

Appendix 1

CONTENTS OF LISTING DOCUMENTS

Part A

Equity Securities

In the case where listing is sought for equity securities of an issuer no part of whose share capital is already listed

General information about the issuer, its advisers and the listing document

1. The full name of the issuer.
2. A statement as follows:—

“This document, for which the directors of the issuer collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the issuer. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:—

 - (a) the information contained in this document is accurate and complete in all material respects and not misleading;
 - (b) there are no other matters the omission of which would make any statement in this document misleading; and
 - (c) all opinions expressed in this document have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.” *(Note 1)*
3. The names and addresses of the issuer’s principal bankers, Sponsor, authorised representatives, solicitors, registrars and trustees (if any) and of the solicitors to the issue.
4. The name, address and professional qualifications of the auditors.
5. The date and country of incorporation or other establishment of the issuer and the authority under which the issuer was incorporated or otherwise established.
6. In the case of an issuer not incorporated or otherwise established in Hong Kong, the address of the head office and of the principal place of business (if any) in Hong Kong and of the place of business in Hong Kong registered under Part XI of the Companies Ordinance and the name(s) and address(es) of the person(s) in Hong Kong authorised to accept service of process and notices on its behalf.
7. The provisions or a sufficient summary of the provisions of the articles of association or equivalent document with regard to:—
 - (1) any power enabling a director to vote on a proposal, arrangement or contract in which he is materially interested;
 - (2) any power enabling the directors, in the absence of an independent quorum, to vote remuneration (including pension or other benefits) to themselves or any members of their body and any other provision as to the remuneration of the directors;

- (3) borrowing powers exercisable by the directors and how such borrowing powers can be varied;
 - (4) retirement or non-retirement of directors under an age limit;
 - (5) directors' qualification shares;
 - (6) changes in capital;
 - (7) any time limit after which entitlement to dividend lapses and an indication of the party in whose favour the lapse operates;
 - (8) arrangements for transfer of the securities and (where permitted) any restrictions on their free transferability; and
 - (9) any restriction on ownership of securities of the issuer.
8. (1) The name of any promoter. If the promoter is a company, a statement of its issued share capital, the amount paid up thereon, the date of its incorporation or other establishment, the names of its directors, bankers and auditors, and such other particulars as the Exchange thinks necessary in connection therewith. *(Note 2)*
- (2) Particulars of any cash, securities or other benefit paid, allotted or given within the 2 years immediately preceding the issue of the listing document, or proposed to be paid, allotted or given, to any promoter and the consideration for such payment, allotment or other benefit.
9. Where the listing document includes a statement purporting to be made by an expert, a statement:—
- (1) specifying the qualifications of such expert and whether such expert has any shareholding in any member of the group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the group, and, if so, a full description thereof;
 - (2) that the expert has given and has not withdrawn his written consent to the issue of the listing document with the expert's statement included in the form and context in which it is included; and
 - (3) of the date on which the expert's statement was made and whether or not it was made by the expert for incorporation in the listing document.
10. Where relevant, in the absence of a statement that estate duty indemnities have been given, a statement that the directors have been advised that no material liability for estate duty would be likely to fall upon any member of the group. (The Exchange may require any such indemnities to be supported by continuing guarantees.)
11. Particulars of any other stock exchange on which any part of the equity or debt securities of the issuer is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought, and particulars of the dealing and settlement arrangements on each such exchange and between such exchanges, or an appropriate negative statement.
12. Particulars of any arrangement under which future dividends are waived or agreed to be waived.
13. Particulars of any commissions, discounts, brokerages or other special terms granted within the 24 months immediately preceding the issue of the listing document in connection with the issue or sale of any capital of any member of the group, together with the names of any directors or proposed directors, promoters or experts (as named in the listing document) who received any such payment or benefit and the amount or rate of the payment or benefit they received, or an appropriate negative statement. *(Notes 3 and 9)*

Information about the securities for which listing is sought and the terms and conditions of their issue and distribution

14. (1) A statement that application has been or will be made to the Exchange for listing of and permission to deal in the securities.
 - (2) A statement that all necessary arrangements have been made enabling the securities to be admitted into CCASS;
 - (3) A statement to the effect that dealings in securities of the issuer may be settled through CCASS and that investors should seek the advice of their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests; and
 - (4) A statement of the minimum prescribed percentage applicable to the securities pursuant to rule 11.23. If the minimum prescribed percentage cannot be determined as at the date of the document, an indicative range should be provided.
15. (1) The nature and amount of the issue including the number (or, if not yet determinable, the minimum and maximum number) of securities which have been or will be created and/or issued and a full description of, including a summary of the terms attaching to, the securities for which listing is sought.
 - (2) Whether or not, and if so to what extent, the issue has been underwritten and, if not fully underwritten, the minimum amount of capital, if any, which the issuer must raise for the issue to proceed. (See also paragraph 48).
 - (3) The following information concerning the terms and conditions of the issue and distribution, public or private, of the securities in respect of which the application for listing is made where such issue or distribution is being effected in conjunction with the issue of the listing document or has been effected within the 12 months preceding the issue of the listing document:—
 - (a) full details of the basis on which securities are to be offered including the total amount of the public or private issue and the number of securities offered, where applicable, by category and full details of the basis on which shares are to be allocated having regard to the provisions of rules 13.01 and 13.02;
 - (b) if public or private issues or placings are being made simultaneously on markets within and outside Hong Kong and if a tranche has been or is being reserved for certain of those markets, an indication of any such tranche;
 - (c) the issue price or offer price of each security, stating the nominal value of each security;
 - (d) the methods of payment of the issue or offer price;
 - (e) the procedure for the exercise of any right of pre-emption and the transferability of subscription rights;
 - (f) the period during which the issue or offer of securities will remain open after issue of the listing document, the date and time of the opening of the subscription list, and the names of the receiving bankers;
(Note 5)
 - (g) the methods of and time limits for delivery of the securities and a statement whether temporary documents of title will be issued;

