

Part B Consultation Questions

Please reply to the questions below that are raised in the Concept Paper downloadable from the HKEX website at:

<http://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp2017061.pdf>

Please indicate your preference by checking the appropriate boxes.

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

1. What are your views on the need for Hong Kong to seek to attract a more diverse range of companies and, in particular, those from New Economy industries to list here? Do you agree that the New Board would have a positive impact on Hong Kong's ability to attract additional New Economy issuers to our market?

Please give reasons for your views.

Hong Kong shall provide ways for new industries, especially for start-up companies, to raise capitals from global investors. HKEX has been one of the leading IPO venue in the asia pacific. For the early stage of companies, new boards with less restrictive regulations are required more than ever.

2. What are your views on whether the targeted companies should be segregated onto a New Board, rather than being included on the Main Board or GEM?

Please give reasons for your views.

Listed companies on New Board should be segregated from other major boards. New companies do not have sufficient resources to comply with requirements of GEM or main board. It is required that attracting investors with appropriate efforts to concentrate on growth of the company.

3. If a New Board is adopted, what are your views on segmenting the New Board into different segments according to the characteristics described in this paper (e.g. restriction to certain types of investor, financial eligibility etc.)? Should the New Board be specifically restricted to particular industries?

Please give reasons for your views.

New board shall be segregated in accordance of characteristics of the participants. Risk of investments is relatively higher than mature markets due to dynamic environments of new industries. Special mechanism need to be devised to foster listing but mitigate risks.

4. What are your views on the proposed roles of GEM and the Main Board in the context of the proposed overall listing framework?

Please give reasons for your views.

The GEM and the Main board will be positions as a prime because companies can raise capitals from the major investors. New boards may act as stepping stones for the new companies.

5. What are your views on the proposed criteria for moving from New Board PRO to the other boards? Should a public offer requirement be imposed for companies moving from New Board PRO to one of the other boards?

Please give reasons for your views.

Proposed criteria may appropriate to move to other advanced boards. Certain amount of public offering is essential on volatility perspectives.

6. What are your views on the proposed financial and track record requirements that would apply to issuers on New Board PRO and New Board PREMIUM? Do you agree that the proposed admission criteria are appropriate in light of the targeted investors for each segment?

Please give reasons for your views.

The proposed criteria are adequate because targeted investors are varies depends on the boards.

7. What are your views on whether the Exchange should reserve the right to refuse an application for listing on New Board PRO if it believes the applicant could meet the eligibility requirements of New Board PREMIUM, GEM or the Main Board?

Please give reasons for your views.

The exchange should have authority to judge eligibilities. In instance, for the equal opportunities to gain capitals amount the players, certains restrictions are mandated and supervised by the exchange.

8. What are your views on the proposed requirements for minimum public float and minimum number of investors at listing? Should additional measures be introduced to ensure sufficient liquidity in the trading of shares listed on New Board PRO? If so, what measures would you suggest?

Please give reasons for your views.

The requirements at listing is appropriate to guarantee liquidity of trading volumes.

9. What are your views on whether companies listed on a Recognised US Exchange that apply to list on the New Board should be exempted from the requirement to demonstrate that they are subject to shareholder protection standards equivalent to those of Hong Kong? Should companies listed elsewhere be similarly exempted?

Please give reasons for your views.

If the company is listed on the prominent market and proven to be strong, listing demonstration shall be exempted.

10. What are your views on whether we should apply a “lighter touch” suitability assessment to new applicants to New Board PRO? If you are supportive of a “lighter touch” approach, what relaxations versus the Main Board’s current suitability criteria would you recommend?

Please give reasons for your views.

“Lighter touch” suitability is one of the key success factors of new boards. To survive throughout the dynamic environments, efforts and costs accompanying with capital gains would be minimized. The applicants must concentrate on the growths other than other factors.

11. What are your views on whether the New Board PRO should be restricted to professional investors only? What criteria should we use to define a professional investor for this purpose?

Please give reasons for your views.

Due to ‘lighter touch’ approach, special cautions is required to mitigate risks on the new board pro. Investors of the board may not gain sufficient information of companies business details. Professional investors with insights of the market could reduce risks of market stability.

12. Should special measures be imposed on Exchange Participants to ensure that investors in New Board PRO-listed securities meet the eligibility criteria for both the initial placing and secondary trading?

Yes

No

Please give reasons for your views.

The investment risk of the market is relatively larger than other major boards.

13. What are your views on the proposal for a Financial Adviser to be appointed by an applicant to list on New Board PRO, rather than applying the existing sponsor regime? If you would advocate more prescriptive due diligence requirements, what specific requirements would you recommend be imposed?

Please give reasons for your views.

I agree with the proposal appointing Financial Advisor by an applicants. It reduce barriers for the applicants in that costs could be minimized.

14. What are your views on the proposed role of the Listing Committee in respect of each segment of the New Board?

Please give reasons for your views.

Proposed Listing Committee's roles are appropriates. New companies status may be volatile. Committee should cope with notable issues promptly.

15. Do you agree that applicants to listing on New Board PRO should only have to produce a Listing Document that provided accurate information sufficient to enable professional investors to make an informed investment decision, rather than a Prospectus? If you would advocate a more prescriptive approach to disclosure, what specific disclosures would you recommend be required?

Yes

No

Please give reasons for your views.

In case of new companies, business activities are agile under the dynamic circumstances.

16. What are your views on the proposed continuous listing obligations for the New Board? Do you believe that different standards should apply to the different segments?

Please give reasons for your views.

I believe different criteria should be applied considering traits of applicants. Especially for the early stage of company's, efforts should be minimized to aim growth of revenues.

17. For companies that list on the New Board with a WVR structure, should the Exchange take a disclosure-based approach as described in paragraph 153 of this Concept Paper? Should this approach apply to both segments of the New Board?

Please give reasons for your views.

I believe mandatory safeguards are preferable to mitigate investment risks.

18. If, in addition, you believe that the Exchange should impose mandatory safeguards for companies that list on the New Board with a WVR structure, what safeguards should we apply? Should the same safeguards apply to both segments of the New Board?

Please give reasons for your views.

Transfer of WVR need to be monitored and storied because new companies heavily rely on certain personnels leading the business.

19. Do you agree that the SEHK should allow companies with unconventional governance features (including those with a WVR structure) to list on PREMIUM or PRO under the “disclosure only” regime described in paragraph 153 of the Concept Paper, if they have a good compliance record as listed companies on NYSE and NASDAQ? Should companies listed elsewhere be similarly exempted?

Please give reasons for your views.

To broaden the markets, SEHK may bestow exemptions to the company who listed on the matured market overseas.

20. What are your views on the suspension and delisting proposals put forward for the New Board?

Please give reasons for your views.

I agree with proposal in that those mechanism may protect investors.

21. Should New Board-listed companies have to meet quantitative performance criteria to maintain a listing? If so, what criteria should we apply? Do you agree that companies that fail to meet these criteria should be placed on a “watchlist” and delisted if they fail to meet the criteria within a set period of time?

Please give reasons for your views.

The financial stability may fluctuate often in case of new companies. Thus certain performance criteria need to be applied to maintain listing positions on the board. Certain growth performance factors need to be devised to discern promising companies.

22. Do you consider that an even “lighter touch” enforcement regime should apply to the New Board (e.g. an exchange-regulated platform)?

- Yes
 No

Please give reasons for your views.

I believe the Exchange can handle dynamic situation of new companies appropriately other than government bodies.

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