

Part B Consultation Questions

Please reply to the questions below that are raised in the Consultation Paper downloadable from the HKEX website at: <https://www.hkex.com.hk/-/media/HKEX-Market/News/Market-Consultations/2016-Present/March-2021-Listing-Regime/Consultation-Paper/cp202103.pdf>. Please indicate your preference by ticking the appropriate boxes.

Unless otherwise stated, capitalised terms used herein shall have the same meanings defined in the Consultation Paper.

Where there is insufficient space provided for your comments, please attach additional pages.

We encourage you to read all of the following questions before responding.

1. Do you agree that the Equivalence Requirement and the concept of “Recognised Jurisdictions” and “Acceptable Jurisdictions” should be replaced with one common set of Core Standards for all issuers?

Yes

No

Please give reasons for your views.

We welcome the replacement of the Equivalence Requirement and the concept of “Recognised Jurisdictions” and “Acceptable Jurisdictions” by one common set of Core Standards. We believe that the proposed amendment will simplify the compliance structure and enhance efficiency in relation to listing applications. We note that substantial effort is currently involved in demonstrating compliance on the part of listing applicants from less common jurisdictions. Having every relevant applicant to demonstrate the same / similar standard for local laws and regulation may result in duplication of time and costs. We consider that the streamlined system will render the Hong Kong Stock Exchange (the “**Exchange**”) more attractive for prospective applicants and increase its diversity.

2. If your answer to Question 1 is “Yes”, do you agree: (a) with the proposed Core Standards set out in paragraphs 79 to 137 of the Consultation Paper; and (b) that the existing shareholder protection standards set out in Schedule C should be repealed?

Yes

No

Please give reasons for your views.

We agree with the proposed Core Standards set out in paragraphs 79 to 137 of the Consultation Paper, as we believe that such baseline standards could strike a balance between protection of shareholders’ interests and maintaining market competitiveness. The repeal of certain standards set out in Schedule C could assist in focusing on key protection areas and further streamline the regime.

3. Do you agree to codify the current practice that all issuers must conform their constitutional documents to the Core Standards or else demonstrate, as necessary for each standard, how the domestic laws, rules and regulations to which the issuer is subject and its constitutional documents, in combination, provide the relevant shareholder protection under the Core Standards?

Yes

No

Please give reasons for your views.

We agree with codifying the current practice, as it would lead to more certainty in the listing process.

4. Do you believe any other standards or Listing Rules requirements, other than those set out in paragraphs 79 to 137 or Schedule C of the Consultation Paper, should be added or repealed?

Yes

No

Please provide these other standards with reasons for your views.

5. Do you agree that existing listed issuers should be required to comply with the Core Standards?

Yes

No

Please give reasons for your views.

As stated above, we are of the view that the Core Standards represent market baseline requirements for listed issuers.

6. If your answer to Question 5 is "Yes", do you agree that: (a) existing listed issuers should have until their second annual general meeting following the implementation of our proposals to make any necessary amendments to their constitutional documents to conform with the Core Standards; and (b) the application of the Core Standards will not cause existing listed issuers undue burden?

Yes

No

Please give reasons for your views.

We agree with providing a grace period.