



Takeovers Bulletin

Highlights

- Engagement of suitable professional advisers
- Settlement agreement in relation to certain dealings in Giordano shares
- Changes to takeovers-related committees
- Quarterly update on activities of Takeovers Team

Engagement of suitable professional advisers

Financial and other professional advisers involved in a transaction governed by the Codes on Takeovers and Mergers and Share Buy-backs (Codes) serve an important role in ensuring that their clients understand and abide by the Codes. Therefore, they must have the competence, professional expertise and adequate resources to discharge their responsibilities under the Codes¹.

Recently, we have observed a number of cases in which advisers engaged by the offerors or offeree companies appeared to lack sufficient understanding of the requirements of the Codes, as shown by their sub-standard drafts and incomplete responses. As a result, certain Codes issues were not identified and addressed in a timely manner, even for straightforward transactions.

When guiding their clients in complying with the Codes, advisers should exercise independent judgment and professional assessment of the implications of the Codes for the transaction in question, rather than simply acting as a middleman to relay their clients' requests or copying inapplicable precedent disclosures. As stated in section 1.7 of the Introduction to the Codes, if the Executive considers that a financial adviser is not able to meet the expected standard, it may not allow that adviser to act in that capacity.

Failure to adhere to the requirements of the Codes is likely to result in longer processing time and could lead to disciplinary action against relevant parties. It is in the best interest of an offeror and the offeree company to seek advice from professionals with relevant expertise and experience early in the preparation process and retain them for guidance throughout the transaction.

¹ See section 1.7 of the Introduction to the Codes.

Settlement agreement in relation to certain dealings in shares of Giordano International Limited (stock code: 709)

On 16 February 2026, the SFC announced a settlement with Sino Wealth International Limited (Sino Wealth) and Clear Prosper Global Limited (Clear Prosper), both subsidiaries of Chow Tai Fook Nominee Limited (CTFN), under section 12.3 of the Introduction to the Codes concerning the dealings of the relevant concert group in Giordano shares.

As set out in the Executive Statement, the Executive considered that (i) CTFN and two Giordano shareholders, namely Best Sincere Limited and Firstrate Enterprises Limited, are concert parties in relation to Giordano for the purpose of the Codes; and (ii) the number of Giordano shares held by the concert group had crossed 30% on 18 May 2016 and exceeded 50% on the closing date of the voluntary general offer announced by Clear Prosper in 2022 (2022 VGO), taking into account shares owned by the concert group and shares tendered by accepting shareholders.

Under the settlement, Sino Wealth and Clear Prosper have agreed to make cash payments to independent Giordano shareholders as at 18 May 2016 and 13 September 2022 based on the differences between the benchmark prices and \$3.60 per share (the highest purchase price under Rule 26.1) or \$1.88 per share (the offer price for the 2022 VGO). Subject to the number of successful claims received by the independent adjudicator, the agreed payments may potentially involve up to approximately \$1.5 billion.

The Executive reminds practitioners and parties seeking to participate in Hong Kong's securities markets that they are expected to conduct themselves in accordance with the Codes in matters relating to takeovers, mergers and share buy-backs. Should there be any doubt as to the application of the Codes, including whether certain persons should be regarded as concert parties for the purpose of the Codes, the Executive should be consulted at the earliest opportunity.

For further details, please refer to the press release and the Executive Statement published by the SFC on 16 February 2026 and the announcement of even date made by Sino Wealth and Clear Prosper regarding the agreed cash payments posted on HKEXNews website under the stock code of Giordano.

Changes to takeovers-related committees

Stepping down of a Deputy Chairman of the Takeovers and Mergers Panel (Panel) and the Chairman of the Nominations Committee

We would like to express our sincerest gratitude to Ms Teresa Ko, a Deputy Chairman of the Panel and a member of the Takeovers Appeal Committee (Appeal Committee) who would retire from these roles with effect from 1 April 2026, and Mr Victor Dawes, SC, the Chairman of the Nominations Committee whose term would conclude on 31 March 2026.

