

Weighted Voting Rights in Hong Kong: eUpdate Series

The Hong Kong regulators considered share structures with disproportionate voting rights, also known as the “weighted voting rights” (“WVR”) structures for companies seeking listing in Hong Kong.

Related Capabilities

- Capital Markets
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- **Open Sesame? Not for now, Alibaba - Part 1**: discussed the reasons why the Hong Kong regulators did not approve of WVR and whether this could be an impediment to the listing of new wave large technological companies in Hong Kong and whether Hong Kong needs to amend its restrictive rules.
- **Hopes Raised High But... - Part 2**: discussed the paper published by the Stock Exchange of Hong Kong Limited (“SEHK”) regarding the permissibility of WVR structures in Hong Kong and the SEHK’s draft proposal permitting WVR structures for certain companies in particular circumstances for second stage consultation. Also discussed the announcement made by the Securities and Futures Commission (“SFC”) that it did not support such a proposal and the SEHK’s response that the SFC’s view would be material to the final proposal that the SEHK puts forward for formal second stage consultation.
- **Hopes Dashed (For Now) - Part 3**: discussed the announcement of the SEHK of October 5, 2015 that, after considering the views of the SFC, it would not be proceeding with the draft proposal. This decision ends more than two years of controversy over the major listing reform.
- **Breakthrough? - Proposed New Board of the Hong Kong Stock Exchange May Allow Listing of Companies with Disproportionate Voting Rights Share Structures - Part 4**: discussed the proposal of Hong Kong Exchanges and Clearing Limited and its subsidiary The Stock Exchange of Hong Kong Limited to establish a New Board, separate from the existing Main Board and GEM platforms, to allow access to capital markets in Hong Kong to a more diverse range of issuers, including issuers with disproportionate voting rights share structures (also known as the “weighted voting rights” (WVR) structures in Hong Kong).