- (h) in the case of the issue being partly/fully underwritten, the names, addresses and descriptions of the persons underwriting the issue for the issuer and, where not all of the issue is underwritten, a statement of the portion not covered;
 - (i) details of any clauses in the underwriting agreement (if any) which may affect the obligations of the underwriter under the underwriting agreement after the opening of the issue;
 - (j) in the case of an offer for sale of securities, the names, addresses and descriptions of the vendor(s) of the securities or, if there are more than ten vendors, such details of the ten principal vendors and a statement of the number of other vendors and particulars of any beneficial interest possessed by any director of the issuer in any securities so offered for sale; and
 - (k) the date or approximate date on which it is expected that the results of an offer for subscription or offer for sale and the basis of allotment will be published on the GEM website as required by rule 16.13 and the newspaper (if any) in which the announcement is expected to appear and the date or appropriate date on which it is expected that the results of a placing will be published on the GEM website as required by rule 16.16.
16. Where listing is sought for securities with a fixed dividend, particulars of the profits cover for dividend.
17. Where the securities for which listing is sought were issued for cash within the 24 months immediately preceding the issue of the listing document, or will be issued for cash, a statement or an estimate of the net proceeds of the issue and a detailed statement as to how such proceeds were or are intended to be applied. (*Note 8*)
18. Where listing is sought for options, warrants or similar rights to subscribe or purchase equity securities:—
- (1) the maximum number of securities which could be issued on exercise of such rights;
 - (2) the period during which such rights may be exercised and the date when this right commences;
 - (3) the amount payable on the exercise of such rights;
 - (4) the arrangements for transfer or transmission of such rights;
 - (5) the rights of the holders on the liquidation of the issuer;
 - (6) the arrangements for the variation in the subscription or purchase price or number of securities to take account of alterations to the share capital of the issuer;
 - (7) the rights (if any) of the holders to participate in any distributions and/or offers of further securities made by the issuer; and
 - (8) a summary of any other material terms of the options, warrants or similar rights.
19. Where listing is sought for convertible equity securities:—
- (1) information concerning the nature of the equity securities to which the convertible equity securities relate and the rights attaching thereto; and
 - (2) the conditions of and procedures for conversion, exchange, subscription or purchase and details of the circumstances in which they may be amended.

20. (1) Particulars of any preliminary expenses incurred or proposed to be incurred and by whom the same are payable. (*Note 2*)
 - (2) The amount or estimated amount of the expenses of the issue and of the application for listing so far as the same are not included in the statement of preliminary expenses and by whom the same are payable.
21. A statement of the net tangible asset backing for each class of security for which listing is sought, after making allowance for any new securities to be issued, as detailed in the listing document. (*Note 11*)
22. If known, the date on which dealings will commence.

Information about the issuer's capital

23. (1) The authorised share capital of the issuer, the amount issued or agreed to be issued, the amount paid up, the nominal value and a description of the shares.
 - (2) The amount of any outstanding convertible debt securities and particulars of the conditions governing and the procedures for conversion, exchange or subscription of such securities.
24. Particulars of and the number of founder or management or deferred shares, if any, and the nature and extent of the interest of the holders in the property and profits of the group.
25. (1) The voting rights of shareholders.
 - (2) If there is more than 1 class of shares, the rights of each class of shares as regards voting, dividend, capital, redemption, and the creation or issue of further shares ranking in priority to or *pari passu* with each class other than the lowest ranking equity.
 - (3) A summary of the consents necessary for the variation of such rights.
26. Particulars of any alterations in the capital of any member of the group within the 2 years immediately preceding the issue of the listing document, including:—
 - (1) where any such capital has been issued or is proposed to be issued as fully or partly paid up otherwise than in cash, particulars of the consideration for which the same has been or is proposed to be issued and in the latter case the extent to which they are so paid up; and
 - (2) where any such capital has been issued or is proposed to be issued for cash, particulars of the price and terms upon which the same has been or is proposed to be issued, details of any discounts or other special terms granted and (if not already fully paid) the dates when any instalments are payable with the amount of all calls or instalments in arrear, or an appropriate negative statement. (*Note 3*)
27. Particulars of any capital of any member of the group which is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee, or an appropriate negative statement. (*Note 3*)

Provided that where options have been granted or agreed to be granted to all the members or debenture holders or to any class thereof, or to participants under a share option scheme, it shall be sufficient, so far as the names and addresses are concerned, to record that fact without giving the names and addresses of the grantees.

