

CHAPTER 2

GENERAL LISTING REQUIREMENTS AND PROCEDURES

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Introduction

- 2.1 These listing rules have been made by the Exchange pursuant to the authority vested in it under section 11 of the Stock Exchange Company Law (2014 revision).
- 2.2 The principal function of the Exchange is to provide a fair, orderly and efficient market for the trading of securities issued by all types of issuers. In furtherance of these goals, these listing rules prescribe the requirements for obtaining and maintaining a place on the Exchange's official list of securities eligible for trading on the Exchange. These include the following:
 - (a) requirements which have to be met before securities may be granted a listing on the Exchange (such as the minimum requirements for listing, application procedures and fees payable, the contents of listing documents and the role of the listing agent);

- (b) the continuing obligations with which an issuer must comply once a listing has been granted; and
 - (c) the powers of the Exchange with respect to the suspension or cancellation of a listing and other disciplinary matters.
- 2.3 It is emphasised that the listing rules are not exhaustive. The Exchange may, where necessary, impose additional requirements or make listing subject to special conditions whenever that is considered appropriate. Issuers must satisfy any additional requirements and supply any further documents and information that the Exchange may require in any particular case. Conversely the Exchange may modify the application of the listing rules (either unconditionally or subject to conditions) in such cases and circumstances as it considers appropriate.
- 2.4 These listing rules may be amended or added to by the Exchange from time to time, subject to the prior approval of the Authority.
- 2.5 All issuers and their businesses must, in the opinion of the Exchange, be suitable for listing. Suitability for listing depends on many factors. Applicants for listing must appreciate that compliance with these listing rules may not of itself ensure an applicant's suitability for listing. The Exchange, the listing committee and the Council, as appropriate, retain absolute discretion to accept or reject applications and in reaching their decisions will pay particular regard to the general principles outlined below.
- 2.6 Compliance with these listing rules and other relevant conditions does not in and of itself ensure that any application for listing will be granted. Where there is any doubt as to the eligibility of a proposed application for listing prospective issuers and their listing agents are therefore encouraged to contact the Exchange staff to seek informal and confidential guidance at the earliest possible time. Requests for guidance should normally be made in writing, addressing each of the conditions for listing in the relevant chapter of Section II of these rules and providing relevant background information. Guidance provided will be non-binding on the Exchange and subject to successful completion of an application for listing in accordance with these rules. The Exchange reserves the right to charge an administrative fee in accordance with the schedule of fees published on its website for providing such guidance.

General principles

- 2.7 These listing rules reflect currently accepted international standards and seek to achieve a sound balance between providing appropriate issuers with access to the capital market at the earliest possible opportunity, while providing investors with certain safeguards and with sufficient and timely information to enable them to make informed decisions as to the value and merits of listed securities. In particular, these listing rules are intended to ensure that investors have and can maintain confidence in the market and that:
 - (a) issuers and their businesses are suitable for listing;

- (b) the issue and marketing of securities is conducted in a fair, open and orderly manner and that potential investors are given sufficient information to enable them to make a properly informed assessment of the issuer, and of the securities for which listing is sought;
- (c) after listing, investors and the public are kept fully informed by the issuers of any new developments which are not of public knowledge and in particular that immediate disclosure is made to the Exchange of any information which might reasonably be expected to have a material effect on market activity in, and the prices of, the issuers' listed securities;
- (d) all holders of listed securities of the same class are treated fairly and equally; and
- (e) the directors of an issuer act in the interests of its shareholders as a whole, particularly where the public represents only a minority of the shareholders.

Appointment of a listing agent

- 2.8 Except in the case of specialist debt securities, depositary receipts, derivative warrants, corporate and sovereign debt securities and debt securities of specialist companies listed under chapters 8, 10, 11, 12 and 14 respectively and in the case of securities which are the subject of a secondary listing under chapter 7, all issuers must appoint a listing agent registered on the approved list of listing agents maintained by the Exchange in connection with their application for listing. Issuers of equity securities under chapter 6 which are not specialist companies must have and maintain a listing agent on an ongoing basis unless otherwise agreed by the Exchange. A listing agent must also be appointed to liaise with the Exchange whenever an issuer is required under chapter 6 to submit a shareholder circular for approval by the Exchange. The Exchange retains the discretion to require the appointment of an adviser acceptable to the Exchange, and/or listing agent for applications for listing of specialist debt securities, depositary receipts, derivative warrants, corporate and sovereign debt securities and debt securities of specialist companies under chapters 8, 10, 11, 12 and 14 respectively. Any listing agent appointed must ensure that the issuer receives sound, fair and impartial guidance and advice as to the application of these listing rules and that all necessary documents supporting an application for listing are filed with the Exchange. Listing agents are responsible for communicating with the Exchange during the application process.
- 2.9 Following the granting of listing, every issuer must appoint either a listing agent or authorised representatives to act at all times as the issuer's principal channel of communication with the Exchange for all purposes and notify the Exchange of such appointment. If the issuer chooses to appoint authorised representatives, there must be at least two, being either the directors of the issuer (which for these purposes may include the company secretary), or a person acceptable to the Exchange.

