

FORM 3B – DIRECTOR’S/CHIEF EXECUTIVE’S NOTICE

NOTIFICATION OF INTERESTS IN SHARES OF AN ASSOCIATED CORPORATION OF A LISTED CORPORATION

General Notes

1. This Form 3B is for use by a director or chief executive disclosing an interest in shares of an associated corporation of a Hong Kong listed corporation of which he/she is a director or chief executive under Part XV of the Securities and Futures Ordinance (Cap. [●]) (“the Ordinance”). The notification should be filed with The Stock Exchange of Hong Kong (“SEHK”) and the listed corporation concerned at the same time or one immediately after the other.
2. Use :
 - Form 1 if you are an individual with an interest of 5% or more of the voting shares of a listed corporation (and are not a director or chief executive of the listed corporation).
 - Form 2 if you are a corporation with an interest of 5% or more of the voting shares of a Hong Kong listed corporation making a disclosure.
 - Form 3A if you are notifying interests in shares of the listed corporation of which you are a director or chief executive.
 - Form 3C if you are notifying interests in debentures of the listed corporation of which you are a director or chief executive.
 - Form 3D if you are notifying interests in debentures of any associated corporation of the listed corporation of which you are a director or chief executive.

Please use separate forms to disclose your interests if you are interested in more than one class of shares or debentures of a listed corporation of which you are a director or chief executive, or an associated corporation of that listed corporation. Chinese versions of these forms are also available.

Meaning of “you”, “shares” and “associated corporation” in Form 3B and these Notes.

3. In Form 3B and these Notes the word “you” refers to the person that is the director or chief executive. The term “shares” describes interests in the shares of an associated corporation of the listed corporation of which you are a director or a chief executive.
4. An “associated corporation” is –
 - (i) a subsidiary, or holding company, of the listed corporation;
 - (ii) a subsidiary of the listed corporation’s holding company (e.g. a fellow subsidiary); or
 - (iii) a corporation in which the listed corporation holds 20% or more of the issued shares of any class of its share capital.

“Relevant event”

5. You must give notification of interests in shares of an associated corporation of a listed corporation, and any “short position” (explained in Note 14 below) on the occurrence of certain events - called “relevant events” (see s. 299 of the Ordinance). If you are a director or chief executive of a listed corporation relevant events include :
 - (i) When you become interested in the shares of the any associated corporation of the listed corporation.
 - (ii) When you cease to be interested in such shares.
 - (iii) When you enter into a contract to sell any such shares.
 - (iv) When an associated corporation grants you a right to subscribe for shares in the associated corporation, or you exercise or assign such rights.
 - (v) When the nature of your interest in such shares changes (e.g. on exercise of an option).
 - (vi) When you come to have, or cease to have, a short position in the shares of an associated corporation.
 - (vii) The granting by the listed corporation or an associated corporation to your spouse, or your child under the age of 18, of a right to subscribe for shares in that associated corporation or the exercise of such a right.

Form 3B.

- (viii) An event in consequence of which your spouse, or your child under the age of 18 comes to have or ceases to have a short position in the shares of a listed corporation or its associated corporation
- (ix) If you have an interest in shares of an associated corporation of a listed corporation at a time when the listed corporation becomes a listed corporation.
- (x) On commencement of the Ordinance, if you have an interest in shares, or if you have a short position in shares of an associated corporation, which has not previously been disclosed.
- (xi) If you have an interest in shares, or a short position in shares of an associated corporation when you become a director or chief executive of a listed corporation.
- (xii) If you have an interest in shares of an associated corporation when it becomes an associated corporation.

A notification of relevant events (ix) to (xii) is described in Form 3B and these Notes as an “Initial Notification”.

Timing of notification

- 6. In the case of events (i) to (viii) in Note 5, you must give the notification within 3 business days of the day you became aware of the relevant event.
- 7. For an Initial Notification, you must normally give the notification on this Form 3B within 10 business days after the relevant event. However, if at that date you were not aware that you had an interest, or a short position, then you must give the notification within 10 business days of the day you became aware that you had such an interest.