General information about the group's activities

28. (1) (a) the general nature of the business of the group and, in cases where 2 or more activities are carried on which are material in terms of profits or losses, assets employed or any other factor, such figures and explanation as are necessary to demonstrate the relative importance of each such activity and details of the main categories of products sold and/or services performed. A commentary should be provided on this information covering changes in each such activity, developments within each such activity and their effects on the results of that activity. It should also include changes in market conditions, new products and services introduced or announced and their impact on the group's performance, changes in market share or position and changes in turnover and margins. If the group trades outside the country of incorporation or other establishment of the issuer a statement showing a geographical analysis of its trading operations. Where a material proportion of the group's assets are situated outside the country of incorporation or other establishment of the issuer, a statement giving the best practicable indication of the amount and situation of such assets and the amount of the assets situated in Hong Kong. (*Note 4*)
- (b) 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) a statement of the percentage of purchases attributable to the group's largest supplier;
 - (ii) a statement of the percentage of purchases attributable to the group's 5 largest suppliers combined;
 - (iii) a statement of the percentage of turnover or sales attributable to the group's largest customer;
 - (iv) a statement of the percentage of turnover or sales attributable to the group's 5 largest customers combined;
 - (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 per cent of the issuers' share capital) in the suppliers or customers disclosed under (i) to (iv) above or if there are no such interests a statement to that effect;
 - (vi) in the event that the percentage which would fall to be disclosed under (ii) above is less than 30, a statement of that fact shall be given and the information required in (i), (ii) and (v) (in respect of suppliers) may be omitted; and
 - (vii) in the event that the percentage which would fall to be disclosed under (iv) above is less than 30, a statement of that fact shall be given and the information required in (iii), (iv) and (v) (in respect of customers) may be omitted.

Sub-paragraph 28(1)(b) applies to all issuers whose businesses comprise, in whole or in part, the supply of goods or services of whatever nature, and in the case of service references to customers includes the clients of such issuers.

In relation to consumer goods, references to customers are to the ultimate wholesaler or retailer, except when the issuer's business incorporates the wholesaling or retailing operation. In all other cases references to customers are to ultimate customer.

References to suppliers are primarily to those who provide goods or services which are specific to an issuer's business and which are required on a regular basis to enable the issuer to continue to supply or service its customers. Suppliers of goods and services which are freely available from a range of suppliers at similar prices or which are otherwise freely available (such as utilities) are excluded. In particular, it is recognised that an obligation on issuers who are providers of financial services (such as banks and insurance companies) to give information about suppliers would be of limited or no value, and there is therefore no disclosure requirement in respect of suppliers to such issuers.

The Exchange must be consulted if there is any doubt about the application of subparagraph 28(1)(b). *(Note 9)*

- (2) If the issuer is a member of a group, a brief description of that group covering the issuer's position within that group and, if a subsidiary, the names of and the number of shares held (directly or indirectly) by each holding company of the issuer.
 - (3) Particulars of any contracts for the hire or hire purchase of plant to or by any member of the group for a period of over 1 year which are substantial in relation to the group's business.
 - (4) Particulars of any trade marks, patents or other intellectual or industrial property rights which are material in relation to the group's business and, where such factors are of fundamental importance to the group's business or profitability, a statement regarding the extent to which the group is dependent on such factors.
 - (5) Information concerning the policy of the group on the research and development of new products and processes over the past 24 months where significant.
 - (6) Particulars of any interruptions in the business of the group which may have or have had a significant effect on the financial position in the last 24 months.
 - (7) The number of people employed by the group and changes therein in the last 24 months, if such changes are material in the context of the group, with, if possible a breakdown of persons employed by main category of activity. Details of the remuneration of employees, remuneration policies, bonus and share option schemes and training schemes should be provided where relevant.
 - (8) Particulars, including location, of the principal investments (if any), including such investments as new plant, factories and research and development, being made or planned by the group. *(Note 3)*
29. (1) In regard to every company the whole of, or a substantial proportion of, whose capital is held or intended to be held (either directly or indirectly) by the issuer, or whose profits or assets make or will make a material contribution to the figures in the accountants' report or the next published accounts, particulars of the name, date and country of incorporation or other establishment, whether public or private, general nature of business, issued capital and the proportion thereof held or intended to be held.
- (2) In regard to the group, particulars of the location of the principal establishments. *(Note 3)*
30. In the case of an introduction, a statement that no change in the nature of the business is in contemplation.
31. (1) Particulars of any restriction affecting the remittance of profits or repatriation of capital into Hong Kong from outside Hong Kong.

- (2) A statement of whether or not any issuer that is an overseas issuer will have sufficient foreign exchange to pay forecasted or planned dividends and to meet its foreign exchange liabilities as they become due, with particulars of the anticipated sources of foreign exchange. If an overseas issuer has no exposure to foreign exchange liabilities, a negative statement to that effect.

Financial information about the group and the prospects of the group

32. A statement as at the most recent practicable date (which must be stated) of the following on a consolidated basis if material:—
- (1) the total amount of any debt securities of the group issued and outstanding, and authorised or otherwise created but unissued, and term loans, distinguishing between guaranteed, unguaranteed, secured (whether the security is provided by the issuer or by third parties) and unsecured, or an appropriate negative statement;
 - (2) the total amount of all other borrowings or indebtedness in the nature of borrowing of the group including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments, distinguishing between guaranteed, unguaranteed, secured and unsecured borrowings and debt, or an appropriate negative statement;
 - (3) all mortgages and charges of the group, or an appropriate negative statement; and
 - (4) the total amount of any contingent liabilities or guarantees of the group, or an appropriate negative statement.
 - (5) a commentary on:—
 - (a) the group's liquidity and financial resources. This may include comments on the level of borrowings at the end of the period under review; the seasonality of borrowing requirements and the maturity profile of borrowings and committed borrowing facilities. Reference may also be made to the funding requirements for capital expenditure commitments and authorisations; and
 - (b) the capital structure of the group. This may cover the maturity profile of debt, type of capital instruments used, currency and interest rate structure. The discussion may also include funding and treasury policies and objectives in terms of the manner in which treasury activities are controlled; the currencies in which borrowings are made and in which cash and cash equivalents are held; the extent to which borrowings are at fixed interest rates; the use of financial instruments for hedging purposes and the extent to which foreign currency net investments are hedged by currency borrowings and other hedging instruments.

