

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)

Failure by a director to cooperate in the Exchange’s investigation into possible Listing Rule breaches is viewed seriously and will not be tolerated, and will also be taken into account in assessing an individual’s suitability to act as a director of any listed issuer and listing applicant in the future.

The Listing Committee of The Stock Exchange of Hong Kong Limited (“Listing Committee”)

CENSURES:

Mr Wang Kai (“Mr Wang”), a former executive director (“**ED**”) of Sound Global Limited (Stock Code: 967) (“**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 5B to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”); and

STATES THAT:

The pattern of behaviour exhibited by Mr Wang is completely inconsistent with the standard of conduct expected by the Exchange of a director of a listed issuer and his conduct in this matter will be taken into account in assessing his suitability under Listing Rule 3.09 (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 Wang and not to any other past or present members of the board of directors of the Company. No adverse inference against the Company should be drawn from the fact that Mr Wang is a former director of the Company.

On 12 September 2017, the Listing Committee conducted a hearing into the conduct of Mr Wang in relation to his obligations under the Undertaking.

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BACKGROUND

Mr Wang was an ED of the Company from 24 December 2010 to 17 December 2015.

The Listing Department sought to conduct an investigation into as to whether Mr Wang breached the Listing Rules (“**Investigation**”).

On 15 June 2016, the Listing Department sent an enquiry letter to Mr Wang. As no response was received, from mid-July to mid-August 2016, the Listing Department sent a number of reminders to Mr Wang. These letters were all sent to Mr Wang at his last known address on the Listing Department’s records. On 22 November 2016, a staff member of the Listing Department successfully contacted Mr Wang on the telephone, and informed him of the need to provide information and documents in response to the Investigation and reminded him of his obligation to cooperate with the Exchange’s investigation. A further letter was issued to Mr Wang on 23 November 2016 to follow up on the matter. Mr Wang did not cooperate at all in the Investigation.

DIRECTOR’S UNDERTAKING

Mr Wang has given a written Undertaking to the Exchange, including an undertaking 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 Wang (a) is taken to have received the Listing Department’s enquiry letter and reminders by virtue of the deemed service provision in his Undertaking; (b) was clearly aware of the need for his cooperation in the Investigation through the telephone conversation he had with a staff member of the Listing Department on 22 November 2016; (c) failed to respond to the Investigation without any reasonable grounds; and (d) therefore failed to comply with his Undertaking to cooperate in the Exchange’s investigation.

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

REGULATORY CONCERN

A director’s compliance with his Undertaking to cooperate in the Exchange’s investigation into possible breaches of the Listing Rules is of utmost importance in enabling the Exchange to discharge its function to maintain and regulate an orderly market. The Listing Committee regards Mr Wang’s breach in this matter seriously, 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 decided to censure Mr Wang for his breach of the Undertaking for failing to cooperate in the Exchange's investigation. The Listing Committee further stated that the pattern of behaviour exhibited by Mr Wang is completely inconsistent with the standard of conduct expected by the Exchange of a director of a listed issuer and his conduct in this matter will be taken into account in assessing his suitability under Listing Rule 3.09 (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, 25 October 2017