HYBRID VIRTUAL MEETING IN HK
Role and Responsibilities of HKSCC as CSD

- Securities are held under the name of HKSCC Nominee.
- HKSCC provides services to its participants only (runs as a membership/participantship).
- Depository Services – Provide share deposit and withdrawal services (physical certificates).
- Nominee Services – Provide relevant corporate actions affecting eligible securities and distribute these information to HKSCC participants.
- Exercise shareholder rights in respect of the securities held in HKSCC
Hybrid virtual meeting is a combination of physical meeting and virtual meeting.

To comply with relevant rules and regulatory requirements, listed companies in Hong Kong are required to convene physical shareholder meetings.

Shareholders are given two options on the hybrid virtual meeting: either attend and vote the meeting in person, or view a live webcast and vote online in real time (via online platform or APP).

HKSCC opted for attend the meeting in person due to logistics and time concern.

In preparation for the next meeting online, HKSCC will cooperate with share registrar on the enrollment arrangement before the meeting.
Benefits of Virtual Meeting

TIME SAVING
Save travel time for representatives to attend the general meeting

REAL-TIME INFO SHARING
Allow information sharing instantly through connecting the virtual meeting software

CHOICES
Open different options for the shareholders to vote: attend in person; by way of proxy; online attendance.

MINIMIZE TIME ZONE DIFFERENCE
Allow foreign investors to participate in general meetings in different time zones and locations

Challenges of Virtual Meeting

REGULATORY COMPLIANCE
In general, sole virtual meeting is not supported under company ordinance. Listed company is required to convene physical shareholder meeting. Traditional meeting or hybrid virtual meeting are the only option.

MARKET ACCEPTANCE
Less than 1% of listed companies are willing to conduct virtual meeting due to high capital cost

MARKET READINESS
Require huge resources to integrate virtual meeting tools into setting up general meeting and ensure operational readiness
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