Listing documents

- 2.10 Issuers seeking a listing for their securities on the Exchange must prepare a listing document or one or more such documents and or pricing supplements, which contains the information required by this chapter and the applicable chapter of section II of the listing rules.
- 2.11 In addition to the detailed requirements set out in the applicable chapter of section II, the listing document must, as an overriding principle, contain all information which, according to the particular nature of the issuer and the securities for which listing is sought, is necessary to enable an investor to make an informed assessment of the activities, assets and liabilities, financial position, management and prospects of the issuer and of its profits and losses and of the obligations of and rights, powers and privileges of such securities.
- 2.12 The listing document must not contain information which, in the opinion of the Exchange, is of a misleading nature. Any promotional statements in the listing document must be factually supportable.
- 2.13 The listing document must be submitted to the Exchange in draft in reasonable time for the Exchange to review it and for amendments to be made to it prior to the proposed publication date.
- 2.14 Where any document is annexed to the listing document, a statement must be included that such annex forms part of the listing document.
- 2.15 Information in the listing document and any document used by the issuer for the purposes of promoting the sale of the securities for which listing is sought must be consistent.

Non-publication of certain information

- 2.16 The Exchange may allow the non-publication of certain information, which would otherwise have been required to be published in accordance with the requirements set out in the applicable chapter of section II, provided the Exchange receives satisfactory written confirmation that its publication would be contrary to public interest or unduly detrimental to the issuer and the non-publication of such information would not be likely to mislead investors with regard to the facts and circumstances, knowledge of which is essential for the assessment of the securities in question.

Financial information

- 2.17 Any pro forma financial information included in a listing document must be derived from the latest available audited information and any adjustments must be clearly shown and explained. The pro forma information, must clearly state the following:
- (a) the purpose for which it has been prepared;

- (b) the fact that it has been prepared for illustrative purposes only;
 - (c) the fact that because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent the company's actual financial position or results.
- 2.18 Where historical performance data appears in a listing document, the source of such information and the basis of any calculations must be disclosed.
- 2.19 All unaudited financial information and hypothetical projections must be clearly marked as such.

Incorporation by reference

- 2.20 Information may be incorporated in a listing document by reference to listing documents that have been previously approved by or financial statements filed with the Exchange, or in the case of a secondary listing under Chapter 7 with the issuer's primary exchange. The Exchange may allow incorporation by reference of documents which have been filed with another recognised stock exchange or statutory securities regulatory body otherwise acceptable to the Exchange.
- 2.21 A listing document must specify where investors can view any information incorporated by reference.
- 2.22 A copy of any information to be incorporated by reference must be submitted to the Exchange in reasonable time for the Exchange to review it prior to the proposed publication date of the listing document.

Documents approved by other exchanges

- 2.23 Where a listing document has previously been approved by a recognised stock exchange or statutory securities regulatory body otherwise acceptable to the Exchange it may be used in connection with the issuer's application to list securities on the Exchange.

English language

- 2.24 The listing document, documents for inspection and every other document submitted to the Exchange in support of an application for listing must be in the English language or accompanied by an English translation certified as being accurate by a party acceptable to the Exchange.

Application for listing

- 2.25 The listing document must be formally approved by the Exchange before publication. Such approval will only be given if the Exchange considers that the information in the listing document is complete. The following documents must be submitted to the

Exchange in either hardcopy or electronic format, together with the initial listing fee and, where applicable, the annual fee in respect of the first year, which is calculated in accordance with the schedule of fees published on the Exchange's website, before formal approval is given:

