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Great Eagle  
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Our Ref: [REDACTED]

12 October 2018

**BY FAX (2524 0149) AND BY POST**

Hong Kong Exchanges and Clearing Limited  
10th Floor, One International Finance Centre  
1 Harbour View Street  
Central  
Hong Kong

Dear Sirs,

**Re: Consultation Paper on Review Structure in Relation to Listing  
Committee Decisions**

We refer to the Consultation Paper (“Consultation Paper”) on Review Structure in Relation to Listing Committee Decisions published by the Exchange in August 2018.

We are supportive of the Exchange’s efforts to streamline the structure for reviewing Listing Committee decisions and promote transparency, accountability and consistency in decision-making and we wish to share our views and comments on the following issues as raised in the Consultation Paper:

***1. One-level review structure is more balanced***

We support revising the current two-tier review structure to one level by the abolition of the Listing Appeals Committee. It is the thinking of a lot of practitioners that the two-tier review process is time wasting and non-constructive. We believe that the proposed one-level review structure is more balanced as it can streamline and expedite the review process while giving the new applicant or listed issuer a chance to review a decision of material significance.

However, the Exchange must be ready to handle more Judicial Review in the one-level review structure. But we believe that with a more consistent and predictable listing policy and rule approach, the Judicial Review possibility would be mitigated.



**2. *The existing structure of Listing (Review) Committee works very well***

Consistency and predictability are of vital importance in relation to Listing Committee ("LC") decisions. According to the proposal of the Exchange, the new independent review committee will comprise entirely members independent of the LC and the Exchange although most of whom are expected to be the former LC members. In Dr. Lo's experience as Chairman of LC, in past years, there would be challenges to the existing rules and policies of the Listing process, and he does not think a completely new Listing Review Committee ("LRC") would give the consistency that is vital in a listing regime but he further worries that unpredictable appeal decision might create chaos in the listing process.

As you may be aware, the statistics provided in the Consultation Paper indicate that the chance of success at the final appeal stage in the Listing Appeals Committee is low. It demonstrates that the former structure of the LRC works very well and there is no good reasons to have it replaced in its entirety.


Nonetheless, it is always a good idea to bring in refreshing views to the new LRC. In this connection, we propose that apart from the existing LC members, the Directors of the Stock Exchange or other former LC members shall be invited. The ratio of these two groups of members ie existing LC members to other independent members shall be 70:30. The new LRC meeting shall require a majority of the existing LC members for a quorum. Furthermore, a non-existing LC member shall sit on the new LRC for a term of no more than three years.

We hope that the above comments can assist the Exchange to fine-tune the well-established structure of the Exchange for reviewing Listing Committee decisions. Meanwhile, if you require any clarifications on our comments, please do not hesitate to contact us. Thank you for your kind attention.

Yours faithfully,

For and on behalf of

**GREAT EAGLE HOLDINGS LIMITED**



Dr. K.S. Lo  
Chairman