

The GEM Listing Rules have been amended as marked.

1.01

“affiliated company”

a company which, in accordance with the ~~Statements of Standard Accounting Practice~~ Hong Kong Financial Reporting Standards issued by the Hong Kong ~~Society~~ Institute of Certified Public Accountants, is recorded using the equity method of accounting in an entity’s financial statements. This includes associated companies and jointly controlled entities as defined in those standards

“Hong Kong Financial Reporting Standards” or “HKFRS”

~~financial reporting standards approved~~ Standards and interpretations issued by the ~~Council of the~~ Hong Kong ~~Society~~ Institute of Certified Public Accountants (“HKICPSA”). They comprise (i) Hong Kong Financial Reporting Standards, (ii) Hong Kong Accounting Standards (formerly Statement of Standard Accounting Practice), and (iii) Interpretations and includes all Statements of Standard Accounting Practice (“SSAP”) and interpretations of HKFRS approved by the HKSA from time to time

5.15 Every issuer must ensure that, at all times, it employs an individual on a full time-basis. The responsibility of such individual must include oversight of the issuer and its subsidiaries in connection with its financial reporting procedures and internal controls and compliance with the requirements under the GEM Listing Rules with regard to financial reporting and other accounting-related issues. The individual must be a member of the senior management of the issuer (preferably an executive director) and must be a qualified accountant and a ~~fellow or associate member of~~ certified public accountant registered with the Hong Kong ~~Society~~ Institute of Certified Public Accountants or a similar body of accountants recognised by that ~~Society~~ Institute for the purpose of granting exemptions from the examination requirement for membership of that ~~Society~~ Institute.

5.28

Notes: 3. For further guidance on establishing an audit committee, listed issuers may refer to “A Guide for Effective Audit Committees” published by the Hong Kong ~~Society~~ Institute of Certified Public Accountants (formerly known as the Hong Kong Society of Accountants) in February 2002. Issuers may adopt the terms of reference set out in that guide, or they may adopt any other comparable terms of reference for the establishment of an audit committee.

7.02 All accountants' reports must be prepared by ~~professional~~ certified public accountants who are qualified under the Professional Accountants Ordinance for appointment as auditors of a company and who are independent both of the issuer and of any other company concerned to the same extent as that required of an auditor under the Companies Ordinance and in accordance with the requirements on independence issued by the Hong Kong ~~Society~~ Institute of Certified Public Accountants, provided that, in the case of a circular issued by a listed company in connection with the acquisition of an overseas company, the Exchange may be prepared to permit the accountants' report to be prepared by a firm of accountants which is not so qualified but which is acceptable to the Exchange. Such a firm must normally have an international name and reputation and be a member of a recognised body of accountants.

7.08(3) the accountants' report must state that it has been prepared in accordance with the Auditing Guideline – Prospectuses and the reporting accountant (Statement 3.340) issued by the Hong Kong ~~Society~~ Institute of Certified Public Accountants;

7.18

Note: Where a listing applicant is seeking a simultaneously listing and is precluded by the regulation in that jurisdiction from making adjustments as envisaged by rule 7.18, additional information should be provided to show details of the adjustments (if any) and the effect of such on the results and net assets and liabilities as if such adjustments would have been made for purpose of the accountants' report prepared on the basis in accordance with the Auditing Guideline "Prospectus and the Reporting Accountant" issued by the Hong Kong ~~Society~~ Institute of Certified Public Accountants."

18.09(3) Where a listed issuer includes in its annual report particulars of a ~~connected~~ related party transaction or continuing ~~connected~~ related party transaction (as the case may be) in accordance with the Statement of Standard Accounting Practice "Related Party Disclosures" or Hong Kong Accounting Standard "Related Party Disclosures", as appropriate, issued by the Hong Kong ~~Society~~ Institute of Certified Public Accountants or applicable International Financial Reporting Standards, a statement as to whether or not the transaction falls under the definition of "connected transaction" or "continuing connected transaction" (as the case may be) in Chapter 20. The listed issuer must also confirm whether or not it has complied with the disclosure requirements in accordance with Chapter 20.

18.20 A statement as to the reasons for any significant departure from accounting standards approved by the Hong Kong ~~Society~~ Institute of Certified Public Accountants, if the relevant accounts are drawn up in accordance with Hong Kong Financial Reporting Standards, or the International Accounting Standards Board, if the relevant accounts are drawn up in accordance with International Financial Reporting Standards.

20.11

(4) (c)

Notes: 1. A company which is an “associate” of a person referred to in rules 20.11(1), (2) or (3) only because that person has an indirect interest in the company through its shareholding in the listed issuer is not a connected person.

2. A non wholly-owned subsidiary will not be regarded as an associate of a substantial shareholder of that non wholly-owned subsidiary if such substantial shareholder is a connected person only by virtue of being a director of the non wholly-owned subsidiary and/or is a substantial shareholder in the non wholly-owned subsidiary concerned.

24.14 The accounts must be audited to a standard comparable to that required by the Hong Kong ~~Society~~ Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board of the International Federation of Accountants.

25.26 The accounts must be audited to a standard comparable to that required by the Hong Kong ~~Society~~ Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board of the International Federation of Accountants.

31.43 The accounts must be audited to a standard comparable to that required by the Hong Kong ~~Society~~ Institute of Certified Public Accountants or by the International Auditing and Assurance Standards Board of the International Federation of Accountants.

Paragraph 3(2) of Appendix 9

3. Transaction Levy on New Issues

(2) The transaction levy together with the investor compensation levy shall be calculated on an aggregated basis at the aggregate rate of 0.007 per cent. (rounded to the nearest cent) ~~(or such other rate or by applying the percentage rates as specified from time to time in the Securities and Futures (Levy) Order and the Securities and Futures (Investor Compensation - Levy) Rules) of~~ to the total consideration payable to the issuer by a subscriber/purchaser for each security under the relevant Qualifying Transaction.

Note 4 to paragraph C.3.3 of Appendix 15

C.3.3

(n) ...

Notes: 4

For further guidance on the duties of an audit committee, issuers may refer to the “Principles of Auditor Independence and the Role of Corporate Governance in Monitoring an Auditor’s Independence” issued by the Technical Committee of the International Organization of Securities Commissions in October 2002 and “A Guide for Effective Audit Committees” published by the Hong Kong ~~Society~~ Institute of Certified Public Accountants (~~as it was then known~~ formerly known as the Hong Kong Society of Accountants) in February 2002. Issuers may also adopt the terms of reference set out in those guides, or they may adopt any other comparable terms of reference for the establishment of an audit committee.