
AMENDMENTS TO THE GEM LISTING RULES

Chapter 3

GENERAL

COMPOSITION, POWERS, FUNCTIONS AND PROCEDURES OF THE GEM LISTING COMMITTEE, THE LISTING APPEALS COMMITTEE AND THE LISTING DIVISION

Functions and powers of the Listing Appeals Committee

- 3.37 The Listing Appeals Committee shall be the review body in respect of any decision of the GEM Listing Committee on any of the following matters:—
- (5) ~~[Repealed[●]] that a request by an issuer for the suspension of dealings in its securities has been rejected or where a decision has been made to direct the resumption of dealings in the issuer's securities;~~
 - (6) ...

Chapter 4

GENERAL

REVIEW PROCEDURE

Review cases to be considered by the Listing Appeals Committee

- 4.07 The Listing Appeals Committee shall be the review hearing body in respect of any decision of the GEM Listing Committee or the GEM Listing (Review) Committee on any of the following matters:—
- (5) ~~[Repealed[●]] Rejection of a suspension of dealings or decision to direct a resumption of dealings~~
 - (a) ~~Where the Listing Division rejects an application by a listed issuer for a suspension of dealings in its securities or a decision is made to direct the resumption of dealings in accordance with rule 9.12, the listed issuer shall have the right to have that decision referred to the GEM Listing Committee for review.~~

~~(b) Where the GEM Listing Committee endorses, modifies or varies the Listing Division's decision, that listed issuer shall have the right to have the decision reviewed by the Listing Appeals Committee, whose decision shall be conclusive and binding on that listed issuer~~

(6) Cancellation of a listing

(a) ...

(b) Where the GEM Listing Committee considers it necessary decides to cancel the listing of a listed issuer in any of the circumstances set out in rule 9.14 or rule 9.14A(1), the listed issuer shall have the right to have that decision referred to the GEM Listing (Review) Committee ~~again~~ for review.

(c) Where the GEM Listing (Review) Committee endorses, modifies or varies the earlier decision of the GEM Listing Committee, the listed issuer shall have a right to further and final review of that decision by the Listing Appeals Committee, whose decision shall be ~~conclusion~~ conclusive and binding on the listed issuer.

(d) For the avoidance of doubt, any decision to cancel a listing within sub-paragraph (b) above is subject to the procedures set out in this Chapter, notwithstanding that the reasons for the cancellation include or amount to a breach of the GEM Listing Rules by the listed issuer.

Time of application

4.08 (1) Subject to (3) below, A Review Request for reviewing any decision of the Listing Division, the GEM Listing Committee or the GEM Listing (Review) Committee (as the case may be) under rules 4.05(1), 4.06 and 4.07 must be served on the Secretary, within 7 business days of receipt of either the relevant decision, or if the relevant party requests a written decision under rule 4.13(1), that written decision.

(2) A Review Request for reviewing a Return Decision or a GEM Listing Committee's decision to endorse a Return Decision must include the grounds for the review together with reasons and be served on the Secretary within 5 business days of receipt of the written decision under rule 4.13(2).

- (3) A Review Request made under rule 4.06 for reviewing a decision of the Listing Division to direct the resumption of dealings or, if such decision has been referred to the GEM Listing Committee for review, the GEM Listing Committee's decision on such review, must include the grounds for the review together with reasons and be served on the Secretary within 5 business days of receipt of the written decision under rule 4.13(3).

Request for written reasons

- 4.13 (1) Except for a review relating to a Return Decision or a decision to direct the resumption of dealings, on receipt of a decision by the Listing Division, the GEM Listing Committee, the GEM Listing (Review) Committee or the Listing Appeals Committee (as the case may be) a relevant party has 3 business days to request written reasons for the decision. The Listing Division, the GEM Listing Committee, the GEM Listing (Review) Committee or the Listing Appeals Committee (as the case may be) will provide written reasons within 14 business days of receipt of the request.
- (2) The Listing Division, the GEM Listing Committee or the GEM Listing (Review) Committee (as the case may be) will provide written reasons for its Return Decision or decision to endorse a Return Decision.
- (3) The Listing Division, the GEM Listing Committee or the GEM Listing (Review) Committee (as the case may be) will provide written reasons for its decision to direct the resumption of trading under rule 9.12 or decision to endorse such a decision.

