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## 10.3 Reports required in connection with profit forecasts

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- (a) A forecast made by an offeror offering solely cash need not be reported on. With the consent of the Executive, this exemption may be extended to an offeror offering a non-convertible debt instrument.
- (b) In all other cases, the accounting policies and calculations for the forecasts must be examined and reported on by the auditors or consultant accountants. Any financial adviser mentioned in the document must also report on the forecasts.
- (c) When income from land and buildings is a material element in a forecast, that part of the forecast should normally be examined and reported on by an independent valuer: this requirement does not apply where the income is virtually certain, e.g. known rents receivable under existing leases.
- (d) Except with the consent of the Executive, any profit forecast which has been made before the commencement of the offer period must be examined, repeated and reported on in the document sent to shareholders.
- (e) Exceptionally, the Executive may accept that, because of the uncertainties involved, it is not possible for a forecast previously made to be reported on in accordance with the Takeovers Code nor for a revised forecast to be made. In these circumstances, the Executive would insist on shareholders being given a full explanation as to why the requirements of the Takeovers Code were not capable of being met.

« Notes to Rules 10.1 and 10.2

[10.4 Publication of reports and consent letters »](#)

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- Rule 13. Appropriate offers for convertibles, warrants, etc.
- Rule 14. Offers for more than one class of equity shares
- Rule 15. Timing of the offer
- Rule 16. Revised and alternative offers
- Rule 17. Acceptor's right to withdraw
- Rule 18. Statements during course of offer
- Rule 19. Announcement of results of offer
- Rule 20. Settlement of consideration and return of share certificates
- Rule 21. Restrictions on dealings before and during the offer
- Rule 22. Disclosure of dealings during offer period
- Rule 23. Nature of consideration to be offered
- Rule 24. Purchases resulting in an obligation to offer a minimum level of consideration
- Rule 25. Special deals with favourable conditions
- Rule 26. Mandatory offer
- Rule 27. Prompt registration of transfers
- Rule 28. Partial offers
- Rule 29. Proxies
- Rule 30. Conditions
- Rule 31. Restrictions following offers and possible offers
- Rule 32. Share repurchases
- Rule 33. Inducement fees, break fees and standstill agreements
- Rule 34. Shareholder solicitations
- Rule 35. Dealings by connected exempt principal traders
- Rule 36. Obligations of other persons
- Code on Share Repurchases
- Schedule I Offer Document for Takeovers and Mergers
- Schedule II Offeree Board Circular for Takeovers and Mergers
- Schedule III Offer Document for Share Repurchases by General Offer
- Schedule IV Extracts from Parts 3 and 5 and Schedule 2 of the Securities and Futures (Fees) Rules
- Schedule V Guidelines for the Exemption of Listed Companies from the Share Repurchase Requirements of Section 49BA of the Companies Ordinance (Cap. 32)
- Schedule VI Whitewash Guidance Note
- Schedule VII Conflicts of Interest Guidance Note
- Schedule VIII Receiving Agents' Code of Practice
- Schedule IX REIT Guidance Note
- Corporate Finance Adviser Code of Conduct
- Code on Unit Trusts and Mutual Funds
- Fund Manager Code of Conduct

- [+ SFC Code on MPF Products](#)
- [+ SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products](#)
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