

## Listing applications and takeovers activities

	Quarter ended 31.12.2019	Nine months ended 31.12.2019	Nine months ended 31.12.2018	YoY change (%)
Listing applications	51	242	310	-21.9
Takeovers and share buy-backs transactions	84	276	285	-3.2

### Corporate conduct

We conduct a daily review of corporate announcements under the statutory corporate conduct and inside information disclosure provisions. During the quarter, we issued section 179<sup>2</sup> directions to gather additional information in 14 cases and wrote to detail our concerns in six transactions. These concerns included, for example, whether a corporate action or transaction is conducted in a manner which is oppressive or unfairly prejudicial to shareholders.

### Takeovers matters

In October, the Takeovers and Mergers Panel ruled that Broadford Global Limited was not allowed to deduct the final dividend approved by shareholders of Dalian Port (PDA) Company Limited from its offer price

in a possible mandatory offer. The panel considered that readers of the announcement would have expected Dalian Port's shareholders to receive the full offer price.

In December, we publicly censured CLSA Limited, CITIC Securities Brokerage (HK) Limited, Beijing Enterprises Holdings Limited and their representatives for breaching the Code on Share Buy-backs. CLSA and CITIC Securities executed on-market trades in the shares of Beijing Enterprises Holdings Limited in 2016. Since these trades were pre-arranged and pre-agreed, they were in substance off-market share buy-backs which required the approval of the Takeovers Executive<sup>3</sup> and Beijing Enterprises' independent shareholders.

<sup>2</sup> Section 179 of the Securities and Futures Ordinance gives the SFC the power to compel the production of records and documents from persons related to a listed company.

<sup>3</sup> The Executive Director of the SFC's Corporate Finance Division or his delegate.