

**Stella Lo**

Tel: [REDACTED]

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By Email: response@hkex.com.hk

Corporate Communications Department  
Hong Kong Exchanges and Clearing Limited  
8th Floor, Two Exchange Square  
8 Connaught Place, Central  
Hong Kong

Dear Sirs

**Consultation Paper on Codification of General Waivers and Principles Relating to IPOs and Issuers and Minor Rule Amendments (Consultation Paper) – Strong objection to proposed Note 3 to Rule 3.28 and the general grant of waivers from strict compliance with Rule 3.28**

I am the group company secretary of Guoco Group Limited (Stock Code: 53) which is listed on the Main Board of the Exchange. I am also a council member and the chairman of membership committee of The Hong Kong Institute of Chartered Secretaries. I made this submission in my personal capacity.

I am writing to strongly object to the proposed Note 3 to Rule 3.28 and the general grant of waivers from strict compliance with Rule 3.28 under paragraph 71 of the Consultation Paper. Such codification will send a message to the market that the prescribed professional qualification requirement which is an objective measure for ascertaining the professional knowledge and experience of a company secretary of an issuer is no longer required.

The appointed company secretary is an officer of the issuer who will be held responsible for regulatory compliance of the issuer and advising the board on governance matters, not the assisting "qualified" person. The condition of "being assisted by a "qualified" person does not stand. Moreover, why it can be assumed that a person who has been granted the waiver and being assisted by the qualified person for a period not more than 3 years can automatically be considered possessing the requisite professional qualification and experience to fulfill his/her duties as a company secretary of a listed company.

All companies listed in Hong Kong is obliged to compile with the relevant law, rules and regulations, including but not limited to the Listing Rules, Corporate Governance Code, Securities and Future Ordinance, Takeovers Code, etc., I do not understand why an issuer which has principal business activities primarily outside Hong Kong, being subject to the same of law, rules and regulations, is eligible to apply for such waiver. This would create a totally unfair playing ground for other issuers given that I believe the Exchange would not take the detrimental move to extend the eligibility of applying for the waiver to all other issuers.

I indeed object to the previous waivers granted by the Exchange to certain listed companies, which were unnecessary and inappropriate. To deal with the special circumstances mentioned in your Consultation Paper, it can be easily satisfied by allowing the issuers to appoint joint company secretaries with at least one of them fulfilling the professional qualification. It would avoid deviation from the rules, the trouble of granting waiver and at the same time address the special circumstances of those issuers.

Given the aforesaid view, I strongly urge the Exchange to withdraw the proposal. The codification would represent a backward development of the overall corporate governance standard of Hong Kong listed companies and will adversely affect the reputation of Hong Kong of being an international financial centre.

Yours sincerely

A black rectangular box redacting the signature of Stella Lo.

**Stella Lo**