

# New Disclosure of Interests Online System (DION System)

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A new Disclosure of Interests Online System ("DION System") has been introduced by Hong Kong Exchanges and Clearing Limited ("HKEX") with effect from 3 July 2017. This new DION System requires mandatory electronic filing of the Disclosure of Interests notices ("DI notices") by the substantial shareholders, directors and chief executives of the listed corporations regarding their interests in securities of the respective listed corporations on or after 3 July

as both will be notified. Except for the change of filing method, there are no other changes to filers' disclosure obligations under Part XV of the SFO.

The new DION System enables submission of DI notices and maintenance and publication of DI information on the HKEX website. Substantial shareholders, directors and chief executives must register with the DION System before their first submission of a DI notice. The new DION System will

*"For events triggering disclosure requirements which occur on or after 3 July 2017, filers should use the new prescribed forms and submit them through the new DION System. Notifications and reports under Part XV of the Securities and Futures Ordinance ("SFO") must be filed electronically through the DION System, and can no longer be submitted by hand, post, fax or email."*

2017, replacing the current DI notifications by fax, hand, post or email to The Stock Exchange of Hong Kong Limited ("SEHK") and the listed corporation concerned.

## The new DION System

For events triggering disclosure requirements which occur on or after 3 July 2017, filers should use the new prescribed forms and submit the same through the new DION System. Notifications and reports required under Part XV of the Securities and Futures Ordinance ("SFO") must be filed electronically through the DION System only, and can no longer be submitted by hand, post, fax nor email. Filers will not be required to submit DI notices to the listed corporation concerned or to the Securities and Futures Commission ("SFC") separately,

notify the listed corporations concerned upon receipt of the relevant DI notices.

The current practice of updating the DI pages on the website maintained by the HKEX once a day at approximately 5:00p.m. on each business day until such time as the HKEX changes its practice of not publishing price sensitive information during market trading hours which the SFC will review whether there is a need to have additional publication batches of DI notices at 9:00am and 1:00pm, following SEHK's implementation of the Electronic Disclosure Project ("EDP") which all types of announcements, including price sensitive information announcements, are allowed to be published between 6:00am to 9:00am and between 12:30pm and 1:00pm.

## Forms and Codes under DION System

The new prescribed forms under DION System include enhanced versions of the existing six DI notices for substantial shareholders, directors and chief executives.

To improve the accuracy of the information provided, more precise event codes have been introduced. A complete list of the new codes is enclosed with this newsletter for reference.

The web-based filing system of DION has a number of improvements to the current DI forms, including:

- allowing both long and short positions to be disclosed in the same box entitled "Details of relevant event"; and
- "narrative" box is provided to enable filers to add any additional information necessary to explain complex transactions.

Further, a new form will be introduced for listed corporations to report the results of their investigations of share ownership under section 329 of the SFO ("Section 329"). This new form is for use by a listed corporation that is required under section 330(1) or section 333(1) of the SFO to notify SEHK of information received in pursuance of a requirement imposed by the relevant listed corporation under Section 329, or to deliver a report prepared under

section 332 of the SFO to the SEHK. Section 329 concerns the power of a listed corporation to investigate ownership of interests in its voting shares etc. Filers are also required by section 330 or section 333 of the SFO to separately notify the SFC of the information or to deliver the report to the SFC, but SEHK will notify the SFC/deliver the report to the SFC on behalf of the filers if they complete and file this form properly.

## Transition arrangements

DI notices relating to events that occur before 3 July 2017 may be submitted using the old forms and methods.

To enable a smooth transition and minimise potential issues with using the new DION System, a three-month period from 3 July 2017 is agreed by the SFC and HKEX with below transition arrangements:

- filers may submit the new forms using the new DION System, or alternatively use the old forms and submit them by fax, hand, post or email to SEHK and to the listed corporation concerned; and
- the SFC is unlikely to prosecute a breach of Part XV of the SFO arising solely from an incorrect use of a prescribed form or submission method.

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## Disclosure of interests notification under Part XV of the SFO

### List of new codes (effective from 3 July 2017)

#### Codes of Relevant Events

(See Box 14 of Form 1, Box 17 of Form 2, Box 24 of Form 3A, Box 30 of Form 3B, Box 24 of Form 3C and Box 30 of Form 3D)

*Please note that :*

- (1) *It may be necessary to go through two to three levels of questions before reaching the relevant event and an event code is only assigned to the last level of question. Code numbers in brackets are interim level(s) of questions and they are not event codes. Only the ultimate event codes will be available for selection.*
- (2) *The same set of event codes apply to all forms but certain events may not be relevant to all forms. For details, please refer to the relevant form and its accompanying directions and instructions for completion.*
- (3) *In Form 1 and Form 2, "shares" are the voting shares in the listed corporation. In Form 3A, "shares" are the shares in the listed corporation. In Form 3B, "shares" are the shares of the associated corporation of the listed corporation. In Form 3C, "debentures" are the debentures of the listed corporation. In Form 3D, "debentures" are the debentures of the associated corporation of the listed corporation.*

