

HDR Cancellation Procedure

Introduction

In view of the debut of Hong Kong Depositary Receipt (HDR), we have prepared this document with an aim of providing you with the highlight on intricacies surrounding Cancellation of HDRs in Hong Kong. Please read the following instructions/procedures before you submit the Cancellation instruction to the designated HDR registrar, Computershare Hong Kong Investor Services Ltd. (hereunder "Computershare").

Cancellation of HDRs refers to the process whereby the listed HDRs are cancelled on the HK Register for the Issuance of underlying or converted securities in the home or overseas issuance country.

Brokers/Custodian banks are recommended to send Cancellation instruction to the HDR registrar via xSettle™, Computershare's proprietary web-based portal to facilitate the instruction flow in Hong Kong.

1. Conversion of HDR to Underlying Securities:

- 1.1 Cancellation instructions cut-off time is: **12.00 noon HK time for next day settlement.** Instructions submitted after the cut-off time will be processed and sent to CCASS for pre-matching and settlement the following business day.
- 1.2 Please note the conversion ratio between HDR and the underlying/converted securities. The number of HDR to be cancelled should not result in fractional foreign shares based on the applicable HDR to local program ratio.
- 1.3 Upon submission of the Cancellation instruction to Computershare, please also send a delivery free of payment settlement instruction in CCASS for matching and settlement with Computershare's settlement agent as per below:

Computershare's Settlement Agent:	The Hongkong and Shanghai Banking Corporation Ltd (HSBC Hong Kong Nominees Ltd)
Settlement Agent's CCASS Participant ID:	C00019
Computershare's safekeeping account held with HSBC:	808-726269-085
Computershare's account name:	Computershare Hong Kong Nominees Ltd

- 1.4 Instructions Cut-off Times (all HK time below)

Cancellation of HDRs instruction:	12.00 noon for next day settlement
Payment of total fees in relation to	12.00 noon Cancellation Instruction Date

Cancellation of HDR:	
Amendment instruction:	8.00 am Settlement Date
Cancellation to the original instruction:	8.00 am Settlement Date
CCASS withdrawal:	<ul style="list-style-type: none"> ▪ Securities are settled by the 10.30am batch settlement run on the Settlement Date. ▪ Provided the required denominations are available with HKSCC Nominees Ltd on the withdrawal date.

- 1.5 Upon successful settlement at the batch of 10.30am CCASS settlement run, we need to withdraw HDR certificate(s) from CCASS for cancellation on the HK Register. The Cancellation process in HK will usually take 2 business days to complete i.e. date of instruction received + 2 business days. Please note that only upon cancellation of physical certificate(s) on the HK Register transactions are considered as successful Cancellations.
- 1.6 If the required denominations are not available with HKSCC Nominees Ltd, the Cancellation process will take a longer time when splitting of certificates held by HKSCC Nominees is required. Please note the potential delay of the Cancellation/withdrawal process in HK. Depository Bank and Computershare take no responsibility of the delay in the Cancellation if physical withdrawal cannot be completed as scheduled.
- 1.7 Upon cancellation of the physical certificates on the HK Register, Computershare will effect the on-delivery instruction to the Depository Bank for issuance of the underlying/converted securities in the overseas issuance country.
- 1.8 At the request of the Depository Bank, Computershare can proceed with securities settlement in HK only upon receipt of the total fees including Cancellation fee, Depository Bank Cable charge, CCASS withdrawal fee, if applicable. Please refer the payment details to the Payment Arrangements to HDR registrar as mentioned in 2 below.
- 1.9 If there is any amendment to the original instruction, please populate all settlement details in the HK Cancellation of HDR page and quote the previous xSettle transaction reference number in the Special Instruction field on xSettle for submission to Computershare before the cut-off time **8.00 am** on the scheduled **Settlement Date**.
- 1.10 If you wish to cancel the original instruction submitted to Computershare, please send a cancellation instruction quoted with the original Computershare xSettle reference number to the Computershare HK Global Transactions Unit (HKG TU) email address specified below. Your cancellation to the original instruction should reach Computershare by **8.00am** on the scheduled **Settlement Date**. The original instruction can only be cancelled if it is not yet settled in CCASS.
- 1.11 If the Cancellation instruction remains unsettled in CCASS by Settlement Date (SD)+7, please send us a cancellation to the original transaction. Otherwise, we will purge the long-outstanding transaction on SD+9 according to the CCASS settlement recycle policy.
- 1.12 Computershare will send the successful Cancellation instructions to the Depository Bank by the

end of Settlement Day for issuance of the underlying/converted securities in the overseas issuance country according to the instruction received.

2. Payment arrangements to HDR registrar in HK:

- 2.1 Payment instruction cut-off time is: **12.00 noon HK time on the Cancellation instruction date**. Payments that do not reach Computershare by the cut-off time will cause the Cancellation instruction to be carried over to the following business day.
- 2.2 Upon submission of the Cancellation instruction, please arrange fund transfer of the total fees to Computershare designated bank before the cut-off time as mentioned above, details are as follows:

Computershare's designated bank:	HSBC Hong Kong Main Office
HSBC SWIFT code:	HSBCHKHHHKH
HSBC bank code:	004
Computershare bank account no.:	808-726269-001
Computershare bank account name:	Computershare Hong Kong Nominees Ltd – S/A JPMorgan Chase Bank, N.A.

- 2.3 It is important to ensure **Computershare xSettle reference number e.g. VAOH1010 populated properly in the payment instruction** such that we can reconcile the payment with the Cancellation instruction before we can proceed with securities settlement.
- 2.4 For inter-bank transfer, please populate the Computershare xSettle reference number in the tag 70 of MT103. If you also use HSBC as the designated bank, please populate the Computershare xSettle reference number in the "Customer Reference" field on HSBCNet.
- 2.5 In addition to the Cancellation Fee and Cable charge collected by the Depository Bank, there is CCASS Withdrawal Fee HK\$3.50 per board lot and odd lot payable to HKSCC Nominees Ltd. The CCASS withdrawal fee is applicable when the HDRs are held in CCASS.
- 2.6 The total fees including the Cancellation fee, Cable charges and CCASS withdrawal fee transferred to Computershare are net of remittance charges. Hence, please ensure that you add the bank charges to the total fees or have the bank charges settled for your account.
- 2.7 If a paper cheque is banked in to Computershare account, we will proceed with securities settlement upon clearance of the cheque. Please email a copy of the pay-in slip with the Computershare xSettle reference number written to the following HKGTU email address. Payment by paper cheque is not recommended as it will delay the settlement process.
- 2.8 Computershare can proceed with securities settlement only upon receipt and reconciliation of the total fees.

Your dedicated managers at Computershare Hong Kong Global Transactions Unit (HKG TU) are:

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