on properties (form M107); and (iv) rules on accountants' report (form M108) (<i>Updated in March 2014</i>).
6	For applicants that are applying for a certificate of exemption from any prospectus requirements under the Companies Ordinance ¹ , a final or an advanced draft of the

² The publication of the Application Proof is suspended for a period of six months from 1 October 2013 to 31 March 2014 (both dates inclusive). Please refer to the Exchange's announcement dated 23 July 2013.

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	applications to both the Exchange and the Securities & Futures Commission. For guidance on application for exemptions from the Companies Ordinance ¹ , please refer to Guidance Letter HKEx-GL14-09 – Guidance on application for exemptions from the Companies Ordinance ¹ (<i>Updated in March 2014</i>).
7	A final or draft legal opinion from a legal adviser of the relevant jurisdiction on the applicant's Chinese name if a Chinese stock short name is required for a non-Hong Kong or a non-PRC issuer.
7a	Where a listed issuer conducts a reverse takeover and is treated as if it were a new listing applicant under Main Board Rule 14.54, a draft and final legal opinion from a PRC legal adviser confirming whether the reverse takeover falls within the scope of the "1997 Red Chip Guidelines" (GuoFa [1997] No.21) and, if so, that the transaction has been duly reported to the competent PRC authorities and all required prior consents and approvals have been obtained. The PRC legal adviser must state the reasons and bases for (i) its opinion; and (ii) consulting or not consulting the China Securities Regulatory Commission on this issue (<i>Added in February 2014</i>).
<u>After A1 submission</u>	
8	Where there is an update of (i) the historical financial information, (ii) the pro forma financial information, and (iii) the profit forecast (if any) after the submission of an Application Proof, a confirmation from the reporting accountants that no significant adjustment is expected to be made to the updated financial information upon submission of the updated information. Please refer to Guidance Letter HKEx-GL58-13 – Guidance on confirmations required on the accountants' report, pro forma financial information and profit forecast in Application Proofs and subsequent draft listing documents.
<u>By 6:00p.m. at least four clear business days before the expected hearing date</u>	
9	<p>Documents under Main Board Rules 9.11(18) to 9.11(22).</p> <p>For a PRC incorporated applicant, a certified copy of the document issued by the China Securities Regulatory Commission or other PRC competent authority expressly approving the applicant's listing on the Exchange under Main Board Rule 19A.22A.</p> <p>For an investment company under Chapter 21: (i) a formal application for listing on Form C3Z in Appendix 5; and (ii) a written submission from the sponsor where there is to be restricted marketing that (a) there is not likely to be significant public demand for the securities of the investment company and (b) adequate arrangements have been made to ensure that the securities of the investment company will not be permitted to be marketed to the public under Main Board Rules 21.14(1) and 21.14(3).</p> <p>Applicants and sponsors are reminded to strictly adhere to the time for submission, otherwise the Listing Committee hearing of the new listing application may be delayed.</p>

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10	Completed checklist on the new listing particulars (form M201) of the applicant.
<u>Before bulk-printing of the listing document</u>	
11	Documents under Main Board Rules 9.11(24) to 9.11(28a).
12	A signed and certified true copy of the undertakings from the applicant's controlling shareholder in relation to pledged/charged securities, as required under note 3 to Main Board Rule 10.07.
13	In the case an applicant has been given a mandate to make share repurchases, (a) a confirmation from the applicant that the explanatory statement required to be sent to the applicant's shareholders contains the information required under Main Board Rule 10.06(1)(b) and that neither the explanatory statement nor the proposed share repurchase has unusual features; and (b) an undertaking from the applicant's directors to the Exchange under Main Board Rule 10.06(1)(b)(vi).
14	A signed confirmation from a legal adviser that the listing document duly complies with relevant Companies Ordinance ¹ requirements (<i>Updated in March 2014</i>).
15	Notify the Exchange in writing if the applicant will not adopt the standard transfer form.
16	A sponsor's confirmation that the applicant has submitted the Post Hearing Information Pack for publication on the Exchange's website in accordance with Main Board Rule 12.01B. Please refer to form M115 and Enclosure 5 of Guidance Letter HKEx-GL57-13 – Guidance on logistical arrangements for publication of Application Proofs, Post Hearing Information Packs (“PHIPs”) and related materials on the Exchange's website for listing applicants.
17	Before noon on the day when the sponsor would like to obtain our clearance for bulk-printing the listing document, a confirmation from the applicant or the sponsor that the listing document covers (both English and Chinese versions) meet the principles set out in Guidance Letter HKEx-GL13-09 – Prospectus Cover.
<u>On or before the issue of the listing document</u>	
18	Documents under Main Board Rules 9.11(29) to 9.11(32).
19	Where applicable, (i) documents under Main Board Rule 9.11(33); and (ii) a sponsor's confirmation that the prospectus and application forms have been registered and that the Exchange is authorised to publish the prospectus and application forms on the Exchange's website.
<u>After the issue of the listing document but before dealings commence</u>	
20	Documents under Main Board Rules 9.11(34) to 9.11(38).

