

As mentioned in the section of this Listing Document headed “Waivers — Share repurchase and treasury shares”, our Company and the Stock Exchange have agreed to a list of modifications to a number of Listing Rules necessary to enable our Company to hold our current and future treasury shares. The modifications to the Listing Rules also reflect various consequential matters to deal with the fact that our Company may hold treasury shares in the future.

The amendments and insertions which have been made to the Listing Rules are set out below (in bold and underlined or denoted with strikethroughs).

The full text of the Listing Rules can be located on the Stock Exchange’s website on <http://www.hkex.com.hk/eng/rulesreg/listrules/mbrules/listrules.htm>.

### Amendment and addition to Chapter 1 of the Listing Rules

The definition of “market capitalisation” contained in Chapter 1 of the Listing Rules is amended as such:

“Market capitalisation” means “the market value of the entire size of an issuer, which shall include all classes of securities of the issuer (other than treasury shares), irrespective of whether any of such class(es) of securities are unlisted, or listed on other regulated market(s)”.

In addition, the definition of “treasury shares” is added into Chapter 1 of the Listing Rules and reads as such:

“treasury shares”

“shares of an issuer which are owned by the issuer in accordance with the laws of its jurisdiction of incorporation”.

### Amendment to Chapter 2 of the Listing Rules

Chapter 2 of the Listing Rules contains the introduction of the Listing Rules. In relation to the general principles of the Listing Rules, Rule 2.03 of the Listing Rules is amended to read:

“The Exchange Listing Rules reflect currently acceptable standards in the market place and are designed to ensure that investors have and can maintain confidence in the market and in particular that:

- (1) ...
- (4) all holders of listed securities are treated fairly and equally (disregarding for these purposes the issuer in its capacity as the holder of any treasury shares);

### Amendment to Chapter 3 of the Listing Rules

Chapter 3 of the Listing Rules contains the rules relating to authorised representatives and directors. In relation to directors, Rule 3.13 of the Listing Rules is amended to read:

“In assessing the independence of a non-executive director, the Exchange will take into account the following factors, none of which is necessarily conclusive. Independence is more likely to be questioned if the director:

- (1) holds more than 1% of the total issued share capital (excluding treasury shares) of the listed issuer;

...”

### Amendment to Chapter 3A of the Listing Rules

Chapter 3A of the Listing Rules contains the rules relating to sponsors and compliance advisers. In relation to the compliance adviser's undertaking to the Stock Exchange, Rule 3A.23 of the Listing Rules is amended to read:

"During the Fixed Period, a listed issuer must consult with and, if necessary, seek advice from its Compliance Adviser on a timely basis in the following circumstances:

...

- (2) where a transaction, which might be a notifiable or connected transaction, is contemplated including share issues, sales of treasury shares and share repurchases;

..."

### Amendments to Chapter 4 of the Listing Rules

Chapter 4 of the Listing Rules contains the rules relating to accountants' reports and pro forma financial information. In relation to the basic contents of accountants' report for a listing document, Rule 4.04 is amended to read:

"In the case of a new applicant (rule 4.01(1)) and an offer of securities to the public for subscription or purchase falling within rule 4.01(2) the accountants' report must include:

...

- (8) the earnings per share (which, for the avoidance of doubt, will not take account of treasury shares) and the basis of computation in respect of each of the financial years referred to in rules 4.04(1) and 4.04(2) except that the accountants' report need not include this information if, in the opinion of the reporting accountants, such information is not meaningful having regard to the purpose of the accountants' report or if combined results are presented in accordance with rule 4.09 or if the accountants' report relates to an issue of debt securities;

In relation to pro forma financial information, Rule 4.29 is amended to read:

"Where an issuer includes pro forma financial information in any document (whether or not such disclosure of pro forma financial information is required under the Exchange Listing Rules), that information must comply with rules 4.29(1) to (6) and a report in the terms of rule 4.29(7) must be included in the relevant document.

...

- (8) Where pro forma earnings per share information is given for a transaction which includes the issue of securities or the sale of treasury shares for cash, the calculation is to be based on the weighted average number of shares outstanding during the period (other than treasury shares), adjusted as if that issue had taken place at the beginning of the period."

