

Submitted via Qualtrics

**O'Melveny & Myers
Company / Organisation
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Question 1

Do you agree with our proposal to remove the documents identified in Table 1 in Schedule II of the Consultation Paper and that doing so will not jeopardise market quality?

Yes

Please give reasons for your views.

Based on the information provided in Table 1 in Schedule II, we believe that the proposed removal of certain submission documents may help to streamline the regulatory process without compromising market quality, as these documents are deemed to reiterate existing or proposed requirements or overlap with other requirements or are no longer required in the Listing Rules or Guidance Materials.

We are of the view that since sponsors are required to conduct due diligence and obtain necessary documentary proof, they should be able to provide relevant information to address any concerns raised by the Exchange. In addition, we understand that under Rule 9.03(3), the Exchange still retains the power to return a listing application if the information in the relevant listing application documents is not substantially complete; therefore, we believe this proposal will not compromise the regulatory objectives.

Question 2

Do you agree with our proposal to codify the relevant obligations into the Listing Rules or Guidance Materials and repeal the undertakings, confirmations and declarations as set out in Table 2 in Schedule II of the Consultation Paper?

Yes

Please give reasons for your views.

We believe that the proposal to codify the relevant obligations into the Listing Rules or Guidance Materials and to repeal the undertakings, confirmations, and declarations could streamline the current regulatory framework and improve the efficiency of the submission process, whilst maintaining the necessary regulatory oversight. We support this proposal because such an approach may promote certainties in rules' interpretation and reduce the administrative burden on interested parties. We respectfully recommend that such codified obligations and standards for directors and supervisors are to be drafted clearly and specifically to reduce room for alternative interpretation.

Question 3

Do you agree with our proposal to repeal the requirement for listing agreements for listing of debt securities (except for debt issues to professional investors), structured products and interests in CIS and investment companies by codifying the relevant obligations as set out in Table 3 in Schedule II of the Consultation Paper?

Yes

Please give reasons for your views.

Although the 2011 Consultation Paper focuses on Chapter 37 of the Rules, which deals with the listing of debt securities offered only to professional investors and therefore does not include proposals to codify listing agreements for other types of debt issues, the proposed approach appears to have been successfully implemented in the past, suggesting that it may be a viable option to ensure that the underlying principles of continuing obligations operate correctly. In addition, in order to ensure that the proposed approach is effective, it is important to uphold the principle of continuing obligations, which requires issuers to keep their security holders (and the public) fully informed of all factors that may affect their interests and to treat their security holders in an appropriate manner.

Having considered the above, we agree that the proposed approach can be effective because, notwithstanding the removal of the listing agreement, the Exchange is proposing to include undertakings to comply with the Listing Rules in the relevant listing application forms and in the formal application, which can help ensure that issuers are aware of their obligations and are committed to complying with those obligations.

Question 4

Do you agree with our proposal to incorporate in the Listing Rules an issuer's obligation to obtain necessary authorisations and consents for its actions set out in Part (e) of Table 1 in Schedule II of the Consultation Paper?

Yes

Please give reasons for your views.

We believe that by codifying these obligations, the Exchange can clarify and emphasize that even if the requirement for the underlying authorization documents were to be removed, issuers would still have to obtain proper authorization for relevant actions, such as listing or offering securities. Overall, we believe that the proposal will improve the efficiency of the listing process by ensuring that all necessary authorizations and consents are obtained and documented in a clear and consistent manner. Given that as per the current practice, issuers and legal advisers tend to include the required authorizations and consents in the relevant board and/or shareholders' resolutions which are submitted to the Exchange, it is respectfully suggested that the Exchange provides

guidance on the format and/or content requirements for such authorizations and consents by way of guidance letters to ensure that issuers will fulfill such requirements without having the Exchange to review or obtain the actual authorizations and/or consents going forward.

Question 5

Do you agree with our proposal to require the submission of the overarching undertakings from new applicants and sponsors in the Form A1 referred to in paragraph 38 of the Consultation Paper?

Yes

Please give reasons for your views.

In light of other proposals to remove a significant number of submission documents, we are of the view that having the overarching obligations clearly stated in Form A1 at the beginning of the listing application process would consolidate the existing obligations, thereby eliminating duplication and, more importantly, helping new applicants and sponsors to be more mindful of their obligations throughout the application process, which could facilitate compliance and reduce the risk of non-compliance.

Question 6

Do you agree with our proposal to consolidate the requirement for personal particulars of directors/ supervisors in Form FF004?

Yes

Please give reasons for your views.

Much of the information in the current DU Form and the Form FF004 are repetitive, we believe that consolidating the personal details requirement with the Form FF004 may help facilitate a more efficient application process. We also consider that a declaration by the director or supervisor of his or her personal data submitted in the proposed Personal Details Form will ensure that the proposed changes will not affect the accuracy of the information contained in the form.

Question 7

Do you agree with our proposal to remove signature and/or certification requirements for documents set out in Table 5 in Schedule II of the Consultation Paper?

Yes

Please give reasons for your views.

Under this specific circumstance, the purpose of the signature and certification requirements is merely to evidence the sponsor's approval of the content and to signify

that the submission is a true copy of the original document. At the same time, we understand that other measures are already in place to ensure the accuracy and integrity of the information submitted, i.e., the submission of false or misleading information is a criminal offence under the SFO and a person may be liable if he knowingly or recklessly provides false or misleading information to the Exchange; therefore, we think it is reasonable to consider removing the signature and/or certificate requirements.