Intra-group liabilities should normally be disregarded, a statement to that effect being made where necessary. (*Notes 3 and 4*)

33. (1) A statement showing the sales turnover figures or gross trading income of the group during the 2 financial years immediately preceding the issue of the listing document which should contain an explanation of the method used for computation of such turnover or income and a reasonable breakdown between the more important trading activities. In the case of a group, intra-group sales should be excluded.

Note: A new applicant satisfying the conditions under rule 11.12(3) must also disclose the turnover of the group in the last 12 months reported upon in the accountants' report included in the financial information section of its initial listing document.

- (2) The following information in respect of directors' emoluments:—
- (a) the aggregate of the directors' fees for each of the 2 financial years immediately preceding the issue of the listing document;
 - (b) the aggregate of the directors' basic salaries, housing allowances, other allowances and benefits in kind for each of the 2 financial years immediately preceding the issue of the listing document;
 - (c) the aggregate of contributions to pension schemes for directors or past directors for each of the 2 financial years immediately preceding the issue of the listing document;
 - (d) the aggregate of bonuses paid to or receivable by the directors which are discretionary or are based on the issuer's, the group's or any member of the group's performance (excluding amounts disclosed in (e) and (f) below) for each of the 2 financial years immediately preceding the issue of the listing document;
 - (e) the aggregate of amounts paid to or receivable by the directors for each of the 2 financial years immediately preceding the issue of the listing document as an inducement to join or upon joining the issuer;
 - (f) the aggregate of compensation paid to or receivable by the directors or past directors for each of the 2 financial years immediately preceding the issue of the listing document for the loss of office as a director of any member of the group or of any other office in connection with the management of the affairs of any member of the group distinguishing between contractual and other payments (excluding amounts disclosed in (b) to (e) above); and
 - (g) particulars of any arrangement under which a director has waived or agreed to waive any emoluments for each of the 2 financial years immediately preceding the issue of the listing document.

Sub-paragraphs (b) to (f) inclusive require an analysis of the amounts which must be disclosed in the accounts of an issuer incorporated in Hong Kong under the provisions of section 161 and 161A of the Companies Ordinance. The requirements of section 161 and 161A have, for the purposes of the GEM Listing Rules, been applied to issuers incorporated or otherwise established outside Hong Kong.

Where a director is contractually entitled to bonus payments which are fixed in amount such payments are more in the nature of basic salary and accordingly should be disclosed under sub-paragraph (b) above.

Where a director is contractually entitled to bonus payments which are determined as a percentage of turnover or profits of the issuer or any of its subsidiaries, then such payments should be disclosed under sub-paragraph (d) above.

The information required pursuant to sub-paragraph (2) above must be analysed by individual director or past director and such that it is apparent as to which are the independent non-executive directors (if any) (but without any obligation to disclose any individual by name).
(Note 9)

- (3) Additional information in respect of those 5 individuals whose emoluments (excluding amounts paid or payable by way of commissions on sales generated by the individual) were the highest in the issuer or the group for the year. Where all 5 of these individuals are directors of the issuer and the information required to be disclosed by this paragraph has been disclosed in directors' remuneration above, a statement of this fact shall be made and no additional disclosure is

required. Where the details of 1 or more of the individuals whose emoluments were the highest have not been included in directors' remuneration above, the following information shall be disclosed:—

- (a) the aggregate of basic salaries, housing allowances, other allowances and benefits in kind for each of the 2 financial years immediately preceding the issue of the listing document;
- (b) the aggregate of contributions to pension schemes for each of the 2 financial years immediately preceding the issue of the listing document;
- (c) the aggregate of bonuses paid or receivable which are discretionary or are based on the issuer's, the group's or any member of the group's performance (excluding amounts disclosed in (d) and (e) below) for each of the 2 financial years immediately preceding the issue of the listing document;
- (d) the aggregate of amounts paid or receivable for each of the 2 financial years immediately preceding the issue of the listing document as an inducement to join or upon joining the issuer or the group; and
- (e) the aggregate of compensation or receivable for paid each of the 2 financial years immediately preceding the issue of the listing document for the loss of any office in connection with the management of the affairs of any member of the group distinguishing between contractual and other payments (excluding amounts disclosed in (a) to (d) above).

It is not necessary to disclose the identity of the highest paid individuals.

The purpose of these disclosures is to provide shareholders with an indication of the fixed management costs of groups and accordingly employees who are higher paid by virtue of sales commissions are to be omitted from this disclosure.