Ms Ko has served as a member of the Panel since April 1998 and as a Deputy Chairman since April 2004. During her tenure over the past 28 years, Ms Ko provided insights on various high-profile cases and important policy matters under the Codes. She has made valuable contributions to the mergers and acquisitions market and the development of the takeovers regulatory regime in Hong Kong.

Mr Dawes was appointed a member of the Nominations Committee in August 2020 and has served as its Chairman since 1 April 2025. During the tenure, he provided valuable support and contributions to the work of the Nominations Committee in relation to appointments and reappointments of members to other takeovers-related committees.

Appointments and reappointments to takeovers-related committees

We welcome the following appointments and reappointments of members to the Panel, the Appeal Committee, the Disciplinary Chair Committee and the Nominations Committee whose two-year term would begin on 1 April 2026:

- **The Panel and the Appeal Committee**

New appointments – Mr Roger Cheng, Ms Grace Huang, Ms Victoria Lloyd

Reappointments – Ms Celia Lam, Mr John Maguire, Mr Mark Schwille, Ms Benita Yu, Mr Conrad Chan, Ms Julia Charlton, Ms Joey Chau, Ms Christina Lee, Mr David Norman, Mr Nicholas Norris, Mr Martin Sabine, Mr Philip Tye, Mr Richard Winter, Mr Julian Wolhardt, Mr Richard Wong, Mr Alex Wong and Mr Dieter Yih

- **Disciplinary Chair Committee**

Reappointments – Mr Jat Sew Tong, SC, Mr Paul Shieh, SC, Mr Anson Wong, SC, Mr Bernard Man, SC and Mr José-Antonio Maurellet, SC

- **The Nominations Committee**

New appointment – Mr Chan Chun Hung, Vincent

Mr Keith Pogson is appointed the Chairman of the Nominations Committee with effect from 1 April 2026.

A full list of members of the Panel, the Appeal Committee, the Disciplinary Chair Committee and the Nominations Committee is set out below.

The Panel

The Panel hears disciplinary matters in the first instance, reviews rulings by the Executive at the request of any party dissatisfied with such a ruling and considers novel, important or difficult cases referred to it by the Executive. Upon request by the SFC, it also reviews the provisions of the Codes and the rules of procedure for hearings under the Codes (Rules of Procedure), and recommends appropriate amendments to the Codes and Rules of Procedure to the SFC.

Chairman

Mr Chan Yuk Sing, Freeman*

Deputy Chairmen

Ms Lam Chor Lai, Celia
Mr Maguire John Martin
Mr Schwille Mark Andrew
Ms Yu Ka Po, Benita

Members

Ms Bidlake Alexandra*
 Mr Chan Che Chung (Alias: Conrad Chan)
 Ms Charlton Julia Frances
 Ms Chau Lai Yi (Alias: Joey Chau)
 Mr Cheng Chi Ho Roger
 Mr Clark Stephen John*
 Ms Huang Ying Hui Grace
 Mr Ip Koon Wing, Ernest*
 Ms Lee Sum Man, Christina
 Ms Lloyd Victoria Sally Tina
 Mr Lo Samson Lambert*
 Mr Norman David Michael
 Mr Norris Nicholas Andrew
 Ms Park Yoo-kyung*
 Mr Sabine Martin Nevil
 Mr Shah Asit Sudhir*
 Mr Tye Philip Andrew
 Mr Winter Richard David
 Mr Wolhardt Julian Juul
 Dr Wong Hung Nam (Alias: Jacky Wong)*
 Mr Wong Richard
 Mr Wong Wai Ming*
 Mr Wong Yu Tsang, Alex
 Mr Woo Ka Biu, Jackson*
 Mr Yih Dieter Lai Tak, JP#
 Mr Yuen Ka Fai (Alias: Frank Yuen)*

* Their term is from 1 April 2025 to 31 March 2027.

Mr Dieter Yih, JP is a Non-Executive Director of the SFC.