### Amendment to Chapter 6 of the Listing Rules

Chapter 6 of the Listing Rules contains the rules relating to suspension, cancellation and withdrawal of listing. Rule 6.11 to Rule 6.16 of the Listing Rules contain the rules relating to withdrawal of listing. In particular, Rule 6.15 of the Listing Rules is amended to read:

"An issuer may voluntarily withdraw its listing on the Exchange, irrespective of whether it has an alternative listing or not, if:

- (1) after a general offer a right to compulsory acquisition is exercised pursuant to applicable laws and regulations (the requirements of which are, where the issuer is not a company

incorporated in Hong Kong, at least as onerous as those applicable if it were) resulting in the acquisition of all the listed securities of the issuer (other than treasury shares); or

...

and, in either case, it has given its shareholders notice of the proposed withdrawal of the listing by way of an announcement published in accordance with rule 2.07C and the intention not to retain the issuer's listing on the Exchange has been stated in a circular to shareholders."

#### Amendments to Chapter 10 of the Listing Rules

Chapter 10 of the Listing Rules contains the rules relating to restrictions on purchase and subscription of equity securities. In relation to the restrictions on preferential treatment of purchase and subscription applications, Rule 10.01 of the Listing Rules is amended to read:

"Normally no more than ten per cent. of the aggregate of any securities being marketed for which listing is sought and/or any treasury shares being sold (but not any treasury shares being sold or transferred for the purposes of an employee or management share scheme) may be offered to employees or past employees of the issuer or its subsidiaries or associated companies and their respective dependants or any trust, provident fund or pension scheme for the benefit of such persons on a preferential basis (including selection under a placing in accordance with the placing guidelines set out in Appendix 6). Any preferential treatment must be approved by the Exchange prior to the marketing and the issuer concerned may be called upon to supply particulars of such employees, past-employees and their respective dependants and the objects, beneficiaries or members of any trust, provident fund or pension scheme as well as the results of subscription by employees, past-employees, their respective dependants and any trust, provident fund or pension scheme for the benefit of such persons. The issuer must maintain records of such particulars for a period of not less than 12 months from the date of approval and make the same available for inspection by the Exchange during the said period."

In relation to the notification requirements on issuers purchasing their own shares on a stock exchange, Rule 10.06 is amended to read:

(4) Reporting Requirements

An issuer shall:

...

- (b) include in its annual report and accounts a monthly breakdown of purchases of shares made during the financial year under review showing the number of shares purchased each month (whether on the Exchange or otherwise), the purchase price per share or the highest and lowest price paid for all such purchases, where relevant, the aggregate price paid by the issuer for such purchases, the number of shares held as treasury shares following such purchases, the number of treasury shares sold, transferred or cancelled (on a monthly basis) and the number of treasury shares held following such sale, transfer or cancellation (at the end of each month). The directors' report shall contain reference to the purchases made during the year and the directors' reasons for making such purchases.

#### Amendments to Chapter 13 of the Listing Rules

Chapter 13 of the Listing Rules contains the continuing obligations of issuers.

Rule 13.25A contains the rules relating to changes in the issued share capital of the issuer. In particular, Rule 13.25A is modified by the insertion of a new sub-paragraph (2)(xi) as follow:

- "(1) In addition and without prejudice to specific requirements contained elsewhere in the Exchange Listing Rules, a listed issuer shall, whenever there is a change in its issued share

capital as a result of or in connection with any of the events referred to in rule 13.25A(2), submit through HKEx-EPS, or such other means as the Exchange may from time to time prescribe, for publication on the Exchange's website a return in such form and containing such information as the Exchange may from time to time prescribe by not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day next following the relevant event.

- (2) The events referred to in rule 13.25A(1) are as follows:
- (a) any of the following:
    - (i) ...
    - (x) capital reorganisation;
    - (xi) sale of treasury shares or cancellation of treasury shares; or**
    - (xii) change in issued share capital not falling within any of the categories referred to in rule 13.25A(2)(a)(i) to **(xi)** or rule 13.25A(2)(b); and
    - ..."
- (3) The disclosure obligation for an event in rule 13.25A(2)(b) only arises where:
- (a) the event, either individually or when aggregated with any other events described in that rule which have occurred since the listed issuer published its last monthly return under rule 13.25B or last return under this rule 13.25A (whichever is the later), results in a change of 5% or more of the listed issuer's issued share capital **(excluding treasury shares)**; or
  - ...
- (4) For the purposes of rule 13.25A(3), the percentage change in the listed issuer's issued share capital is to be calculated by reference to the listed issuer's total issued share capital **(excluding treasury shares)** as it was immediately before the earliest relevant event which has not been disclosed in a monthly return published under rule 13.25B or a return published under this rule 13.25A."

