

# Herbert Smith

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Our ref

Your ref

Date  
17 February 2011

## **BY EMAIL**

Dear Sirs

### **Joint Consultation Paper on Proposed Changes to Property Valuation Requirements**

We refer to the Joint Consultation Paper on Proposed Changes to Property Valuation Requirements (the "**Consultation Paper**") issued by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited on 3 December 2011.

We write to confirm our support the proposals set out in the Consultation Paper and its stated aims, namely to remove unnecessary burdens on listing applicants and existing listed companies and to enhance the quality of information provided to investors.

In our experience, the current property valuation requirements have resulted in instances where the information provided to investors has not been meaningful and has been time consuming and costly for our clients to prepare. In addition, in the context of initial public offerings, we are aware of instances where the current regime is viewed negatively by prospective listing applicants and is a deterrent to seeking a listing in Hong Kong as compared with other markets with less onerous requirements in this area. We consider that the proposals set out in the Consultation Paper are a sensible approach and will cut down on unnecessary and overly burdensome disclosure, focusing the need to obtain a valuation report on companies with meaningful property interests.

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17 February 2011  
Letter To  
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Securities and Futures Commission

We understand that, with a consultation of this nature, there may be significant opposition by industry representatives who might be negatively affected by the proposals. We trust that such opposition by those with vested interests would be viewed in that context.

We note that responses to the Consultation Paper were requested by 11 February 2011. Please accept our apologies for missing the deadline and we hope that, despite being late, our views will still be taken into consideration.

If you have any questions in relation to this letter, please contact [REDACTED]

Yours faithfully,

[REDACTED]

Herbert Smith

