



requirements under Rule 2.2. In such cases, waivers to Rule 2.2(c) were granted on the basis that an offeror would make the following arrangements:

- (i) the offer would remain open for acceptance for a longer period than normally required by Rule 15.3 after the offer becomes unconditional;
- (ii) shareholders who have not accepted the offer would be notified in writing of the extended closing date and the implications of choosing not to accept the offer; and
- (iii) the offer would be subject to 90% acceptance of the disinterested shares.

The above arrangements are designed to ensure that minority shareholders are given sufficient time to exit and tender their shares under an offer and that they are aware of the implications of choosing to be shareholders of a private company.

We note that Mainland issuers typically include the following warning to shareholders in Rule 3.5 announcements and offer documents:

"Independent shareholders should note that if they do not accept the H share offer and the offer subsequently becomes unconditional in all respects and the company delisted from the Stock Exchange, this will result in such shareholders holding securities that are not listed on the Stock Exchange and the liquidity of the H shares may be severely reduced. In addition, the company will no longer be subject to the requirements under the Listing Rules and may or may not continue to be subject to the Codes depending on whether it remains as a public company under the Codes."

To enhance independent shareholders' awareness of their rights in a voluntary general offer by Mainland issuers, or issuers incorporated in jurisdictions where compulsory acquisition does

not exist, we will now require all of these issuers to include the following warning in their announcements and offer documents:





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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