

From: [REDACTED]
Sent: Wednesday, September 11, 2019 10:53 PM
To: response <response@hkex.com.hk>
Subject: Re: Consultation Paper on Codification of General Waivers and Principles Relating to IPOs and Listed Issuers and Minor Rule Amendments

WARNING: External email, please exercise caution.

Dear Sir / Madam,

I am an individual investor and I am writing to express my view towards the recent consultation paper about "General Waivers and Principles Relating to IPOs and Listed Issuers and Minor Rule Amendments". In the paper, two amendments have caught my attention, details are as follows:

First, I don't agree with the proposal to codify the existing General Waiver such that bonus or capitalisation issues by a PRC incorporated issuer are exempted from shareholders' approvals in general meetings and separate class meetings. In my opinion, under this new arrangement, minority shareholders will be exploit and major shareholders/ powerful directors may find loophole to steal company's profit (i.e. investors' money or return) by issuing bonus shares to themselves.

Second, I don't agree with the proposal to codify the waiver described in paragraph 71 of the Consultation Paper in respect of the experience and qualification of company secretary into the Rules. I believe it is important for a listed company to appoint qualified & licensed secretary to perform governance and provide advice to the board. Individual investors trust the annual report / information on public announcement because company secretaries are professionals and they would ensure the company complies with the rules and regulation. If a licensed person is no longer a "must" criteria, the public would question the trust-worthiness of the public reports & accounts.

Hope that my view will be considered by your side.

Best regards,
Ms. WU
Individual investor