Working out the percentage level of your interest

- 8. In Boxes 21 to 22 of Form 3B you are asked to state the percentage level of your interest in shares of the associated corporation. To work this out you express the total number of shares in which you are interested as a percentage of the number of shares of the associated corporation in issue (i.e. the number in Box 7). Round this figure to two decimal places.
- 9. In calculating the total number of shares in which you are interested you must include all joint interests (see Note to Box 27 below) derivative interests (see Note 12 below) and any interests, and derivative interests, in shares of the same listed corporation (or the same associated corporation) that any of the following persons and trusts have :
 - (i) Your spouse and any child of yours under the age of 18 (see notes to Box 25);
 - (ii) A corporation which you control (i.e. if you control one-third or more of the voting power at general meetings of the corporation, or if the corporation or its directors are accustomed to act in accordance with your directions) (see notes to Box 26);
 - (iii) A trust, if you are a trustee of the trust (other than a trust where you are a bare trustee i.e. where you have no powers or duties except to transfer the shares according to the directions of the beneficial owner) (see notes to Box 28);
 - (iv) A discretionary trust, if you had the trust set up or put assets into it and can influence how the trustee exercises his discretion (see notes to Box 28);
 - (v) A trust of which you are a beneficiary (discretionary interests may be ignored).
- 10. You must also count as your short position any short positions that such persons and trusts have. This may create a short position (if you do not have a short position already) or increase the size of your short position.
- 11. In calculating the level of your interest in shares you must add together both direct and indirect interests. You must not net off long positions and short positions but must disclose these separately. Indirect interests include interests in shares underlying “equity derivatives”. Equity derivatives include instruments such as options, warrants, stock futures and are referred to in these notes as “derivatives”. “Underlying shares” are the shares that may be required to be delivered to you, or by you, under the derivatives, and include the shares used to determine the price or value of the derivatives (e.g. In the case of an issue of “European Style Cash Settled Call Warrants 1998-1999 relating to ordinary shares of HK\$10.00 each in XYZ Ltd. issued by ABC Investment Bank” the “underlying shares” are ordinary shares of HK\$10.00 each in XYZ Ltd.).

“Long positions” and “short positions”

- 12. You have a “long position” if you have an interest in shares themselves, or hold derivatives under which :

Form 3B.

- (i) you have a right to take the underlying shares;
- (ii) you are under an obligation to take the underlying shares;
- (iii) you have a right to receive money if the price of the underlying shares increases; or
- (iv) you have a right to avoid or reduce a loss if the price of the underlying shares increases.

13. You have a “short position” if you borrow shares under a stock borrowing and lending agreement, or if you hold derivatives under which :

- (i) you have a right to require another person to take the underlying shares;
- (ii) you are under an obligation to deliver the underlying shares;
- (iii) you have a right to receive money if the price of the underlying shares declines; or
- (iv) you have a right to avoid a loss if the price of the underlying shares declines.

14. The number of shares in which you are taken to be interested through derivatives is :

- (i) the number of shares which are required to be delivered to you, or by you, under the derivatives;
- (ii) the number of shares by reference to which the amount payable under the derivatives is derived or determined; or
- (iii) (in the case of stock futures contracts) the contract multiplier times the number of contracts you hold.

If any party to a derivative can choose whether to settle in cash or by delivery then use (i) to work out the number of shares in which you are interested.

General

15. When making a disclosure you must satisfy yourself of the requirements of the Ordinance, and if in doubt, please seek appropriate legal advice.
16. Please use block letters (preferably type-written) when completing this Form. If there is insufficient space in any box please use Box 29 to complete your disclosures or use separate sheets. Continuation sheets must be securely annexed to this Form, clearly marked as “Continuation Sheet” and signed by you or on your behalf.
17. You must file a signed copy of this Form 3B (without these Notes) with the listed corporation at its registered office or principal place of business in Hong Kong and a separate signed copy of this Form (without these Notes) with SEHK using one of the following methods :

By Post -

The SDI Unit
Regulation Division
The Stock Exchange of Hong Kong Ltd.
G.P.O. Box 10023
Hong Kong

By Hand -

The SDI Unit
Regulation Division
The Stock Exchange of Hong Kong Ltd.
Tower I & II, Exchange Square
Central, Hong Kong

By Fax - Fax No. 2845 6328

18. The G.P.O. Box set out above is a dedicated P.O. Box for use by the SDI Unit only. Please do not use the general SEHK P.O. Box. For security reasons, no other SEHK fax number should be used. Telephone confirmations of fax notification can be obtained from [•]. Please restrict use of this service to significant or price sensitive notifications.

Specific Notes

If you are giving notification that you have ceased to have a notifiable interest then you need only complete Boxes 1 to 20 and 30 to 34 of Form 3B. In the case of other events complete all boxes that apply to you. Boxes marked # must be completed only if they apply.

Form 3B.

Information relating to the listed corporation

- Box 1 Please complete the name of the listed corporation of which you are a director or chief executive.
- Box 2 You can find the stock code on the HKEx Web Site (<http://www.hkex.com.hk>) in the section “Exchange Listings and Listed Companies” under the heading “Company/Securities Profile” by entering the name of the listed corporation. Alternatively you can get it from the corporation itself or a newspaper.