The Appeal Committee

The Appeal Committee reviews disciplinary rulings of the Panel for the sole purpose of determining whether any sanctions imposed by the Panel is unfair or excessive. For each review, the Appeal Committee shall comprise a Chairman selected from the Disciplinary Chair Committee, and other members selected from the Panel on a case-by-case basis.

Members

Ms Bidlake Alexandra*
 Mr Chan Che Chung (Alias: Conrad Chan)
 Mr Chan Yuk Sing Freeman*
 Ms Charlton Julia Frances
 Ms Chau Lai Yi (Alias: Joey Chau)
 Mr Cheng Chi Ho Roger
 Mr Clark Stephen John*
 Ms Huang Ying Hui Grace
 Mr Ip Koon Wing Ernest*
 Ms Lam Chor Lai Celia
 Ms Lee Sum Man Christina
 Ms Lloyd Victoria Sally Tina
 Mr Lo Samson Lambert*
 Mr Maguire John Martin
 Mr Norman David Michael
 Mr Norris Nicholas Andrew
 Ms Park Yoo-kyung*
 Mr Sabine Martin Nevil
 Mr Schwille Mark Andrew
 Mr Shah Asit Sudhir*
 Mr Tye Philip Andrew
 Mr Winter Richard David
 Mr Wolhardt Julian Juul
 Dr Wong Hung Nam (Alias: Jacky Wong)*
 Mr Wong Richard
 Mr Wong Wai Ming*
 Mr Wong Yu Tsang Alex
 Mr Woo Ka Biu Jackson*
 Mr Yih Dieter Lai Tak, JP#
 Ms Yu Ka Po Benita
 Mr Yuen Ka Fai (alias: Frank Yuen)*

* Their term is from 1 April 2025 to 31 March 2027.

Mr Dieter Yih, JP is a Non-Executive Director of the SFC.

The Disciplinary Chair Committee

Members are nominated by the Nominations Committee on the basis that they are duly experienced senior counsels. Their role is to act as chairman of the Panel or the Appeal Committee in disciplinary proceedings on a case-by-case basis.

Members

Mr Jat Sew Tong, SC, JP*
Mr Man Bernard, SC*
Mr Maurellet José-Antonio, SC*
Mr Shieh Wing Tai Paul, SC*
Mr Wong Man Kit Anson, SC, JP*

* Their term is from 1 April 2026 to 31 March 2028.

The Nominations Committee

The Nominations Committee nominates members of the Panel, the Appeal Committee and the Disciplinary Chair Committee for appointment by the SFC Board.

Chairman

Mr Pogson Keith[#]

Ex officio Members

Ms Leung Fung Yee, Julia, SBS, JP
Ms Choi Fung Yee, Christina
Mr Chan Yuk Sing, Freeman

Members

Mr Chan Chun Hung, Vincent[^]

[#] His term is from 1 April 2025 to 31 March 2027.

[^] His term will be from 1 April 2026 to 31 March 2028.

* Alternate members to Mr Chan Yuk Sing, Freeman are Ms Lam Chor Lai, Celia, Mr Maguire John Martin, Mr Schwille Mark Andrew, and Ms Yu Ka Po, Benita.

Quarterly update on the activities of Takeovers Team

From October to December 2025, we received 31 takeovers-related cases (including privatisations, voluntary and mandatory general offers, and off-market and general-offer share buy-backs), five whitewashes and 101 ruling applications.

Useful links

- The Codes on Takeovers and Mergers and Share Buy-backs
- Practice notes
- Decisions and statements
- Previous *Takeovers Bulletins*

All issues of the *Takeovers Bulletin* are available under 'Published resources – Newsletters – Takeovers Bulletin' on the SFC website at www.sfc.hk.

Feedback and comments are welcome and can be sent to takeoversbulletin@sfc.hk.

If you want to receive the *Takeovers Bulletin* by email, simply click Subscriptions at www.sfc.hk and select Takeovers Bulletin.

Securities and Futures Commission
54/F, One Island East,
18 Westlands Road,
Quarry Bay, Hong Kong

(852) 2231 1222
enquiry@sfc.hk
www.sfc.hk