In relation to the submission of the monthly return, Rule 13.25B of the Listing Rules is modified by the insertion of the following:

"A listed issuer shall, by no later than 9:00 a.m. of the fifth business day next following the end of each calendar month, submit through HKEx-EPS, or such other means as the Exchange may from time to time prescribe, for publication on the Exchange's website a monthly return in relation to movements in the listed issuer's equity securities, debt securities and any other securitised instruments, as applicable, during the period to which the monthly return relates, in such form and containing such information as the Exchange may from time to time prescribe (irrespective of whether there has been any change in the information provided in its previous monthly return). Such information includes, among other things, the number as at the close of such period of equity securities **(including the number of any equity securities held as treasury shares)**, debt securities and any other securitised instruments, as applicable, issued and which may be issued pursuant to options, warrants, convertible securities or any other agreements or arrangements. **Such information shall also include details of the sale of treasury shares or cancellation of treasury shares.**"

In relation to the issue of securities, Rule 13.28 of the Listing Rules is amended to read:

"Where the directors agree to issue securities for cash in accordance with rule 13.36(1)(a) or 13.36(2), **or agree to sell treasury shares for cash other than in connection with an employee or management share scheme**, an issuer shall publish an announcement in accordance with rule 2.07C

as soon as possible, but in any event not later than the time that is 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the next business day, containing the following information:

- (1) the name of the issuer;
- (2) the number, class and aggregate nominal value of the securities agreed to be issued or of the treasury shares agreed to sold;
- (3) the total funds to be raised and the proposed use of the proceeds;
- (4) the issue/sale price of each security and the basis for determining the same;
- (5) the net price to the issuer of each security;
- (6) the reasons for making the issue/sale;
- (7) the names of the allottees/transferees, if less than six in number and, in the case of six or more allottees/transferees, a brief generic description of them. The Exchange reserves the right to require submission of such further information (on an electronic spreadsheet or such other format as it may request) on the allottees/transferees as it may consider necessary for the purpose of establishing their independence, including without limitation details of beneficial ownership;
- (8) the market price of the securities concerned on a named date, being the date on which the terms of the issue or sale of treasury shares were fixed;
- (9) the total funds raised and a detailed breakdown and description of the funds raised on any issue of equity securities or sale of treasury shares in the 12 months immediately preceding the announcement of the proposed issue of securities, the use of such proceeds, the intended use of any amount not yet utilised and how the issuer has dealt with such amount.”
- (10) where applicable, the name of the underwriter/placing agent and the principal terms of the underwriting/placing arrangements;
- (11) a statement whether the issue or sale of treasury shares is subject to shareholder’s approval;
- (12) where the securities are issued under a general mandate granted to the directors by the shareholders in accordance with rule 13.36(2)(b), details of the mandate;
- (13) where the securities are issued or treasury shares are sold by way of a rights issue or an open offer, the information set out in paragraph 18 of Appendix 1, Part B;
- (14) conditions to which the issue or sale of treasury shares is subject or a negative statement if applicable; and
- (15) any other material information with regard to the issue or sale of treasury shares (including any restrictions on the ability of the issuer to issue further securities or sell treasury shares, or any restrictions on the ability of the allottees/transferees to dispose of shares issued or sold to them or any restrictions on the ability of existing shareholders to dispose of their securities arising in connection with the allotment or sale of treasury shares”.

#### **Amendment to Chapter 19B of the Listing Rules**

Chapter 19B of the Listing Rules contains additional requirements, modifications, exceptions and interpretations to other chapters of the Listing Rules with respect to the listing of depositary receipts.

Rule 19B.06 is amended to read:

“Depository receipts may be issued in respect of newly issued shares, treasury shares sold and/or in respect of shares placed with a depository by existing shareholders provided that the issuer applies to be the issuer of such depository receipts and assumes the obligations and duties imposed on an issuer by the Exchange Listing Rules. An application for the listing of depository receipts will not be allowed if the shares which the depository receipts would represent are already listed on the Exchange and vice versa.”

#### Amendment to Appendix 1F of the Listing Rules

Appendix 1F sets out the content requirements of listing documents, in the case where listing is sought for depository receipts of an issuer where depository receipts representing some part of its share capital are already listed. In relation to general information about the group’s activities, Paragraph 22(1)(b) of Appendix 1F to the Listing Rules is amended as such:

“additional information in respect of major customers (meaning, other than in relation to consumer goods or services, the ultimate customer, and in relation to consumer goods or services the ultimate wholesaler or retailer as the case may be) and suppliers (meaning the ultimate supplier of items which are not of a capital nature) as follows:

- (i) ...
  - (v) a statement of the interests of any of the directors; their associates; or any shareholder (which to the knowledge of the directors owns more than 5% of the issuers’ share capital (excluding treasury shares)) in the suppliers or customers disclosed under (i) to (iv) above or if there are no such interests a statement to that effect.
- ...”