Information relating to an associated corporation of the listed corporation

Boxes 3 to 10. Please state the details of the associated corporation as indicated.

- Box 6 State the class of shares in which you are interested. If you have an interest in two classes of shares complete a separate notice for each class of shares. You need not complete Box 6 if the associated corporation, whose shares you hold has only one class of share capital.
- Box 7 State the number of shares (in the class of shares in which you are interested) which have been issued at the date of the relevant event. If the number of shares in issue is greater immediately after the relevant event than it was immediately before that event then state the higher figure. You can find the number of shares issued by the associated corporation by asking the corporation.
- Box 8 Complete Box 8 if the associated corporation has a Hong Kong business registration number.
- Box 9 State the place where the associated corporation was incorporated and give the number on the certificate of incorporation.
- Box 10 If the associated corporation is a listed corporation state the name of the exchange on which it is listed.

Information relating to the director or chief executive

Boxes 11 to 17. State the details as indicated. You need not fill in Boxes 14 and 15 if you do not have a Chinese name. Equally you need not fill in Box 11 if you do not have an English name. Box 17 is optional.

Information relating to the relevant event

- Box 18 Please state the date of the relevant event (explained in Note 5) which gave rise to the Notice.
- Box 19 In the case of events (i) to (viii) in Note 5, if you became aware of the relevant event on a date later than the date that it occurred, then put the date that you became aware of the relevant event in Box 19.

For an Initial Notification, if you were not aware that you had an interest, or a short position, at the date of the relevant event then put the date that you became aware that you had such an interest in the shares of the associated corporation in Box 19.

- Box 20 Box 20 asks for details of the relevant event. This is the event that triggers the Notice. In the case of relevant events (i) to (viii) in Note 5 the details that you must give in Box 20 relate to the shares bought/sold or involved at that time – not the shares which you already have.

In the case of an Initial Notification the details that you must give relate to the shares bought by you in the 4 months immediately before the date of the relevant event.

In Box 20 column 1 enter the Code from Table 1 below which best describes the relevant event. You will see from Note 9 above that if a person connected with you acquires an interest in shares their interest will be treated as your interest. For example, if a company that you control first acquired shares of the listed corporation it would use Code 1 and you should use the same codes.

Use the row entitled “Short position” in Box 20 if you are filing the notice because of a change in a short position.

Table 1 – Event or change	Code
LONG POSITIONS	
<i>Acquiring an interest</i>	
Becoming interested in shares of the associated corporation. This includes all acquisitions whether by purchase or gift, or by rights/bonus issue or taking a security interest in shares	101
<i>Ceasing to have an interest</i>	
Ceasing to have an interest in shares of the associated corporation	102
<i>Entering into a contract to sell shares</i>	
Entering into a contract to sell shares of the associated corporation	103
<i>Changes in nature of an interest</i>	
Exercising a right or an option in respect of shares of the associated corporation	104
Lending of shares of the associated corporation under a securities borrowing and lending agreement	105
Return of shares of the associated corporation lent under a securities borrowing and lending agreement	106
<i>Miscellaneous</i>	
Granting by the associated corporation of a right to subscribe for shares in that associated corporation, the exercise of such a right and the assignment of such a right	107
On listing of the listed corporation of which you are a director or chief executive if you have an interest in shares of the associated corporation	108
On commencement of the Ordinance if you have an interest in shares of the associated corporation	109
On becoming a director or chief executive of the listed corporation if you have an interest in shares of the associated corporation	110
On a corporation becoming an associated corporation if you have an interest in shares of the associated corporation	111
Granting by the associated corporation to your spouse, or your child under the age of 18, of a right to subscribe for shares in that associated corporation or the exercise of such a right	112
SHORT POSITIONS	
Coming to have a short position in shares of the associated corporation. This includes a short position through holding derivatives and borrowing shares under a securities borrowing and lending agreement	113
Ceasing to have a short position in shares of the associated corporation	114
On listing of the corporation if you have a short position in shares of the associated corporation	115
On commencement of the Ordinance if you have a short position in the shares of the associated corporation	116
On becoming a director or chief executive if you have a short position in shares of the associated corporation	117
An event in consequence of which your spouse, or your child under the age of 18 comes to have a short position in the shares of the associated corporation	118
An event in consequence of which your spouse, or your child under the age of 18 ceases to have a short position in the shares of the associated corporation	119
<i>Miscellaneous</i>	
Other	120

Select from Table 2 below the Code which best describes the capacity or nature of your interest and enter the Code in Box 20 column 2 and/or 3. If you have disposed of an interest in shares you should choose the Code describing the capacity in which you held the shares immediately before you disposed of them and enter this Code in Box 20 column 2. If you have acquired an interest in shares you should choose the Code describing the capacity in which you held the shares immediately after you acquired them and enter this Code in Box 20 column 3. If you are giving notice of a change in the nature of your interest in shares, you should complete the Codes describing the capacity in which you held your interest in those shares before and after the relevant event i.e you must complete both columns 2 and 3. If you are the beneficial owner but another Code also applies, please use the latter Code rather than Code 201.