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21	<p>Main Board Rule 2.07C(1)(b)(ii) requires the applicant to submit to the Exchange for publication on its website a “ready-to-publish electronic copy of each of the prospectus <i>and any application forms</i>”. For compliance with this rule, submit an electronic copy of each <i>sample</i> application form together with an electronic copy of the prospectus.</p> <p>The use of a <i>sample</i> application form is to avoid applicants for Hong Kong offer shares from using a downloaded electronic application form for subscription purposes which may contain reproduction errors. Therefore, please print a “SAMPLE” watermark (i.e. ghost text) or text to like effect on each page of the electronic copy of the application form.</p> <p>Please also refer to question 12 in the Frequently Asked Questions Series 13 at: http://www.hkex.com.hk/eng/rulesreg/listrules/listrulesfaq/Documents/FAQ_13.pdf</p>
22	<p>Where the applicant’s directors and the sponsor outsource the process of reviewing the IPO application forms to a third party service provider (for example, a licensed share registrar), reasonable enquiries in relation to the service provider’s background, credentials, experience and the appropriateness of the scope of work performed in light of the codes of conduct applicable to the service provider’s trade is expected. Furthermore, where the applicant’s circumstances warrant other considerations to be taken into account, directors and sponsor are expected to negotiate with the service provider for appropriate criteria for rejecting multiple or suspected multiple applications, instead of relying solely on the service provider’s standard practices. Outsourcing to a third party service provider would not exonerate the applicant’s directors or the sponsor from their responsibilities under Main Board Rule 10.09(1).</p>
23	<p>To ensure the efficient administration and publication of allotment results:</p> <p>(a) please submit an electronic file of the allotment results for publication on the Exchange’s website under Appendix F of the ESS User Manual; and</p> <p>(b) where the applicant proposes to raise HKD1.5 billion or more in the Hong Kong offering, include a “Search by Identity Card” function to facilitate searching of IPO allotment results on the applicant’s own website.</p>
24	<p>To expedite the IPO brokerage distribution process and enhance the operational efficiency of Exchange Participants, share registrars and the Exchange, the Main Board Listing Rules allow the applicant to pay the IPO brokerage to Exchange Participants’ bank accounts through electronic transfer.</p> <p>The applicant is encouraged to distribute IPO brokerage to Exchange Participants through autopay for every successful IPO application. To effect the autopay arrangement, the applicant should submit a written request to Hong Kong Securities Clearing Company Limited (“HKSCC”) to release to it or its share registrar information in relation to the bank accounts of Exchange Participants in CCASS. Please note that the written request needs to be received by HKSCC at least three</p>

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	<p>business days before the listing document date.</p> <p>For queries, you can contact a HKSCC personnel on (852) 2211-6271 or (852) 2211-6258.</p>
25	<p>Please ensure receiving banks' staffs are aware that potential investors are permitted to obtain both English and Chinese versions of the prospectus during the offer period.</p>

Documentation and Administrative Matters for GEM Applicants

The Exchange requires the following documents to be submitted and administrative matters to be followed at different stages of the application process:

<u>Before 5A submission</u>	
1	The sponsor, if not yet registered as a user of the Exchange's e-submission system ("HKEx-ESS"), to register as soon as possible but at least three business days before submission of the listing application to use HKEx-ESS for publication of listing-related documents through HKEx-EPS. Details of the registration process are set out at www.esubmission.hkex.com.hk . Please contact HKEx-ESS hotline on (852) 2840-3460 for any questions.
2	The sponsor to obtain a company case number from the Listing Division – IPO Transactions Department at least one business day before submission of the listing application and listing-related documents through HKEx-ESS. Please refer to Enclosure 4 of Guidance Letter HKEx-GL57-13 – Guidance on logistical arrangements for publication of Application Proofs, Post Hearing Information Packs ("PHIPs") and related materials on the Exchange's website for listing applicants.
<u>At the time of 5A submission</u>	
3	A sponsor's confirmation that the applicant has submitted the Application Proof for publication on our website in accordance with GEM Rule 16.01A ³ . Please refer to form G115 and Enclosure 5 of Guidance Letter HKEx-GL57-13 – Guidance on logistical arrangements for publication of Application Proofs, Post Hearing Information Packs ("PHIPs") and related materials on the Exchange's website for listing applicants.
4	Documents under GEM Rules 12.12 to 12.14, 12.22 and 12.23 together with additional information set out in form G104 to be submitted with Form 5A. Documents should be printed <u>double-sided</u> . For the purpose of GEM Rule 12.22(1), the Exchange requires 12 copies of an Application Proof. For all other documents to be submitted under GEM Rules 12.22 and 12.23, the Exchange requires two copies for each of these documents.
5	Completed checklists on (i) basic qualifications for new listing under the Rules (form G105); (ii) basic requirements for contents of listing document under the Rules and Companies Ordinance ¹ (form G106); (iii) rules on valuation of and information on properties (form G107); and (iv) rules on accountants' report (form G108) (<i>Updated in March 2014</i>).
6	For applicants that are applying for a certificate of exemption from any prospectus requirements under the Companies Ordinance ¹ , a final or an advanced draft of the

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	applications to both the Exchange and the Securities & Futures Commission. For guidance on application for exemptions from the Companies Ordinance ¹ , please refer to Guidance Letter HKEx-GL14-09 – Guidance on application for exemptions from the Companies Ordinance ¹ (<i>Updated in March 2014</i>).
7	A final or draft legal opinion from a legal adviser of the relevant jurisdiction on the applicant's Chinese name if a Chinese stock short name is required for a non-Hong Kong or a non-PRC issuer.
7a	Where a listed issuer conducts a reverse takeover and is treated as if it were a new listing applicant under GEM Board Rule 19.54, a draft and final legal opinion from a PRC legal adviser confirming whether the reverse takeover falls within the scope of the "1997 Red Chip Guidelines" (GuoFa [1997] No.21) and, if so, that the transaction has been duly reported to the competent PRC authorities and all required prior consents and approvals have been obtained. The PRC legal adviser must state the reasons and bases for (i) its opinion; and (ii) consulting or not consulting the China Securities Regulatory Commission on this issue (<i>Added in February 2014</i>).
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8	Where there is an update of (i) the historical financial information, (ii) the pro forma financial information, and (iii) the profit forecast (if any) after the submission of an Application Proof, a confirmation from the reporting accountants that no significant adjustment is expected to be made to the updated financial information upon submission of the updated information. Please refer to Guidance Letter HKEx-GL58-13 – Guidance on confirmations required on the accountants' report, pro forma financial information and profit forecast in Application Proofs and subsequent draft listing documents.
<u>By 6:00p.m. at least four clear business days before the expected hearing date</u>	
9	Documents under note to GEM Rule 12.22(15). For a PRC incorporated applicant, a certified copy of the document issued by the China Securities Regulatory Commission or other PRC competent authority expressly approving the applicant's listing on the Exchange under GEM Rule 25.17A. Applicants and sponsors are reminded to strictly adhere to the time for submission, otherwise the Listing Division hearing of the new listing application may be delayed.
10	Completed checklist on the new listing particulars (form G201) of the applicant.
<u>Before bulk-printing of the listing document</u>	
11	Documents under GEM Rule 12.23A.
12	A signed and certified true copy of the undertakings from the applicant's controlling shareholder in relation to pledged/charged securities, as required under GEM Rule