#### Amendment to Form F Contained in Appendix 5 of the Listing Rules

Appendix 5 of the Listing Rules contains the forms relating to applications for listing on the Stock Exchange. The Company will amend Form F — Directors’ Declaration contained in Appendix 5 of the Listing Rules to the extent necessary (if at all) as and when it is required to submit such form pursuant to the Listing Rules:

Paragraph 3 of Form F is amended to read: “that...Shares of... (Number & Class) ...HK\$...Debenture/Loan Stock...Debenture/Notes/Bonds (of which...Shares of HK\$...were treasury shares which were sold for cash) have been subscribed/purchased for cash and duly allotted/issued/transferred to the subscribers/purchasers (and that the said shares have been converted into HK\$...Stock); ...”

#### Amendments to Appendix 16 of the Listing Rules

Appendix 16 of the Listing Rules sets out the minimum financial information that a listed issuer shall include in its preliminary announcement of results, interim reports, summary interim reports, annual reports, summary financial reports, listing documents and circulars in relation to equity securities.

In relation to the requirement for financial statements, Paragraph 2 of Appendix 16 of the Listing Rules is amended to read:

“Each set of financial statements presented in an annual report, listing document, or circular, shall... include, at a minimum, the following components:

- (1) ...

- (4) statement of changes in equity **(which, for the avoidance of doubt, will include any changes in respect of treasury shares held by the listed issuer);**

..."

In relation to the basic financial information required in financial statements, Paragraph 4 of Appendix 16 of the Listing Rules is amended to read:

"Financial statements... shall include at least the information set out below..

- (1) Income statement

(a) ...

- (g) earnings per share **(which, for the avoidance of doubt, will not take account of treasury shares);**

..."

Paragraphs 6 to 34A of Appendix 16 to the Listing Rules contain the rules relating to the information requirement in annual reports.

In particular, paragraph 10 of Appendix 16 of the Listing Rules is amended to read:

"In relation to transactions in its securities, or securities of its subsidiaries during the financial year a listed issuer shall include:

- (1) ...

- (4) particulars of any purchase, sale or redemption by the listed issuer, or any of its subsidiaries, of its listed securities during the financial year, or an appropriate negative statement. Such statement must include the aggregate price paid or received by the listed issuer for such purchases, sales or redemptions and should distinguish between those securities purchased or sold:

- (a) on the Exchange;  
 (b) on another stock exchange;  
 (c) by private arrangement; and  
 (d) by way of a general offer.

Any such statement must also distinguish between:

- (i) those listed securities which are purchased **and cancelled** by the listed issuer, **those securities which are purchased and held as treasury shares by that issuer and any existing treasury shares cancelled by the issuer;** and  
 (ii) those **securities** which are purchased, by a subsidiary of the listed issuer".

Paragraph 11 of Appendix 16 of the Listing Rules is amended to read:

"In the case of any issue for cash of equity securities **or sale of treasury shares** made otherwise than **to** shareholders in proportion to their shareholdings **(excluding any transfer of treasury shares for the purposes of an employee or management share scheme)** and which has not been specifically authorised by the shareholders, a listed issuer shall disclose:

- (1) the reasons for making the issue/**sale**;  
 (2) the classes of equity securities issued/**sold**;  
 (3) as respect each class of equity securities, the number issued/**sold**, their aggregate nominal value;

- (4) the issue/sale price of each security;
- (5) the net price to the listed issuer of each security;
- (6) the names of the allottees/transferees, if less than six in number, and, in the case of six or more allottees/transferees, a brief generic description of them;
- (7) the market price of the securities concerned on a named date, being the date on which the terms of the issue/sale were fixed; and
- (8) the use of the proceeds.”

In relation to the information required to accompany interim reports, paragraph 37 of Appendix 16 of the Listing Rules is amended to read:

“A listed issuer shall prepare an interim report in respect of the first six months of its financial year, unless that financial year is of six months or less. Banking companies shall, in addition, comply with Appendix 15 as regards the disclosure requirements for an interim report. That interim report shall include, at a minimum, the following components:

- (1) ...
- (4) a statement of changes in equity **(which, for the avoidance of doubt, will include any changes in respect of treasury shares)**;  
...”