- (4) The following information in respect of pension schemes:—
 - (a) the nature of the principal scheme or schemes operated by the group (i.e. whether they are defined benefit plans or defined contribution plans);
 - (b) a brief outline of how contributions are calculated or benefits funded;
 - (c) the employer's pension cost charge to the profit and loss account for the period;
 - (d) in the case of defined contribution schemes, details of whether forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) may be used by the employer to reduce the existing level of contributions and if so, the amounts so utilised in the course of the year and available at the balance sheet date for such use; and
 - (e) in the case of defined benefit plans, an outline of the results of the most recent formal actuarial valuation or later formal review of the scheme on an ongoing basis. This should include disclosure of:—
 - (i) the name and qualifications of the actuary, the actuarial method used and a brief description of the main actuarial assumptions;

- (ii) the market value of the scheme assets at the date of their valuation or review (unless the assets are administered by an independent trustee in which case this information may be omitted);
 - (iii) the level of funding expressed in percentage terms; and
 - (iv) comments on any material surplus or deficiency (including quantification of the deficiency) indicated by (iii) above.
- (5) Except where the issuer is a banking company, a statement of the reserves available for distribution to shareholders by the issuer as at the end of the period reported on.
- 34. (1) Where a profit forecast appears in any listing document the principal assumptions, including commercial assumptions, upon which it is based, must be stated. The accounting policies and calculations for the forecast must be examined and reported on by the reporting accountants and their report must be set out. The Sponsor or financial adviser must report in addition that it has satisfied itself that the forecast has been stated by the directors after due and careful enquiry, and such report must be set out.
- (2) Details (if applicable) of the information set out in rules 17.15 to 17.21 concerning the financial exposure of the issuer to borrowers and other relevant information.
- 35. A statement of whether or not the accountants' report is qualified or modified by the reporting accountants and if so, such qualification or modification must be reproduced in full and the reasons for such qualification or modification given.
- 36. A statement by the directors that in their opinion the working capital available to the group is sufficient or, if not, how it is proposed to provide the additional working capital thought by the directors to be necessary. *(Note 3)*
- 37. An accountants' report in accordance with Chapter 7.
- 38. A statement by the directors of any material adverse change in the financial or trading position of the group since the end of the period reported on in the accountants' report, or an appropriate negative statement.
- 39. Where required by Chapter 8, a valuation report on the issuer's interests in land or buildings in accordance with that Chapter.
- 40. Particulars of any litigation or claims of material importance pending or threatened against any member of the group, or an appropriate negative statement. *(Note 3)*

Information about the issuer's management

- 41. The full name, residential or business address of every director and senior manager or proposed director and senior manager. In addition, brief biographical details in respect of the directors, proposed directors, senior managers and proposed senior managers of the issuer shall be provided. Such details will include name, age, positions held with the issuer and other members of the issuer's group, length of service with the issuer and the group and such other information (which may include business experience) of which shareholders should be aware, pertaining to the ability or integrity of such persons. Where any of the directors or senior managers are related, having with any other director or senior manager any one of the relationships set out below, that fact should be stated. The relationships are spouse; any person cohabiting with the director or senior manager as a spouse; and any relative meaning a child or step-child regardless of age, a parent or step-parent, a brother, sister, step-brother or a step-sister, a mother-in-law, a father-in-law, son-in-law, daughter-in-law,

brother-in-law or sister-in-law. Where any director or proposed director is a director or employee of a company which has an interest in the share capital of the issuer which would fall to be disclosed to the issuer under the provisions of Part II of the SDI Ordinance, that fact shall be stated. (*Note 9*)

It is the responsibility of the directors of the issuer to determine which individual or individuals constitute senior management. Senior management may include directors of subsidiaries and heads of divisions, departments or other operating units within the group as senior management as, in the opinion of the issuer's directors, is appropriate.

42. (1) The full names and professional qualifications, if any, of:—
- (a) the secretary of the issuer;
 - (b) the qualified accountant of the issuer appointed pursuant to rule 5.10;
 - (c) the compliance officer of the issuer appointed pursuant to rule 5.14.
- (2) The names of the individuals appointed to the issuer's audit committee, their background and directorships (and past directorships), if any, of other companies listed on GEM, the Main Board or other exchanges, and a description of the functions of the audit committee.
43. The situation of the registered office and, if different, the head office and transfer office.
44. Details of any share option schemes to which Chapter 23 applies.
45. (1) A statement showing the interests of each director and chief executive of the issuer in the equity or debt securities of the issuer or any associated corporation (within the meaning of the SDI Ordinance) which:—
- (a) will have to be notified to the issuer and the Exchange pursuant to section 28 of the SDI Ordinance (including interests which he is taken or deemed to have under section 31 or Part I of the Schedule to the SDI Ordinance) once the issuer's securities are listed; or
 - (b) will be required, pursuant to section 29 of the SDI Ordinance, to be entered in the register referred to therein, once the issuer's securities are listed; or
 - (c) will be required, pursuant to rules 5.40 to 5.59 of the GEM Listing Rules relating to securities transactions by directors to be notified to the issuer and the Exchange once the issuer's securities are listed;

or an appropriate negative statement. Provided that the Exchange may agree in its sole discretion that compliance with this paragraph may be modified or waived in respect of any associated corporation if, in the opinion of the Exchange, the number of associated corporations in respect of which each director and chief executive is taken or deemed to have an interest under the SDI Ordinance is such that compliance with this paragraph would result in particulars being given which are not material in the context of the group and are excessive in length.