Use the row entitled “short position” if you are filing the notice because of a change in a short position.

Table 2 – Capacity	Code
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Form 3B.

position				
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The second example shows how Box 20 should be completed in the case of an Initial Notification. Assume that you are a shareholder who, prior to 1st September 2000 owns 4,500,000 shares in an associated corporation of the listed corporation. On 31st December 2000 you are appointed a director of the listed corporation. On 15th September 2000 you had purchased (Off-Exchange) 400,000 shares in the associated corporation for HK\$800,000 and 100,000 shares for HK\$210,000 (all shares held as trustee). The relevant date to be inserted in Box 18 would be “31.12.2000” and you should complete Box 20 in the following manner.

20. Details of relevant event

	Code describing circumstances (see Table 1)	Code describing capacity in which shares were held (see Table 2)		Number of shares bought/ sold or involved	On Exchange		Off Exchange	
		Before relevant event	After relevant event		Highest price per share	Average price per share	Average consideration per share	Code describing nature of consideration (see Table 3)
Long position	110	N/A	206	500,000	N/A	N/A	\$2.02	301
Short position								

Box 21 In Box 21 column 1 state the number of shares in the associated corporation concerned in which you were interested, and those in which you had a short position, immediately before the relevant event. In column 2 please state the percentage figure of your interest immediately before the relevant event. Note 8 explains how to calculate the percentage figure.

Box 22 Complete Box 22 in the same manner as Box 21 specifying the number of shares in the associated corporation concerned in which you were interested, and those in which you had a short position immediately after the date of the relevant event.

Capacity in which interests in Box 16 are held – required for Initial Notification only

Box 23 If the notification is an Initial Notification you must complete Box 23. Select from table 2 the Code which best describes the capacity in which you hold the shares listed in Box 22 and enter that Code in Box 23 column 1. If you hold some of your interests in one capacity (e.g. as beneficial owner), and other interests in another capacity (e.g. as trustee) then use two Codes (on different rows) and state the number of the interests in shares held in each capacity (on different rows) in column 2.

If you also have a short position state the capacity or capacities in which you hold that short position, using the appropriate Code(s), in the rows marked “short position”.

Derivative interests

Box 24 If this is an Initial Notification, you must give details in relation to all the shares in which you are interested through derivatives.

If this is not an Initial Notification, you must only give details in relation to the shares involved in the relevant event.

In either case, select from Table 4 the code which best describes those derivatives and enter it in Box 24 column 1.

Table 4 – Category of derivatives	Code	Category of derivatives	Code
<i>Derivatives listed or traded on a Stock Exchange or traded on a Futures Exchange</i>		<i>Unlisted derivatives</i>	
Physically settled options	401	Physically settled options	405
Cash settled options	402	Cash settled options	406
Cash settled futures	403	Other	407
Other	404		

If any party to a derivative can choose whether to settle in cash or by delivery then you should treat that derivative as physically settled.

If you have an option, please state the first date that the option can be exercised in Box 24 column 2 and the last date on which any option can be exercised in column 3.

State the number of shares in which you derive an interest (or a short position) from the derivatives in column 7. Note 13 explains how to work this out. If you have more than one derivative of the same category, add them together and state the total number (in one row) in column 7. If you have more than one derivative but they are in different categories use 2 or more or more codes (on different rows) and state the number of shares for each category of derivative (on different rows) in column 7.

Derivatives granted by the associated corporation

If the derivatives have been granted to you by the associated corporation then you must give details of those equity derivatives on a separate row in Box 24 if the relevant event was :

- (i) the grant of derivatives or rights under the derivatives - when you should state the price paid or received, or the consideration given or received, for the grant of the derivatives or rights under the derivatives in column 4.
- (ii) the exercise of rights under the derivatives - when you should state the price paid or received, or the consideration given or received, on the exercise of rights under the derivatives in column 5.
- (iii) the assignment of the derivatives or of rights under the derivatives - when you should state the price paid or received, or the consideration given or received, on the assignment of the derivatives or rights under the derivatives in column 6.