Chapter 9

GENERAL

TRADING HALT, SUSPENSION AND RESUMPTION OF DEALINGS, CANCELLATION AND WITHDRAWAL OF LISTING

Trading halt or suspension

- 9.04 Under rule 9.01, the Exchange may direct a trading halt or suspend dealings in an issuer's securities regardless of whether or not the issuer has requested the same and may do so in any circumstances, including:-
- (5) ~~[Repealed[●]] where there is a breach of the GEM Listing Rules, the severity of which, in the opinion of the Exchange, justifies suspension (and without prejudice to any other action which the Exchange may take under the GEM Listing Rules); or~~

Resumption

- 9.12 Under rule 9.01, the Exchange may direct the resumption of dealings in securities. In particular, the Exchange may:-
- (1) without prejudice to rule 9.11, require an issuer to publish an announcement, in such terms and within such period as the Exchange shall, in its discretion, direct, notifying the resumption of dealings in the issuer's securities, following the publication of which the Exchange may direct resumption of dealings; and/or
- (2) direct a resumption of dealings following the publication of an announcement by the Exchange notifying the resumption of dealings in the securities.

Note: The Exchange may set out the issuer's submission for continued suspension in the Exchange's announcement referred to in (2) above.

- 9.13 ~~The power conferred upon the Exchange by rule 9.12 shall be subject to the review process set out in rule 4.06. not be exercised without first giving the issuer of the securities subject to trading halt or suspension the opportunity of having the matter reviewed in accordance with rule 4.07(5). At any hearing in connection with a direction for resumption, the burden shall be on the issuer opposing the resumption to satisfy the Exchange that a continued trading halt or suspension would be appropriate.~~

Cancellation of listing

9.14A (1) Without prejudice to its power under rule 9.14, the Exchange may cancel the listing of any securities that have been suspended from dealings for a continuous period of 12 months.

(2) As a transitional arrangement,

(a) Subject to (b), for an issuer whose securities have been suspended from dealings as at the effective date of rule 9.14A(1) (the "Effective Date"), the 12 month period referred to in rule 9.14A(1) commences from the Effective Date.

(b) For issuers which are subject to a decision to commence the procedures to cancel a listing and a notice period for delisting immediately before the Effective Date, such decision and notice period continue to have effect on the relevant issuer. This is notwithstanding that the actual cancellation of listing has not taken place as at the Effective Date.

9.15 ~~Without prejudice to rules 9.14 and 9.14A(1), in circumstances where the Exchange proposes to exercise its right to cancel a listing, notice of the same will usually be given to the issuer by the Exchange indicating a period (ordinarily, of 6 months) within which the Exchange would expect the issuer to have remedied those matters that gave rise to the Exchange's proposal to cancel the listing (or otherwise to have submitted to the Exchange proposals intended to remedy the same). it may:~~

(1) publish an announcement naming the issuer and specifying the period (ordinarily, of 6 months) within which the issuer must have remedied those matters which have given rise to such circumstances. Where appropriate the Exchange will suspend dealings in the issuer's securities. If the issuer fails to remedy those matters within the specified period, the Exchange will cancel the listing. The Exchange may treat any proposals to remedy those matters as if they were an application for listing from a new applicant for all purposes and, in which case, the issuer must

comply with the requirements for new listing applications as set out in the GEM Listing Rules; or

- (2) cancel the listing of the issuers' securities following the Exchange's publication of an announcement notifying the cancellation of the listing.

9.15A For the purpose of rule 9.14A(1), the Exchange may cancel the listing of an issuer's securities following the Exchange's publication of an announcement notifying the cancellation of the listing.

Chapter 17

EQUITY SECURITIES

CONTINUING OBLIGATIONS

Sufficient operations

17.26 An issuer shall carry out, directly or indirectly, a sufficient level of operations or have tangible assets of sufficient value and/or intangible assets for which a sufficient potential value can be demonstrated to the Exchange to warrant the continued listing of the issuer's securities.

Note: Characteristics of issuers which are unable to comply with rule 17.26 include:

- (i) financial difficulties to an extent which seriously impairs an issuer's ability to continue its business or which has led to the suspension of some or all of its operations; and/or
- (ii) issuers which have net liabilities as at their balance sheet date i.e. issuers whose liabilities exceed their assets.

17.26A An issuer must, after trading in its listed securities has been suspended, publish ~~periodic~~ quarterly announcements of its developments.

Chapter 19

EQUITY SECURITIES

NOTIFIABLE TRANSACTIONS

Requirements for all transactions

Trading halt and suspension of dealings

- 19.37 (1) ~~[Repealed[●]] Where an issuer has signed an agreement in respect of a share transaction, major transaction, very substantial disposal, very substantial acquisition or reverse takeover and the required announcement has not been published on a business day, it must apply for a trading halt or a trading suspension pending the announcement.~~
- (2) ~~[Repealed[●]] Without prejudice to rule 19.37(1), an issuer that has signed an agreement in respect of a notifiable transaction which it reasonably believes would require disclosure under the Inside Information Provisions must immediately apply for a trading halt or a trading suspension pending announcement of the agreement.~~
- (3) ...
- (4) ...
- (5) In the case of a reverse takeover, suspension of dealings in the issuer's securities must continue until the issuer has announced sufficient information. Whether the amount of information disclosed in the announcement is sufficient or not is determined on a case-by-case basis.