



香港聯合交易所有限公司
(香港交易及結算所有限公司全資附屬公司)
THE STOCK EXCHANGE OF HONG KONG LIMITED
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

27 November 2015

A director's compliance with his Declaration and Undertaking to cooperate in the investigation of the Stock Exchange of Hong Kong Limited (the "Exchange") into possible Exchange Listing Rule breaches is of utmost importance in enabling the Exchange to discharge its function to maintain and regulate an orderly market.

A director must provide true, complete, accurate and up-to-date particulars in his Declaration and Undertaking given to the Exchange. Failure to do so may lead to the director not being alerted to service of documents, notice and/or disciplinary proceedings on him.

The Listing Committee of The Stock Exchange of Hong Kong Limited (the "Listing Committee")

CENSURES:

Mr Xue Wenge ("Mr Xue"), a former executive director of Mayer Holdings Limited (the "Company") (Stock Code: 1116), for breaching his obligations under the Declaration and Undertaking with regard to Directors (the "Declaration and Undertaking") given to the Exchange in the form set out in Appendix 5B to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Exchange Listing Rules"), and stating that Mr Xue's conduct in this matter would be taken into account in assessing his suitability under Rule 3.09 of the Exchange Listing Rules in the event that he should wish to become a director of another issuer in the future.

For the avoidance of doubt, the Exchange confirms that the above sanction applies only to Mr Xue and not to any other past or present members of the board of directors of the Company.

On 15 September 2015, the Listing Committee conducted a hearing into the conduct of Mr Xue in relation to his obligations under the Declaration and Undertaking.

REGULATORY CONCERN

Pursuant to his Declaration and Undertaking, Mr Xue was required to, amongst other things:

- (a) cooperate in any investigation conducted by the Listing Department and/or the Listing Committee, including answering promptly and openly any questions addressed to him; and

- (b) provide a complete and accurate correspondence address to the Exchange.

The Listing Department submitted that it failed to obtain Mr Xue's cooperation in its investigation of possible breaches by Mr Xue of his Declaration and Undertaking, and the correspondence address provided by Mr Xue to the Exchange was incomplete and/or inaccurate.

FACTS

Mr Xue was an executive director of the Company between 30 June 2011 and 9 October 2014. Trading of the Company's shares has been suspended since 9 January 2012.

Mr Xue provided a Declaration and Undertaking to the Exchange on 30 June 2011, including the following terms:

- (a) an undertaking to provide information and documents requested by the Exchange;
- (b) an undertaking to cooperate in investigations conducted by the Listing Department and/or the Listing Committee;
- (c) an undertaking to inform the Exchange of any change to his contact address when he is a director of the Company and for a further period of 3 years from the date on which he ceases to be a director of the Company and an acknowledgement that a document or notice, for whatever purposes, including but not limited to the service of disciplinary proceedings, shall be deemed to have been validly and adequately served on him by the Exchange, and that he is responsible for keeping the Exchange informed of his up-to-date contact address, failing which he may not be alerted to any proceedings commenced against him by the Exchange; and
- (d) a declaration that all his particulars he has given in the Declaration and Undertaking are true, complete and accurate, and that he understands the Exchange may rely upon the particulars in assessing his suitability to act as a director of the issuer and the possible consequences of giving information which is false or misleading in a material particular including those as set forth in Note (1) (the "Declaration on Particulars").

Note (1) to the Declaration and Undertaking provides that the failure of any person to complete his/her Declaration and Undertaking truthfully, completely and accurately, or to observe any of the undertakings made under it, constitutes a breach of the Exchange Listing Rules.

Part 1(1) of the Declaration and Undertaking required Mr Xue to fill in his personal details, including his residential address. Mr Xue provided an address (the "Address") as his residential address to the Exchange. The Exchange did not receive any notification of any change to that Address. The Exchange therefore treated the Address as Mr Xue's latest residential and correspondence address.

The Listing Department had been investigating whether Mr Xue breached his Declaration and Undertaking. The letters sent by the Listing Department to the Address were returned by reason of "insufficient address" and Mr Xue did not file any submissions.

LISTING COMMITTEE'S FINDINGS OF BREACH

The Listing Committee considered the written and oral submissions of the Listing Department and concluded that Mr Xue breached his Declaration and Undertaking for failing to:

- (a) cooperate in the Listing Department's investigation of his conduct; and
- (b) provide complete and accurate correspondence address to the Exchange.

Pursuant to Note (1) to the Declaration and Undertaking, such failure constituted a breach of the Exchange Listing Rules.

The Listing Committee regarded Mr Xue's breach in this matter serious:

- (a) a director's cooperation with the Listing Department's investigation is of utmost importance in enabling the Exchange to discharge its function to maintain and regulate an orderly market. Failure to comply with the Exchange's requests in connection with an investigation of possible Exchange Listing Rule breaches without reasonable excuse should be viewed in a very serious light and would lead to serious consequences;
- (b) Mr Xue breached his Declaration and Undertaking by failing to cooperate in the Listing Department's investigation;
- (c) the failure of Mr Xue to respond to the Listing Department's letters for a prolonged period frustrated its investigation and assessment of the relevant issues involving Mr Xue's conduct and his compliance with the Exchange Listing Rules; and
- (d) despite the terms of the Declaration on Particulars, Mr Xue gave the Address to the Exchange as his residential and correspondence address, which was incomplete and/or inaccurate.

SANCTION

Having made the findings of breach as stated above, and having concluded that the breach was serious, the Listing Committee decided to censure Mr Xue for breach of his Declaration and Undertaking, and stating that Mr Xue's conduct in this matter would be taken into account in assessing his suitability under Rule 3.09 of the Exchange Listing Rules in the event that he should wish to become a director of another issuer in the future.