

香港聯合交易所有限公司

(香港交易及結算所有限公司全資附屬公司)

THE STOCK EXCHANGE OF HONG KONG LIMITED

(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

Our Ref: CRO20180525-018

25 May 2018

To: Main Board Listed Issuers (Attn: Authorised Representatives)
GEM Listed Issuers (Attn: Authorised Representatives)
Market Practitioners

Dear Sirs or Madam

Consultation Conclusions on Delisting and Other Rule Amendments

We have today published Consultation Conclusions on the Consultation Paper on Delisting and Other Rule Amendments.

The Consultation Conclusions represent the results of a public consultation held from 22 September to 24 November 2017. The market feedback indicated strong support on the proposals. The Exchange will implement the proposals with minor modifications in response to the comments received.

The changes to the Listing Rules include:

(a) Under the Main Board Listing Rules:

- (i) add a separate delisting criterion to allow the Exchange to delist an issuer after a trading suspension of 18 continuous months;
- (ii) allow the Exchange to publish a delisting notice stating its right to delist an issuer if the issuer fails to resume trading within the period specified in the notice, or delist the issuer immediately in appropriate circumstances;
- (iii) remove Practice Note 17, which sets out a three stage delisting procedure for issuers without sufficient operations or assets that will no longer be needed after the new delisting process takes effect;

(b) under the GEM Listing Rules, make changes to align the delisting process with that of the Main Board except for allowing the Exchange to delist a GEM issuer after a trading suspension of 12 continuous months; and

(c) provide transitional arrangements for issuers whose securities are under a trading suspension immediately before the effective date of the amendments. The current Rules will continue to apply for issuers currently under Practice Note 17 or having been given a notice period before delisting. Other Main Board issuers suspended for 12 continuous months or more may be delisted if they fail to resume trading within 12 months from the effective date. All other Main Board and GEM issuers will be subject to the new Rules.

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There are other Rule amendments to (i) remove a bright line trading halt requirement where a major (or above) transaction has not been announced by an issuer, in which case a trading suspension may still be required if the transaction is inside information, and (ii) expedite the process for the Exchange directing resumption of trading, with a view to keeping any trading suspension to a minimum.

The Rule amendments will come into effect on 1 August 2018.

The Consultation Conclusions and copies of respondents' submissions are available on HKEX website at:

[http://www.hkex.com.hk/-/media/HKEX-Market/News/Market-Consultations/2016-Present/September-2017-Consultation-Paper-on-Delisting-and-Other-Rule-Amendments/Conclusions-\(May-2018\)/cp2017091cc.pdf](http://www.hkex.com.hk/-/media/HKEX-Market/News/Market-Consultations/2016-Present/September-2017-Consultation-Paper-on-Delisting-and-Other-Rule-Amendments/Conclusions-(May-2018)/cp2017091cc.pdf)

http://www.hkex.com.hk/News/Market-Consultations/2016-to-Present/Responses_May_2018_2?sc_lang=en

The amendments to the Listing Rules are available at:

http://en-rules.hkex.com.hk/en/display/display_main.html?rbid=4476&element_id=2
(Update No. 121)

http://en-rules.hkex.com.hk/en/display/display_main.html?rbid=4476&element_id=49
(Update No. 56)

A Guidance Letter on Long Suspension and Delisting which provides guidance relating to the new delisting framework is available at:

http://en-rules.hkex.com.hk/en/display/display.html?rbid=4476&element_id=4490
(GL95-18)

Yours faithfully
For and on behalf of
The Stock Exchange of Hong Kong Limited

[Signed]

David Graham
Chief Regulatory Officer and Head of Listing