
From: "Li, Nan" <[REDACTED]>
Sent: 23 Mar 2018 11:37 PM
To: Joe Zhou [REDACTED]
Subject: RE: HKEX Listing Regime Consultation

Dear Joe,

Sorry for this last minute reply, below are two of my observations:

- I met quite some genetic test and genetic diagnosis companies, they have mature genetic technologies that lead to commercialization. Arguably "Biotech" may include "Genetic technologies", but it is not clear under the current rules if Chapter 18A may also apply to Genetic Companies or Genetic Products. In my opinion, "Genetic Companies" and "Genetic Products" should fall within the regime, as they totally meet your purpose of reform;
- I met some biotech companies that engaged in the R&D, application, but not strictly lead to "commercialization" of Biotech Products. Rather, they only do the "pre-clinical" part, they will sell or license out the "Biotech Products" to other companies for "commercialization", they profit from milestone payments and royalty streams. The companies in this kind form a substantial part of the Biotech companies listed in the US.

Under the current draft, the word "commercialization" is a bit ambiguous. Of course you may with the good intention broadly interpret the meaning of "commercialization" to include the companies that I mentioned above, but I think it would be more helpful if you can also state "license" to the definition of "Biotech Companies".

Above are my two cents. Feel free to let me know if any question.

Best,

Nan

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