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Hong Kong Exchanges and Clearing Limited

BY FAX

(Fax no.: 2868-5223)

Dear Sir

RE: Consultation Paper on the Reduction of Minimum Spreads

We refer to the suggestions of The Hong Kong Stock Exchange on the reduction of minimum spreads in stock market and would like to express our comments.

From our point of view, we do not think that it is necessary for changing the existing system of minimum spreads.

The Stock Exchange of Hong Kong has the responsibility to maintain a fair and open market for all investors. The Stock Exchange of Hong Kong should not only care of the minority needs, such as the needs of the corporate investors and the market makers, thus neglect the needs of the majority's individual investors.

We sincerely hope that the Stock Exchange of Hong Kong can take care of the overall investors' needs when proposing any change in the existing policies of the stock market.

Thank you for your kind attention.

For & on behalf of
Wo Fung Securities Company Ltd.


Kong Chin Fan
Responsible Officer

c.c. Mr Chim Pui Chung
Hong Kong Securities Professionals Association
Hong Kong Stockbrokers Association