Code No. (Level 1)	Code No. (Level 2)	Code No. (Level 3)	Description of event
(100)			<i>You first acquire a notifiable interest because:</i>
(110)			<i>The [percentage level of your interest in the shares / number of shares in which you are interested / number of debentures in which you are interested] has increased</i>
(120)			<i>The [percentage level of your interest in the shares / number of shares in which you are interested / number of debentures in which you are interested] has reduced</i>
(130)			<i>There has been a change in nature of your interest in the [shares / debentures] because:</i>
(140)			<i>You came to have [a short position of 1% or more in the shares, or the percentage level of your short position in such shares / a short position in the shares or the number of shares in which you have a short position] increased</i>
(150)			<i>You ceased to have [a short position of 1% or more in the shares, or the percentage level of your short position in such shares / a short in the shares or the number of shares in which you have a short position] decreased because:</i>
(160)			<i>Approved Lending Agents</i>
(170)			<i>Miscellaneous</i>
(100)			<b>You first acquire a notifiable interest because:</b>
	1001		you purchased the shares
	1002		you were given the shares
	(1003)		you became the holder of, wrote or issued equity derivatives under which (choose one):

Code No. (Level 1)	Code No. (Level 2)	Code No. (Level 3)	Description of event
		10031	you have a right to take the underlying shares
		10032	you are under an obligation to take the underlying shares
		10033	you have a right to receive from another person an amount if the price of the underlying shares is above a certain level
		10034	you are under an obligation to pay another person an amount if the price of the underlying shares is below a
		10035	you have any of the rights or obligations referred to in 10031 to 10034 above embedded in a contract or
	1004		you acquired a security interest in the shares
	1005		you inherited the shares
	1006		you became a beneficiary under a trust interested in the
	1007		you took steps to enforce your rights in the shares you hold by way of security as a qualified lender
	1009		you entered into an agreement for the exchange of an instrument for another instrument in respect of the same underlying shares
	1010		you were placed the shares as a placee under a top-up
	1011		new shares were issued to you after you have reduced your interest in shares by placing them to placee(s) under a top-up placing
	1012		you became a member of a concert party group or a member of the concert party group acquired more of the
	1013		any other event (you must briefly describe the relevant event in the Supplementary Information box)
(110)			The [percentage level of your interest in the shares / number of shares in which you are interested / number of debentures in which you are interested] has increased
	1101		you purchased the [shares / debentures]
	1102		you were given the [shares / debentures]
	(1103)		you became the holder of, wrote or issued equity derivatives under which (choose one):
		11031	you have a right to take the underlying shares
		11032	you are under an obligation to take the underlying shares
		11033	you have a right to receive from another person an amount if the price of the underlying shares is above a certain level
		11034	you are under an obligation to pay another person an amount if the price of the underlying shares is below a
		11035	you have any of the rights or obligations referred to in 11031 to 11034 above embedded in a contract or
	1104		you acquired a security interest in the [shares /
	1105		you inherited the [shares / debentures]
	1106		you became a beneficiary under a trust interested in the [shares
	1107		you took steps to enforce your rights in the shares you hold by way of security as a qualified lender
	1108		your spouse ceased to be a director of chief executive of the listed corporation

Code No. (Level 1)	Code No. (Level 2)	Code No. (Level 3)	Description of event
	1109		you entered into an agreement for the exchange of an instrument for another instrument in respect of the same underlying shares
	1110		you were placed the shares as a placee under a top-up
	1111		new shares were issued to you after you have reduced your interest in shares by placing them to placee(s) under a top-up placing
	1112		you became a member of a concert party group or a member of the concert party group acquired more of the
	1113		any other event (you must briefly describe the relevant event in the Supplementary Information box)
(120)			The [percentage level of your interest in the shares / number of shares in which you are interested / number of debentures in which you are interested] has reduced
	1201		you completed a sale of the [shares / debentures]
	1202		you made a gift of the [shares / debentures]
	1203		you delivered the shares or an amount due under equity derivatives
	(1204)		expiry or cancellation without exercise of equity derivatives under which (choose one):
		12041	you had a right to take the underlying shares
		12042	you were under an obligation to take the underlying shares
		12043	you had a right to receive from another person an amount if the price of the underlying shares was above a certain
		12044	you were under an obligation to pay another person an amount if the price of the underlying shares was below a
		12045	you had any of the rights or obligations referred to in 12041 to 12044 above embedded in a contract or
	1205		you ceased to have a security interest in the [shares / debentures]
	1206		you did not take up, or sold, rights in a rights issue
	1207		your spouse became a director or chief executive of the listed corporation
	1208		you entered into an agreement for the exchange of an instrument for another instrument in respect of the same underlying shares
	1209		you placed the shares to placee(s) under a top-up placing
	1210		new shares were issued in a top-up placing
	1211		you have ceased to be a member of a concert party group or a member of the concert party group has disposed of some of the shares
	1212		cancellation of debentures upon repayment
	1213		any other event (you must briefly describe the relevant event in the Supplementary Information box)
(130)			There has been a change in nature of your interest in the [shares / debentures] because:

Code No. (Level 1)	Code No. (Level 2)	Code No. (Level 3)	Description of event
	1301		the [shares / debentures] have been delivered to you and you have not previously notified the purchase of the [shares / debentures]
	1302		you have entered into an agreement for the sale of [shares / debentures] in which you are interested [but are not required to deliver them within 4 trading days]
	1303		you have exercised rights [to the shares under equity derivatives / under an agreement including derivatives by a person deriving from the debentures]
	1304		rights [to the shares under equity derivatives / under an agreement including derivatives deriving from the debentures] have been exercised against you
	1305		you have provided an interest in the [shares / debentures] as security to a person other than a qualified lender
	1306		an interest in the [shares / debentures], that you provided as security to a person other than a qualified lender, has been released
	1307		you have taken steps to enforce a security interest in the [shares / debentures], or rights to such shares held as security, and you are not a qualified lender
	1308		steps have been taken to enforce a security interest in the [shares / debentures], or rights to such [shares / debentures] held as security, against you
	1309		you are a beneficiary under a will and the [shares / debentures] have been transferred to you by an executor
	1310		you are a beneficiary under a trust and the [shares / debentures] have been transferred to you by a trustee
	1311		you have delivered the [shares / debentures] to a person who had agreed to borrow them
	1312		the [shares / debentures] lent by you have been returned to
	1313		you have lent the [shares / debentures] under a securities borrowing and lending agreement
	1314		you have recalled the [shares / debentures] under a securities borrowing and lending agreement
	1315		you have declared a trust over [shares / debentures] that you continue to hold
	1316		any other event (you must briefly describe the relevant event in the Supplementary Information box)
(140)			You came to have [a short position of 1% or more in the shares, or the percentage level of your short position in such shares / a short position in the shares or the number of shares in which you have a short position] increased
	(1401)		you became the holder of, wrote or issued equity derivatives under which (choose one):
		14011	you have a right to require another person to take delivery of the underlying shares
		14012	you are under an obligation to deliver the underlying
		14013	you have a right to receive from another person an amount if the price of the underlying shares is below a certain level



Code No. (Level 1)	Code No. (Level 2)	Code No. (Level 3)	Description of event
		14014	you are under an obligation to pay another person an amount if the price of the underlying shares is above a
		14015	you have any of the rights or obligations referred to in 14011 to 14014 above embedded in a contract or
	1402		you borrowed the shares under a securities borrowing and lending agreement
	1403		any other event (you must briefly describe the relevant event in the Supplementary Information box)
(150)			You ceased to have [a short position of 1% or more in the shares, or the percentage level of your short position in such shares / a short in the shares or the number of shares in which you have a short position] decreased because:
	(1501)		expiry or cancellation without exercise of equity derivatives under which (choose one):
		15011	you have a right to require another person to take delivery of the underlying shares
		15012	you are under an obligation to deliver the underlying
		15013	you have a right to receive from another person an amount if the price of the underlying shares is below a certain level
		15014	you are under an obligation to pay another person an amount if the price of the underlying shares is above a
		15015	you have any of the rights or obligations referred to in 15011 to 15014 above embedded in a contract or
	1502		you returned the shares borrowed under a securities borrowing and lending agreement
	1503		any other event (you must briefly describe the relevant event in the Supplementary Information box)
(160)			Approved Lending Agents
	(1601)		Notice under section 5(4) of the Securities and Futures (Disclosure of Interests – Securities Borrowing and Lending) Rules by an approved lending agent (choose
		16011	the percentage level of your interest in the shares held in your lending pool is taken to have increased
		16012	the percentage level of your interest in the shares held in your lending pool is taken to have reduced
	(1602)		Notice under section 5(4) of the Securities and Futures (Disclosure of Interests – Securities Borrowing and Lending) Rules by a person that controls an approved lending agent (choose one):
		16021	the percentage level of your interest in the shares held in the lending pool of the approved lending agent is taken to have increased
		16022	the percentage level of your interest in the shares held in the lending pool of the approved lending agent is taken to have reduced
(170)			Miscellaneous
	1701		On listing of the corporation or a class of [shares / debentures] of the listed corporation
	1702		Notice filed to remove outdated information (if you select this Code you must state the outdated information

