

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)

**A director's compliance with his Director's Undertaking to cooperate in the Exchange's investigation into possible Listing Rule breaches underpins the Exchange's ability to regulate issuers and directors, and therefore is of utmost importance in enabling the Exchange to discharge its function to ensure, so far as reasonably practicable, an orderly, informed and fair market in securities that are traded on the Exchange. Failure to comply without reasonable excuse will, in appropriate cases, lead to public sanction. Such conduct will also be taken into account in the Exchange's consideration of suitability of the individual concerned to be appointed as a director of any listed issuer and listing applicant in Hong Kong.**

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

### **CENSURES:**

**Mr Cong Hui Sheng ("Mr Cong")**, a former executive director ("**ED**") of Chengdu PUTIAN Telecommunications Cable Company Limited (Stock Code: 1202) ("**Company**") for breaching his obligations under the Declaration and Undertaking with regard to Directors ("**Undertaking**") given to The Stock Exchange of Hong Kong Limited ("**Exchange**") in the form set out in Appendix 5H to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Exchange Listing Rules**")

### **AND STATES THAT:**

Mr Cong's conduct in this matter will be taken into account in assessing his suitability under Rule 3.09 of the Exchange Listing Rules (and its equivalent of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited ("**GEM Listing Rules**")) in the event that he should wish to become a director of any issuer listed or to be listed on the Exchange in the future.

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

On 15 August 2017, the Listing Committee conducted a hearing into the conduct of Mr Cong in relation to his obligations under the Undertaking.

### **BACKGROUND**

Mr Cong was an ED of the Company from 13 November 2012 to 12 November 2015.

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On 18 November 2016, the Listing Department sent an enquiry letter to Mr Cong regarding certain matters relating to the Company. As no response was received, the Listing Department issued two reminders to Mr Cong. These letters were all sent to Mr Cong at his last known address on the Listing Department's records. The Listing Department was also unable to contact Mr Cong on his last known telephone number on the Listing Department's records. Mr Cong did not cooperate with respect to these enquiries.

### **DIRECTOR'S UNDERTAKING**

Mr Cong has given a written Undertaking to the Exchange, amongst other things, to cooperate in investigations conducted by the Listing Department and/or the Listing Committee, including answering promptly and openly any questions addressed to him.

### **LISTING COMMITTEE'S FINDINGS OF BREACH**

The Listing Department submitted that Mr Cong (i) is taken to have received the Listing Department's enquiry letter and reminders by virtue of the deemed service provision in his Undertaking; and (ii) failed to respond to the Listing Department's enquiries without any reasonable grounds; and (iii) therefore failed to comply with his Undertaking to cooperate in the Exchange's investigation.

The Listing Committee considered the submissions of the Listing Department, and concluded that Mr Cong breached his Undertaking by failing to cooperate with the Listing Department in its enquiries.

### **REGULATORY CONCERN**

A director's compliance with his Undertaking to cooperate in the Exchange's investigation into possible breaches of the Exchange Listing Rules is of utmost importance in enabling the Exchange to discharge its function to ensure, so far as reasonably practicable, an orderly, informed and fair market in securities that are traded on the Exchange. The Listing Committee regards Mr Cong's breach as a serious matter, as it has adverse impact on the Listing Department's ability to conduct an efficient and thorough investigation.

### **SANCTION**

Having made the findings of breach stated above, and having concluded that the breach is serious, the Listing Committee has decided to censure Mr Cong for his breach of the Undertaking by failing to cooperate in the Exchange's investigation. The Listing Committee has further stated that Mr Cong's conduct in this matter will be taken into account in assessing his suitability under Rule 3.09 of the Exchange Listing Rules (and its equivalent under the GEM Listing Rules) in the event that he should wish to become a director of any issuer listed or to be listed on the Exchange in the future.

Hong Kong, 21 September 2017