- (2) Any statement showing such interests of directors and chief executives must set out the total number or amount of such securities in which each director and chief executive is interested, as recorded in the issuer's register of interests, and then separately distinguish such interests between four categories as follows:—

- (a) Personal interests – namely those beneficial interests in securities which are registered in the name of the director or chief executive or a nominee who holds the securities on his behalf and to his order (e.g. a streetname), including interests in securities which he has contracted to purchase;
- (b) Family interests – namely those interests in securities which a director or chief executive is deemed or taken to have under the SDI Ordinance with respect to securities in which his spouse or his child under the age of 18 years are interested;
- (c) Corporate interests – namely those interests in securities which a director or chief executive is deemed or taken to have under the SDI Ordinance with respect to interests of a corporation where he is either entitled to exercise (or is taken under the SDI Ordinance to be able to exercise) or control the exercise of one third or more of the voting power in general meetings of that corporation or where the corporation or its directors are accustomed to act in accordance with his directions or instructions; and
- (d) Other interests – namely those interests in securities which are recorded in the register but which do not fall within one of the above categories. This would include, by way of example, those interests which a director or chief executive is deemed or taken to have under the SDI Ordinance with respect to options which entitle a director or chief executive to call for the delivery of securities or to acquire an interest in securities and any interests in securities which arise as a result of the director or chief executive being a beneficiary or trustee of a trust (and which are not included as personal interests under category (a) above).

In the case of interests which fall within categories (c) and (d) above, a note setting out the nature of such interests should be provided to assist shareholders and investors to understand how the interests arise.

(Note 7)

- (3) A statement showing the name, so far as is known to any director or chief executive of the issuer, of each person, other than a director or chief executive of the issuer, who is expected, directly or indirectly, to be interested in 10 per cent or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the group and the amount of each of such person's interest in such securities, together with particulars of any options in respect of such capital, or, if there are no such interests, an appropriate negative statement. *(Note 3)*

(Notes 6 and 9)

- 46. (1) Particulars of directors' existing or proposed service contracts with any member of the group (excluding contracts expiring or determinable by the employer within 1 year without payment of compensation (other than statutory compensation)), or an appropriate negative statement.
- (2) The aggregate of the remuneration paid and benefits in kind granted to the directors of the issuer by any member of the group in respect of the last completed financial year under any description whatsoever.
- (3) An estimate of the aggregate remuneration payable to, and benefits in kind receivable by, the directors or any proposed directors of the issuer by any member of the group in respect of the current financial year under the arrangements in force at the date of the listing document.
(Notes 3 and 9)
- (4) A summary of the issuer's policies concerning the remuneration of executive directors.

47. (1) Full particulars of the nature and extent of the interest, direct or indirect, if any, of every director or proposed director or expert (as named in the listing document), in the promotion of, or in any assets which have been, within the 2 years immediately preceding the issue of the listing document, acquired or disposed of by or leased to any member of the group, or are proposed to be acquired or disposed of by or leased to any member of the group, including:—
- (a) the consideration passing to or from any member of the group; and
 - (b) short particulars of all transactions relating to any such assets which have taken place within such period or which are to take place,
- or an appropriate negative statement. *(Note 2)*
- (2) Full particulars of any contract or arrangement subsisting at the date of the listing document in which a director of the issuer is materially interested and which is significant in relation to the business of the group, or an appropriate negative statement. *(Notes 3 and 9)*

Use of Proceeds

48. Otherwise than on an introduction, a detailed explanation of the intended use of the proceeds of the issue. The explanation must, so far as practicable, be given by reference to the content of the issuer's statement of business objectives contained in the listing document (thereby providing an indication of the timing of the deployment of the proceeds). *(Note 8)*
49. (1) Where relevant, as respects any property to which this paragraph applies:—
- (a) the names and addresses of the vendors;
 - (b) the amount payable in cash, shares or debentures to the vendor and, where there is more than 1 separate vendor, or the company is a sub-purchaser, the amount so payable to each vendor; and
 - (c) short particulars of any transaction relating to the property completed within the 2 preceding years in which any vendor of the property to the company or any person who is, or was at the time of the transaction, a promoter or a director or proposed director of the company had any interest direct or indirect. *(Note 9)*
- (2) The property to which this paragraph applies is property purchased or acquired by the issuer or proposed to be purchased or acquired, which is to be paid for wholly or partly out of the proceeds of the issue or the purchase or acquisition of which has not been completed at the date of the issue of the listing document, other than property:—
- (a) the contract for the purchase or acquisition whereof was entered into in the ordinary course of the issuer's business, the contract not being made in contemplation of the issue nor the issue in consequence of the contract; or
 - (b) as respects which the amount of the purchase money is not material.
50. The amount, if any, paid or payable as purchase money in cash, shares or debentures for any property to which paragraph 49 applies, specifying the amount, if any, payable for goodwill.

Material contracts and documents for inspection

51. The dates of and parties to all material contracts (not being contracts entered into in the ordinary course of business) entered into by any member of the group within the 2 years immediately preceding the issue of the listing document, together with a summary of the principal contents of such contracts and particulars of any consideration passing to or from any member of the group. *(Note 3)*
52. Details of a reasonable period of time (being not less than 14 days) during which and a place in Hong Kong at which the following documents (or copies thereof) where applicable may be inspected:—
- (1) the memorandum and articles of association or equivalent documents of the issuer;
 - (2) each contract disclosed pursuant to paragraphs 46(1) and 51 or, in the case of a contract not reduced into writing, a memorandum giving full particulars thereof;
 - (3) all reports, letters or other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in the listing document;
 - (4) a written statement signed by the reporting accountants setting out the adjustments made by them in arriving at the figures shown in their report and giving the reasons therefor; and
 - (5) the audited accounts of the issuer or, in the case of a group, the consolidated audited accounts of the issuer and its subsidiaries for each of the 2 financial years immediately preceding the issue of the listing document together with (in the case of a Hong Kong issuer) all notes, certificates or information required by the Companies Ordinance.