- (a) an application for admission to listing, in the form set out in the appendices to these listing rules;
- (b) copy of the listing document in final form;
- (c) a declaration by the issuer or, in the case of unsponsored depositary receipts to be listed under chapter 10, a declaration by the applicant, in the form set out in the appendices to these listing rules;
- (d) except in the case of specialist debt securities to be listed under chapter 8, unsponsored depositary receipts to be listed under chapter 10, derivative warrants to be listed under chapter 11, corporate and sovereign debt securities to be listed under chapter 12, debt securities of specialist companies to be listed under chapter 14 and securities which are the subject of a secondary listing under Chapter 7, a declaration for each director and proposed director of the issuer, or in the case of an issuer which is a unit trust each trustee or proposed trustee, unless such a declaration has previously been filed with the Exchange in the form set out in the appendices to these listing rules;
- (e) in the case of unsponsored depositary receipts to be listed under chapter 10, a depositary's undertaking, in the form set out in the appendices to these listing rules;
- (f) where a listing agent has been appointed, a declaration by the listing agent, in the form set out in the appendices to these listing rules;
- (g) a letter from the issuer or duly authorised representative confirming which of the listing requirements, if any, do not apply;
- (h) a letter from the issuer or duly authorised representative requesting, where relevant, non-publication of certain information, giving reasons for such request;
- (i) where applicable, a shareholders' statement in the form set out in the appendices to these listing rules;
- (j) in the case of securities which are the subject of a secondary listing under Chapter 7, the most recent prospectus or comparable listing document filed with the issuer's primary regulatory exchange and the issuer's most recent audited annual financial statements and any subsequent interim financial statements; and
- (k) such other documents as may be required by the Exchange.

Supporting documents

2.26 The Exchange may, at any time before or after the admission to listing, require the issuer to produce to the Exchange a copy of any of the following where applicable:

- (a) a copy of the issuer's constitutional documents and all amendments to date;
- (b) the audited annual financial statements of the issuer and of any guarantor for each of the periods which form part of the issuer's or guarantor's financial record contained in the listing document;
- (c) any interim financial statements made up since the date to which the last audited annual financial statements were made up and prior to admission;
- (d) in the case of specialist debt securities, a copy of the executed trust deed of the issuer, paying agency agreement, swap agreement, derivatives contract, repurchase agreement, security lending agreement, guarantee, surety, financial policy or any other material contracts pertaining to the issue;
- (e) in the case of depositary receipts, a copy of the executed deposit agreement and paying agency agreement (if any) and any other material contracts pertaining to the issue;
- (f) in the case of derivative warrants, a copy of the executed warrant agreement, warrant instrument, guarantee and any other material contracts pertaining to the issue;
- (g) in the case of corporate and sovereign debt securities and debt securities of specialist companies, a copy of the executed trust deed of the issuer, paying agency agreement, guarantee and any other material contracts pertaining to the issue;
- (h) a copy of any reports, letters, valuations, statements by experts, contracts or other documents referred to in the listing document;
- (i) a copy of any temporary and definitive document of title; and
- (j) a copy of any resolutions, authorisations or approvals by virtue of which the securities were created and/or issued and/or redeemed or cancelled.

The issuer must retain copies of such documents for a period of seven years so that it can comply with any request from the Exchange.

Further issues

2.27 A listing document is not required in the case of an application by a listed issuer for a further issue of securities where:

- (a) the securities are of the same class as a class of securities already listed on the Exchange and the nominal value of securities to be issued does not exceed twenty per cent. of the nominal value of the securities of that class which are already listed;
- (b) the securities are allotted by way of a capitalisation or bonus issue to existing holders in proportion to their existing holdings out of the issuer's reserves or profits without payment of any kind to the issuer by the existing holders;
- (c) the securities result from the exercise of options, warrants or similar rights to subscribe or purchase securities which are already listed on the Exchange; or
- (d) the securities are of the same class as a class of securities already listed on the Exchange and the nominal value of securities to be issued does not exceed the maximum nominal amount of securities that may be in issue and listed at any one time previously approved by the Exchange.

In such cases, payment of the initial listing fee, which is calculated in accordance with the schedule of fees published on the Exchange's website, and application for admission to listing must be made to the Exchange at least forty-eight hours prior to the issue of such securities.

For issues of securities in excess of the threshold referred to in rule 2.27(a) or of the notified maximum referred to in rule 2.27(d) the initial application and publication procedures as set out in these rules must be followed.

Supplementary listing document

2.28 A supplementary listing document must be prepared for approval by the Exchange if, during the relevant period, the issuer becomes aware that:

- (a) there has been a significant change in any matter contained in the listing document; or
- (b) a significant new matter has arisen, the inclusion of information in respect of which would have been required to be mentioned in the listing document had it arisen at the time of its preparation.

