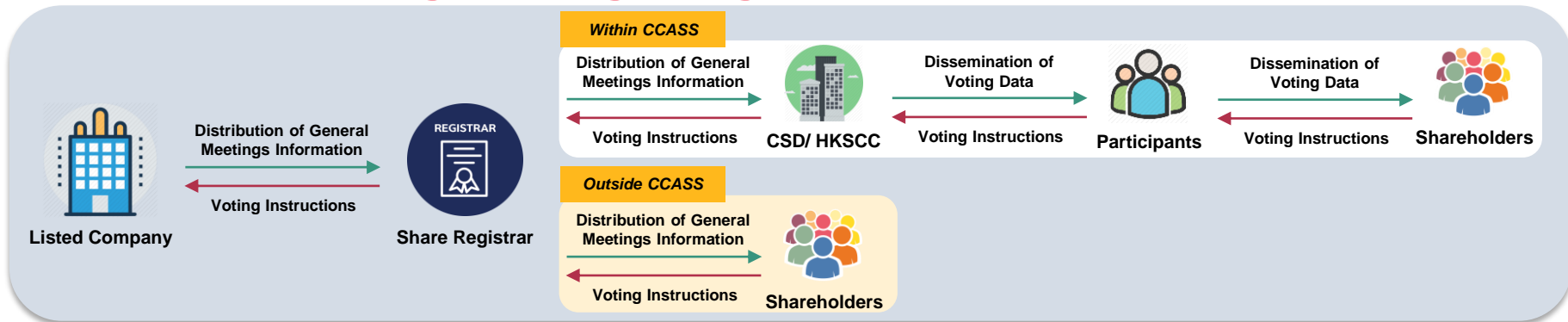




**HYBRID VIRTUAL MEETING
IN HK**

HKEX
香港交易所

General Meeting in Hong Kong

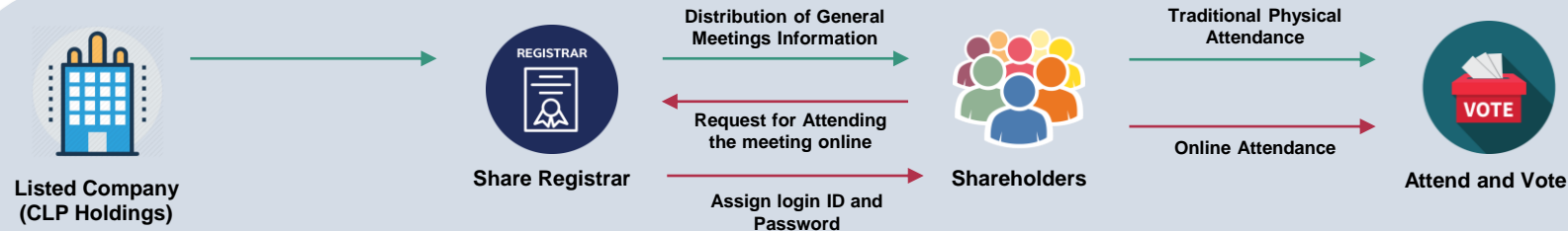


Role and Responsibilities of HKSCC as CSD

- Securities are held under the name of HKSCC Nominee.
- HKSCC provides services to its participants only (runs as a membership/ participantship).
- Depository Services – Provide share deposit and withdrawal services (physical certificates).
- Nominee Services – Provide relevant corporate actions affecting eligible securities and distribute these information to HKSCC participants.
- Exercise shareholder rights in respect of the securities held in HKSCC



Hybrid Virtual Meeting in Hong Kong



How does it work?

- Hybrid virtual meeting is a combination of physical meeting and virtual meeting.
- To comply with relevant rules and regulatory requirements, listed companies in Hong Kong are required to convene physical shareholder meetings.
- Shareholders are given two options on the hybrid virtual meeting: either attend and vote the meeting in person, or view a live webcast and vote online in real time (via online platform or APP).

Our experience:

- HKSCC opted for attend the meeting in person due to logistics and time concern.
- In preparation for the next meeting online, HKSCC will cooperate with share registrar on the enrollment arrangement before the meeting.

Benefits of Virtual Meeting



TIME SAVING

Save travel time for representatives to attend the general meeting



REAL-TIME INFO SHARING

Allow information sharing instantly through connecting the virtual meeting software



CHOICES

Open different options for the shareholders to vote: attend in person; by way of proxy; online attendance.



MINIMIZE TIME ZONE DIFFERENEC

Allow foreign investors to participant general meetings in different time zones and locations

Challenges of Virtual Meeting



REGULATORY COMPLIANCE

In general, sole virtual meeting is not supported under company ordinance.
Listed company is required to convene physical shareholder meeting. Traditional meeting or hybrid virtual meeting are the only option.



MARKET ACCEPTANCE

Less than 1% of listed companies are willing to conduct virtual meeting due to high capital cost



MARKET READINESS

Require huge resources to integrate virtual meeting tools into setting up general meeting and ensure operational readiness

DISCLAIMER

The information contained in this presentation is for general informational purposes only and does not constitute an offer, solicitation, invitation or recommendation to subscribe for or purchase any securities or other products or to provide any investment advice of any kind. This presentation is not directed at, and is not intended for distribution to or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation or which would subject Hong Kong Exchanges and Clearing Limited (“HKEX”) to any registration requirement within such jurisdiction or country.

This presentation contains forward-looking statements which are based on the current expectations, estimates, projections, beliefs and assumptions of HKEX about the businesses and the markets in which it and its subsidiaries operate or aspires to operate in. These forward-looking statements are not guarantees of future performance and are subject to market risk, uncertainties and factors beyond the control of HKEX. Therefore, actual outcomes and returns may differ materially from the assumptions made and the statements contained in this presentation. The implementation of these initiatives is subject to a number of external factors, including government policy, regulatory approval, the behaviour of market participants, competitive developments and, where relevant, the identification of and successful entry into agreements with potential business partners. As such, there is no guarantee that the initiatives described herein will be implemented, or that they will be implemented in the form and timeframe described herein.

Although the information contained in this presentation is obtained or compiled from sources believed to be reliable, HKEX does not guarantee the accuracy, validity, timeliness or completeness of the information or data for any particular purpose, and shall not accept any responsibility for, or be liable for, errors, omissions or other inaccuracies in the information or for the consequences thereof. The information set out in this presentation is provided on an “as is” and “as available” basis and may be amended or changed. It is not a substitute for professional advice which takes account of your specific circumstances and nothing in this document constitutes legal advice. HKEX shall not be responsible or liable for any loss or damage, directly or indirectly, arising from the use of or reliance upon any information provided in this presentation.