(Note 3)

Miscellaneous

53. In the exceptional circumstances where the Exchange has waived compliance with the requirement that the business of the issuer must have been under substantially the same management and ownership for the 24 months immediately preceding the date of the listing document, details of any material change in the management or ownership of the issuer during the period applicable to the issuer's statement of active business pursuits (as referred to in rule 11.12).
54. Information as to the interests of the Sponsor and its directors, employees and associates (as referred to in rule 6.36) and of all directors, management shareholders and substantial shareholders of the issuer and their respective associates (as referred to in rule 11.04). *(Note 9)*
55. To the extent received or known by the issuer prior to issue of the listing document, details of any undertakings given or to be given by initial management shareholders and significant shareholders concerning restrictions on disposal of shares of the issuer (as referred to in rules 13.15 to 13.20).
56. All information required to be disclosed pursuant to Chapter 20 in relation to any continuing transaction or proposed transaction that would constitute a connected transaction after listing (if any).

Additional information on PRC issuers

(Paragraphs 57 to 68 apply to the PRC issuers only)

57. Where a public or private issue or placing of securities of the PRC issuer other than H shares is being made simultaneously with the issue of H shares in Hong Kong or is proposed to be made as part of such PRC issuer's share issue plan which was approved at the inaugural meeting or any shareholders' meeting of the PRC issuer:—
- (1) information concerning such securities and such issue or placing, including the information described in paragraphs 11, 15, 17, 20, 22, 25, 48, 49 and 50;
 - (2) a statement of whether or not such issue plan has been approved by China Securities Regulatory Commission or such other competent state council securities regulatory authority and the timetable for the share issues under such plan, and if such plan has not been approved, when such approval is expected;
 - (3) a statement of whether or not the issue in Hong Kong is conditional (in whole or in part) on such issue or placing of securities;
 - (4) a description of the effect on the PRC issuer's statement of business objectives and financial condition (including profit forecast, if any) if such issue or placing of securities is not completed in the manner described in the listing document or if the share issue plan referred to in (2) above is not approved by the expected date;
 - (5) if such securities are not admitted for listing on any stock exchange, a statement of whether there is (or is proposed to be) trading or dealing in such securities on any other authorised trading facility in the PRC;
 - (6) a breakdown of the PRC issuer's shares issued or proposed to be issued; and
 - (7) information concerning each legal person or individual expected to hold domestic shares or foreign shares other than H shares constituting 10 per cent or more of the issued share capital of the PRC issuer upon the completion of such issue or placing of domestic shares or foreign shares other than H shares, and the number of domestic shares or foreign shares other than H shares to be held by each such legal person or individual.
58. Where any securities of the PRC issuer are already issued and outstanding:—
- (1) information concerning such securities, including the information described in paragraphs 11, 23 and 25;
 - (2) if such securities are not admitted for listing on any stock exchange, a statement of whether there is trading or dealing in such securities on any other authorised trading facility in the PRC;
 - (3) a breakdown of the PRC issuer's shares already issued; and
 - (4) information concerning each legal person or individual holding such securities constituting 10 per cent or more of the existing issued share capital of the PRC issuer, and the number of shares held by each such legal person or individual.
59. Particulars of the quorum and voting requirements for general meetings of shareholders and for separate meetings of holders of domestic shares and foreign shares (and, if applicable, H shares).

60. Particulars of the legal form(s) and enabling PRC law under which the PRC issuer operated at any time during the period under rule 11.12 and prior to its conversion into a joint stock limited company.
61. In regard to every company referred to in paragraph 29(1) which is an equity joint venture or which operates as or under a cooperative or contractual joint venture, particulars of the joint venture arrangement including the names of all joint venture partners; their respective capital contributions and percentage interests in the profits, dividends or other distributions of the joint venture; the term of the joint venture; any pre-emptive rights of the joint venture partners and other restrictions on the sale, assignment or transfer of a partner's interest in the joint venture; arrangements concerning the management of the joint venture's business and operations; any special supply, production or licensing arrangements involving any of the joint venture partners; provisions on termination of the joint venture; and any other material terms of the joint venture contract.
62. A statement of whether or not the PRC issuer has applied or intends to apply for the status of a sino-foreign investment joint stock limited company (中外合資股份有限公司) and whether or not the issuer is or expects to be subject to the PRC Sino-Foreign Joint Venture Law (中外合資經營企業法).
63. Particulars of the tax rates applicable to the PRC issuer's income or profits during the period under rule 11.12 and in the next 3 years, including any preferential tax rates or exemptions.
64. A statement of whether or not the PRC issuer will have sufficient foreign exchange to pay forecasted or planned dividends on H shares and to meet its foreign exchange liabilities as they become due, with particulars of the anticipated sources of such foreign exchange.
65. In an appropriately prominent place and manner in the listing document, the statements by the acquirer of shares required to be in a PRC issuer's listing document pursuant to rule 25.39.
66. A general statement on the front page of the listing document to the following effect:
- "The Company is incorporated, and its businesses are located, in the mainland of the People's Republic of China ("Mainland"). Potential investors in the Company should be aware of the differences in the legal, economic and financial systems between the Mainland and Hong Kong, the Special Administrative Region of the People's Republic of China ("HKSAR") and that there are different risk factors relating to investment in Mainland-incorporated businesses. Potential investors should also be aware that the regulatory framework in the Mainland is different from the regulatory framework in HKSAR and should take into consideration the different market nature of the shares of the Company. Such differences and risk factors are set out in the sections headed '. ' on pages"
67. The risk factors section shall include, among other things, a brief description of:
- (a) the PRC laws and regulations relevant to the business of the PRC issuer;
 - (b) the political structure and economic environment of the PRC;
 - (c) foreign exchange controls in the PRC and the exchange rate risk of the Renminbi;
 - (d) the different regulatory framework for PRC issuers listing outside the mainland of the PRC;
 - (e) specific risk factors related to the business of the PRC issuer and/or its products; and
 - (f) the law(s) governing the resolution of disputes arising from the PRC issuer's articles of association and the transfer of the PRC issuer's shares.