Question 8

Do you agree with our proposal to remove from the Listing Rules any requirement for submission of multiple copies of the same document and to require submission of one electronic copy only in respect of the documents set out in Table 6 in Schedule II of the Consultation Paper?

Yes

Please give reasons for your views.

Since the Exchange is proposing to require electronic submission of documents, a single copy should be sufficient for electronic submission.

Question 9

Do you agree with our proposal to mandate electronic means as the only mode of submission to the Exchange unless otherwise specified in the Listing Rules or required by the Exchange?

Yes

Please give reasons for your views.

We respectfully suggest that corresponding measures be introduced to support such submission platform, for instance, it may be helpful to introduce a 24-hour hotline or a hotline which is open for at least the same period when the electronic platform is running in the event that technological issues arise when a time-sensitive submission is being made. We believe it is necessary to ensure that the electronic submission process runs smoothly and that technical difficulties are addressed promptly to avoid delays or other issues.

Question 10

Do you agree with our proposal to mandate the digitalisation of the prospectus authorisation and registration processes?

Yes

Please give reasons for your views.

Digitalizing the prospectus authorization and registration processes can reduce

administrative burdens, increase efficiency, and improve the speed and accuracy of the process. By eliminating the need for physical delivery of documents, it can also help to mitigate the impact of unforeseen circumstances such as office closures, social distancing measures, or extreme weather conditions, which can disrupt the process and potentially delay the issuer's listing timetable. However, before mandating the digitalization of the prospectus authorization and registration processes, it is important to carefully consider the potential challenges that may arise. For instance, it will be necessary to ensure that the digital system is secure and reliable, and the system should also be user-friendly and accessible to all stakeholders, including issuers, advisers, and regulatory bodies.

Question 11

Do you agree with our proposal to amend the Listing Rules to mandate that listed issuers must disseminate corporate communications to their securities holders electronically if this is permitted by their applicable laws and regulations and their constitutional documents?

Yes

Please give reasons for your views.

We agree that the current method incurs significant printing and mailing costs and delays the receipt of notifications. We are of the view that electronic dissemination of corporate communications is a more efficient and environmentally-friendly means of communication than hardcopy dissemination. In addition, the Internet has become increasingly prevalent in Hong Kong and therefore we believe that the dissemination of corporate communications via the Internet is now a feasible and well-accepted alternative to hard copy dissemination. Such dissemination is also in line with other markets such as the A Share market in China.

Question 12

Do you agree with our proposal to allow the consent of holders of a listed issuer's securities to be implied for the electronic dissemination of its corporate communications, to the extent permitted under applicable laws and regulations and its constitutional documents?

Yes

Please give reasons for your views.

Considering the observation of practices in different jurisdictions as summarized in the consultation paper, we believe that the proposed changes will strike a balance between the need for efficient and cost-effective dissemination of corporate communications and the right of investors to choose their preferred method of communication. Also, we believe it will bring the Listing Rules in line with the prevailing trend towards electronic communication and the growing use of the Internet in Hong Kong.

Question 13

Do you agree with our proposal to state in the Rules that Actionable Corporate Communications must be sent to the securities holders individually and in electronic form if the holders provide functional electronic contact details?

Yes

Please give reasons for your views.

Since the proposal defines and provides guidance on what would and would not constitute actionable communications, we believe that with a clear definition, the proposal could ensure that security holders have a fair opportunity to exercise their rights and make informed decisions because publishing such communications only generally on the issuer's and the Exchange's websites could potentially deny securities holders the chance to provide their instructions on such matters.

Question 14

Do you agree that where a listed issuer does not have functional electronic contact details of a securities holder, an Actionable Corporate Communication must be sent to the holder in hard copy form including a request for the security holder's electronic contact details to facilitate electronic dissemination of Actionable Corporate Communications in future?

Yes

Please give reasons for your views.

Although it is generally considered good practice for security holders to maintain up-to-date electronic contact information in order to facilitate the efficient and cost-effective distribution of corporate communications, we agree that when security holders do not have access to functioning electronic contact information, they should still be allowed to access these communications. This also protects the equality of each securities holder.

Question 15

As your answer to Question 13 above is yes, do you agree that we should define Actionable Corporate Communications as "any corporate communication that seeks instructions from an issuer's securities holders on how they wish to exercise their rights as the issuer's securities holders"?

Yes

Please give reasons for your views.

We think this definition seems to be a reasonable and straightforward one. It distinguishes actionable communications from other types of corporate communications, such as notices of shareholder meetings or information about future events, which do not require action by security holders.

Question 16

We invite comments on the manner in which the Appendices to the Listing Rules are proposed to be categorised/amended and whether they will give rise to any ambiguities or unintended consequences.

We generally support the proposal. The changes were made to address certain issues such as the removal of repealed or unnecessary appendices, inconsistencies in the organization of the forms, and the need to make it easier for users to find relevant appendices. Reorganizing appendices by topic may be a useful way to help users find the information they need more easily. However, if the appendices are not clearly categorized, or if there are overlaps or gaps between topics, this may lead to confusion for users. We recommend that it is important to ensure that new categories are well thought out and clearly communicated to users. We also recommend that contents in guidance letters and/or listing decisions are also reviewed, considered and incorporated/repealed in light of the re-categorization/amendments of the Appendices.

Question 17

Do you agree with our proposal to remove the requirement for physical attendance by members to meet the quorum needed for meetings of the Listing Committee and Listing Review Committee?

Yes

Since your answer is “no”, please give reasons for your views.

Question 18

Do you agree with our proposal to make minor changes to the Listing Rules described in paragraph 122 to reflect current practices and requirements?

Yes

Since your answer is “no”, please give reasons for your views.