If no price was paid or received, and no consideration given or received, then you should state “NIL” in the column which applies to you.

If the derivatives were granted to any of the persons mentioned in Note 9 (i) or (ii) by the associated corporation, and the relevant event is the grant, the exercise of rights under or the assignment of those derivatives then you must give the details mentioned in the preceding paragraph.

Interests of children under 18 and/or spouse

Box 25 If your spouse (or child under 18) is interested in shares in the same listed corporation then your spouse’s interest/your child’s interest is taken to be your interest. Details of that interest must also be taken into account in completing Boxes 21 and 22.

If this is an Initial Notification, you must complete Box 25 if your spouse/child has shares in the associated corporation. State the name and address of the spouse (or child under 18), his/her address and the number of shares in which you are interested through your spouse (or child under 18) in Box 25. State the details of each additional family member who holds shares in the associated corporation concerned using Box 29.

If this is not an Initial Notification, you must only give details if your spouse (or child under 18) was interested in the shares involved in the relevant event. State the name and address of the spouse (or child under 18), his/her address and the number of shares involved in the relevant event in which he/she was interested.

If your family member has a short position then the same principles apply.

Interests held by a corporation that you control

Form 3B.

Box 26 If you are (a) entitled to exercise, or control the exercise of, one-third or more of the voting power at general meetings of a corporation, or (b) a corporation or its directors are accustomed to act in accordance with your directions, and that corporation is interested in shares of the associated corporation concerned then the corporation's interest will be taken to be your interest. Details of that interest must also be taken into account in completing Boxes 21 and 22.

If this is an Initial Notification, you must complete Box 26 if a corporation that you control has shares in the associated corporation. State the name of the corporation, its address and the number of shares in which it is interested in Box 26. If there is more than one corporation then details of each corporation must be stated separately. Use Box 29 if there is not enough room.

If this is not an Initial Notification, you must only give details if a corporation that you control was interested in the shares involved in the relevant event. State the name and address of the corporation that you control and the number of shares involved in the relevant event in which it was interested.

If the corporation that you control has a short position then the same principles apply.

Joint interests

Box 27 If you are interested in shares of the associated corporation concerned jointly with another person then you are both taken to be interested in all of the shares held jointly. Details of that interest must also be taken into account in completing Boxes 21 and 22.

If this is an Initial Notification, you must complete Box 27 if you are interested in shares of the associated corporation concerned jointly with another person. State the name of the person who owns the interest in the shares jointly with you, his/her address and the number of shares in which he/she is interested in Box 27.

If this is not an Initial Notification, you must only give details if the shares in which you are interested jointly with another person were involved in the relevant event. State the name of the person who owns the interest in the shares jointly with you, his/her address and the number of shares involved in the relevant event in which he/she was interested.

The same principles apply to short positions held jointly.

Interests of trustee or beneficiary of a trust or person who has set up a discretionary trust

Box 28 If you are : (a) a trustee of a trust, (b) a beneficiary of a trust, or (c) a person who has had a discretionary trust set up or put assets into a discretionary trust (and can influence how the trustee exercises his discretion), then you are taken to be interested in all of the shares of the listed corporation in which the trust has an interest (or a short position). Details of that interest must also be taken into account in completing Boxes 21 and 22. You should ignore an interest in reversion or remainder, an interest of a bare trustee, and any discretionary interest (of a beneficiary).

If this is an Initial Notification, you must complete Box 28 if you are interested in shares of an associated corporation through a trust. State the name of the Trust which owns the interest in the shares, its address and the number of shares in which the trust is interested (has a short position) in Box 28.

If this is not an Initial Notification, you must only give details if the shares in which you are interested through a trust were the shares involved in the relevant event. State the name of the Trust which owns the interest in the shares, its address and the number of shares involved in the relevant event in which the trust was interested.

Continuation Box

Box 29 If there is not enough space in any Box use Box 29 and state the number of the Box from which it is continued and use the same headings. If there is still not enough space annex continuation sheet(s) to the Form stating the number of the Box from which it is continued and using the same headings and format.

Signing and dating and completion by agent

Form 3B.

Box 30 You should sign the Form and state the position you hold within the listed corporation. An agent may complete and sign Form 3B only if the agent has been specifically authorized in writing by you to do so.

Boxes 31 and 32 If a person signs the Form as agent for the director or chief executive the agent should state his full name and give his Hong Kong Identity Card number/Passport number.

Box 33 Date Form 3B the same day as it is signed.

Box 34 Please state the number of continuation sheets and pages of attachments or, if there are none, state "NIL".