68. A description of applicable company law matters including material differences between the requirements of the PRC and of Hong Kong. Such description should include the following:
- (a) the quorum and voting requirements for general meetings of shareholders and for separate meetings of holders of domestic shares and foreign shares (and, if applicable, H shares);
 - (b) the PRC issuer's ability, by way of a special resolution in a general meeting, to issue, allot or grant up to 20 per cent of its existing share capital in domestic shares and/or foreign shares (and, if applicable, H shares) once every 12 months, without a separate vote by holders of foreign shares;
 - (c) the PRC issuer's ability to issue domestic shares and foreign shares (and, if applicable, H shares) pursuant to a share issue plan adopted at the inaugural meeting of the PRC issuer without a separate vote by holders of foreign shares;
 - (d) any right of action a shareholder may have against directors of the PRC issuer;
 - (e) the special features of arbitration; and
 - (f) the standard of shareholder protection, which is different from that generally available in Hong Kong.

NOTES

- 1 *In cases where the directors of the issuer are responsible for part of the listing document, the directors of another company being responsible for the remainder, the statement should be appropriately adapted. In exceptional cases the Exchange may require other persons to give, or join in, the statement of responsibility in which case the listing document should also be modified appropriately.*
- 2 *In the case of an issuer which has carried on the same business for more than 2 years immediately preceding the issue of the listing document, application may be made to the Exchange to dispense with the requirements of paragraphs 8, 20(1) and 47, in so far as it relates to interests in the promotion.*
- 3 *Under paragraphs 13, 26, 27, 28, 29(2), 32, 36, 40, 45(3), 46, 47, 51 and 52, reference to the group is to be construed as including any company which will become a subsidiary of the issuer by reason of an acquisition which has been agreed or proposed since the date to which the latest audited accounts of the issuer have been made up.*
- 4 *Where the issuer is entitled to avail itself, and has availed itself, of the benefit of any of the provisions of Part III of the Tenth Schedule to the Companies Ordinance, nothing herein shall require any financial information to be included in the listing document which need not be disclosed in a balance sheet or profit and loss account of the issuer which is drawn up in accordance with that Ordinance by virtue of any of those provisions or as a direct effect or result of any of those provisions.*

Insurance and shipping companies will not be entitled to avail themselves of the benefits of the provisions of Part III of the Tenth Schedule to the Companies Ordinance.

- 5 *Any right to revise or extend the offer period or period during which the subscription list is open, as stipulated in the listing document must:—*
- (a) *be limited to possible delays caused by a tropical cyclone warning signal or such similar extraneous factors affecting whether the stated closing date is a banking day or not, as are acceptable to the Exchange; and*
 - (b) *be set out in the details included in the listing document; and*
- subject to any such qualifications acceptable to the Exchange, the closing date of the offer period and the period during which the subscription list is open, as stated in the listing document, may not be revised or extended and may not be subject to any unilateral right on the part of the issuer, the underwriter or any other person to revise or extend such date or period.*
- 6 *For the purposes of paragraph 45 particulars should be given of the extent of any duplication which occurs.*
- 7 *Issuers who are in any doubt as to the appropriate category in which an interest should be shown for the purpose of paragraph 45(2), are encouraged to consult the Exchange for further guidance.*
- 8 *Where the listing document refers to an amount proposed to be raised in excess of the minimum amount indicated under paragraph 15(2), the listing document must explain the impact to the issuer and its statement of business objectives of raising such excess amount. In this regard, a statement that the excess will represent working capital shall not be adequate, unless a reasonably detailed explanation is given as to how such working capital is to be applied.*
- 9 *References to directors or proposed directors in paragraphs 13, 28(1), 33(2), 41, 45, 46, 47 49(1) and 54 shall also mean and include supervisors and proposed supervisors, as appropriate. For purposes of applying paragraph 45 to each supervisor of a PRC issuer, paragraph 45 should be interpreted as if the SDI Ordinance applied to such persons to the same extent as directors.*
10. *Where the new applicant fulfils the conditions specified in rule 11.12(3) and has an active business pursuits period of at least 12 months pursuant to rule 11.12(2)(b) (and, accordingly, an accountants' report covering at least 12 months), the period in respect of which information is required under this Part A of Appendix 1 shall be such period as may be deemed appropriate by the Exchange having regard to the circumstances of the case. Such period will normally not be shorter than the period covered by the accountants' report in the listing document or the period of active business pursuits.*
11. *Where an issuer has caused any property assets to be valued (in accordance with Rule 8.01) or has caused any valuation to be made of any other tangible assets and included such a valuation in the prospectus relating to its initial public offer, the issuer is required to state in its prospectus, by way of note to the adjusted net tangible asset statement, the additional depreciation (if any) that would be charged against the income statement had such assets been stated at valuation.*