The relevant period begins when the listing document is approved by the Exchange and ends with the closure of the offer of securities to which the listing document relates or where relevant when trading of the securities begins, whichever is later.

2.29 The supplementary listing document must be in the English language or accompanied by an English translation certified as being accurate by a party acceptable to the Exchange

and must be submitted to the Exchange in draft in reasonable time for the Exchange to review it and for amendments to be made to it prior to the proposed publication date.

- 2.30 Where a supplementary listing document is submitted to the Exchange for approval the documents referred to in rule 2.25 need only be submitted insofar as there has been any material change to the documents submitted with the application for approval of the initial listing document.

Publication and circulation of listing documents

- 2.31 A listing document and any supplementary listing document must not be published until it has been formally approved by the Exchange.

- 2.32 A listing document and any supplementary listing document must be published by the issuer by:

- (a) making it available to the public for inspection at:
 - (i) the Exchange; and
 - (ii) the issuer's registered office or such other place (including the issuer's website) acceptable to the Exchange for a reasonable period of time (being not less than fourteen days commencing on the date of the formal approval by the Exchange of the listing document or supplementary listing document); and
- (b) circulating it to existing holders of listed securities.

- 2.33 Where a listing document is prepared by a listed issuer in respect of a further issue of shares and existing holders are being offered an opportunity to subscribe for or acquire the securities concerned, the listing document must be circulated to the holders of the securities of the relevant class. Where a supplementary listing document is published, it must also be circulated to such holders.

- 2.34 If the method of listing involves a public distribution or offering of securities then the issuer must ensure that a notice stating where members of the public may obtain a copy of the listing document free of charge is published in the newspapers at the start of the distribution or offering process.

Publication and circulation of financial statements

- 2.35 Annual financial statements and any interim financial statements must be published by the issuer by:
- (a) making them available to the public for inspection at:

- (i) the Exchange; and
 - (ii) the issuer's registered office or such other place (including the issuer's website) acceptable to the Exchange for a period of at least one year; and
- (b) circulating them to existing holders of the listed securities.

Publication, circulation and availability for inspection by electronic means

2.36 Any requirement in these rules for issuers to publish, circulate, make available for inspection or otherwise distribute documents or information may be satisfied by the use of electronic means satisfactory to the Exchange provided that hardcopies are made available to existing holders of the listed securities free of charge upon request.

Admission to listing

2.37 Where the application for listing is for securities of a class which has not previously been listed on the Exchange the securities will not be admitted to listing unless and until the issue of such securities has commenced.

Continuing obligations

2.38 An issuer seeking a listing for its securities on the Exchange or, in the case of a listing of un-sponsored depositary receipts under chapter 10, the depositary, is required to enter into an undertaking with the Exchange to comply with the continuing obligations of the Exchange as set out in the relevant chapters of these listing rules and (other than for open-ended investment funds and issuers of specialist securities) in the Code on Takeovers and Mergers, and Rules Governing Substantial Acquisitions of Shares. The form of undertaking required is set out in the appendices to these listing rules.

2.39 Generally and apart from compliance with the specific requirements of these listing rules, the issuer must keep the Exchange, the members of the issuer and other holders of its listed securities informed as soon as reasonably practicable, by way of public announcements or circulars, of any information relating to the group that:

- (a) is necessary to enable them and the public to appraise the financial position of the group;
- (b) is necessary to avoid the establishment of a false market in its securities; or
- (c) might reasonably be expected materially to affect market activity in and the price of its securities.

2.40 The Exchange shall be entitled to require the publication of further information by, and impose additional continuing obligations on, the issuer, or require the issuer to produce to the Exchange further documents and information, where it considers that circumstances so justify. However, the Exchange will notify the issuer of its intention to do so and will

- allow representations by the issuer before imposing any additional obligations on it which are not imposed generally by the Exchange on issuers of the same type of listed security.
- 2.41 All issuers must respond promptly to any enquiries made by the Exchange concerning unusual movements in the price or trading volume of its listed securities, or any other matters, by giving such relevant information as is available to the issuer or, if appropriate, by issuing a statement to the effect that the issuer is not aware of any matter or development that may be relevant to the unusual price movement or trading volume of its listed securities.
- 2.42 Insiders of the issuer must not trade on the basis of unpublished price sensitive information. Furthermore, insiders should refrain from trading, even after price sensitive information has been released to the press, for a period sufficient to permit thorough public dissemination and evaluation of the information.