Code No. (Level 1)	Code No. (Level 2)	Code No. (Level 3)	Description of event
			Supplementary Information box and identify the box which contains the updated information)
	1703		Notice filed because of a change in the threshold for
	1704		Notice filed because you ceased to have a notifiable interest in the shares of the listed corporation (you must briefly describe the relevant event in the Supplementary
	1705		Notice filed because you became a director or chief executive of the listed corporation
	1706		Notice filed because you ceased to be a director or chief executive of the listed corporation
	1707		Notice filed because the corporation became an associated corporation of the listed corporation
	1708		Notice filed because the corporation ceased to be an associated corporation of the listed corporation
	1709		Notice filed because the corporation changed its name
	1710		Voluntary disclosure (you must briefly describe the relevant event in the Supplementary Information box)
	1711		Other (you must briefly describe the relevant event in the Supplementary Information box)

### Codes of Capacity

(See Boxes 14 and 17 of Form 1, Boxes 17 and 20 of Form 2, Boxes 24 and 27 of Form 3A, Boxes 30 and 33 of Form 3B, Boxes 24 and 26 of Form 3C and Boxes 30 and 32 of Form 3D)

Code No.	Description of the capacity in which you held the interest or short position in shares that is acquired, disposed of or changed
	<b>Common capacities</b>
2101	Beneficial owner
2102	Investment manager
2103	Interests held jointly with another person
2104	Agent
2105	Underwriter
2106	Person having a security interest in shares
	<b>Interests by attribution</b>
2201	Interest of corporation controlled by you
2202	Interest of your spouse
2203	Interest of your child under 18 years of age
	<b>Trusts and similar interests</b>
2301	Trustee
2302	Custodian (other than an exempt custodian interest)
2303	Depository
2304	Executor or administrator
2305	Beneficiary of a trust (other than a discretionary interest)
2306	Nominee for another person (other than a bare trustee)



2307	Founder of a discretionary trust who can influence how the trustee exercises his discretion
	<b>Persons acting in concert</b>
2401	A concert party to an agreement to buy shares described in s.317(1)(a)
2402	A person making a loan or providing security to buy shares described in s.317(1)(b)
	<b>Miscellaneous</b>
2501	Other (you must describe the capacity in the Supplementary Information box)
2502	Approved lending agent

### Codes of Nature of Consideration

(See Box 14 of Form 1, Box 17 of Form 2, Box 24 of Form 3A, Box 30 of Form 3B, Box 24 of Form 3C and Box 30 of Form 3D)

Code No.	Description of consideration for off-exchange transactions
3101	Cash
3102	Assets other than cash
3103	Surrender of rights to shares/debentures
3104	Services

### Codes of Category of Derivatives

(See Box 18 of Form 1, Box 21 of Form 2, Box 28 of Form 3A and Box 34 of Form 3B)

Code No.	Common categories of derivatives
	<b>Listed derivatives</b>
4101	Physically settled
4102	Cash settled
4103	Convertible instruments
4104	Other (you must describe the category of derivatives in the Supplementary Information box)
	<b>Unlisted derivatives</b>
4105	Physically settled
4106	Cash settled
4107	Convertible instruments
4108	Other (you must describe the category of derivatives in the Supplementary Information box)

### Codes of Status in relation to a Trust

(See Box 22 of Form 1, Box 24 of Form 2, Box 32 of Form 3A, Box 38 of Form 3B, Box 31 of Form 3C and Box 37 of Form 3D)

Code No.	Status in relation to a trust
5101	Trustee of a trust
5102	Beneficiary of a trust (other than a discretionary interest)
5103	Founder of a discretionary trust who can influence how the trustee exercises his discretion

## Codes of Class of Debentures

(See Box 5 of Form 3C and Form 8 of Form 3D)

Code No.	Class of debentures (Box 5)
7101	Freely transferable and convertible into shares of [the listed corporation / the association corporation of the listed corporation]
7102	Freely transferable and convertible into shares of a corporation other than [the listed corporation / the associated corporation of the listed corporation]
7103	Not freely transferable but convertible into shares of [the listed corporation / the associated corporation of the listed corporation]
7104	Not freely transferable but convertible into shares of a corporation other than [the listed corporation / the associated corporation of the listed corporation]
7105	Not freely transferable and not convertible into shares of a corporation
7106	Other (you must describe the class of debentures in the Supplementary Information box)