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	13.19.
13	In the case an applicant has been given a mandate to make share repurchases, (a) a confirmation from the applicant that the explanatory statement required to be sent to the applicant's shareholders contains the information required under GEM Rule 13.08 and that neither the explanatory statement nor the proposed share repurchase has unusual features; and (b) an undertaking from the applicant's directors to the Exchange under GEM Rule 13.08(6).
14	A signed confirmation from a legal adviser that the listing document duly complies with relevant Companies Ordinance ¹ requirements (<i>Updated in March 2014</i>).
15	Notify the Exchange in writing if the applicant will not adopt the standard transfer form.
16	A sponsor's confirmation that the applicant has submitted the Post Hearing Information Pack for publication on the Exchange's website in accordance with GEM Rule 16.01B. Please refer to form G115 and Enclosure 5 of Guidance Letter HKEx-GL57-13 – Guidance on logistical arrangements for publication of Application Proofs, Post Hearing Information Packs (“PHIPs”) and related materials on the Exchange's website for listing applicants.
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<u>On or before the issue of the listing document</u>	
18	Documents under GEM Rule 12.24.
19	Where applicable, (i) documents under GEM Rule 12.25; and (ii) a sponsor's confirmation that the prospectus and application forms have been registered and that the Exchange is authorised to publish the prospectus and application forms on the Exchange's website.
<u>After the issue of the listing document but before dealings commence</u>	
20	Documents under GEM Rule 12.26.
21	GEM Rule 16.17(2)(b) requires the applicant to submit to the Exchange for publication on its website a “ready-to-publish electronic copy of each of the prospectus <i>and any application forms</i> ”. For compliance with this rule, submit an electronic copy of each <i>sample</i> application form together with an electronic copy of the prospectus. The use of a <i>sample</i> application form is to avoid applicants for Hong Kong offer shares from using a downloaded electronic application form for subscription purposes which may contain reproduction errors. Therefore, please print a

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	<p>“SAMPLE” watermark (i.e. ghost text) or text to like effect on each page of the electronic copy of the application form.</p> <p>Please also refer to question 12 in the Frequently Asked Questions Series 13 at: http://www.hkex.com.hk/eng/rulesreg/listrules/listrulesfaq/Documents/FAQ_13.pdf</p>
22	<p>Where the applicant’s directors and the sponsor outsource the process of reviewing the IPO application forms to a third party service provider (for example, a licensed share registrar), reasonable enquiries in relation to the service provider’s background, credentials, experience and the appropriateness of the scope of work performed in light of the codes of conduct applicable to the service provider’s trade is expected. Furthermore, where the applicant’s circumstances warrant other considerations to be taken into account, directors and sponsor are expected to negotiate with the service provider for appropriate criteria for rejecting multiple or suspected multiple applications, instead of relying solely on the service provider’s standard practices. Outsourcing to a third party service provider would not exonerate the applicant’s directors or the sponsor from their responsibilities under GEM Rule 13.21.</p>
23	<p>To ensure the efficient administration and publication of allotment results:</p> <p>(a) please submit an electronic file of the allotment results for publication on the Exchange’s website under Appendix F of the ESS User Manual; and</p> <p>(b) where the applicant proposes to raise HKD1.5 billion or more in the Hong Kong offering, include a “Search by Identity Card” function to facilitate searching of IPO allotment results on the applicant’s own website.</p>
24	<p>To expedite the IPO brokerage distribution process and enhance the operational efficiency of Exchange Participants, share registrars and the Exchange, the GEM Listing Rules allow the applicant to pay the IPO brokerage to Exchange Participants’ bank accounts through electronic transfer.</p> <p>The applicant is encouraged to distribute IPO brokerage to Exchange Participants through autopay for every successful IPO application. To effect the autopay arrangement, the applicant should submit a written request to Hong Kong Securities Clearing Company Limited (“HKSCC”) to release to it or its share registrar information in relation to the bank accounts of Exchange Participants in CCASS. Please note that the written request needs to be received by HKSCC at least three business days before listing document date.</p> <p>For queries, you can contact a HKSCC personnel on (852) 2211-6271 or (852) 2211-6258.</p>
25	<p>Please ensure receiving banks’ staffs are aware that potential investors are permitted to obtain both English and Chinese versions of the prospectus during the offer period.</p>