

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.

I do agree that New Board would definitely attract more tech based new economy industries from China, Korea and Japan in the region as HK always been the hub of financing for businesses

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.

My point of view is that New Board should be seperated from existing Main/GEM board as the industry is much more dynamic and requires shorter time period to attract the market and investors

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 develop its on segmentation as well as restriction of the investors;

1. Pro & Premium Board segmentation would be perfect approach
2. Somehow restrict the investors with very short-term investment record

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.

Main & GEM Board could continue the conventional and Old economy listing and keeping the investors and money within the HK market and New Board would be promoted as an alternative market to gateway to New economy in the region, Eventually, New Board could become a main exchange in the future.

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.

Yes, New Board PRO shall be as simple as possible and more of idea and story based however moving up to next Board, GEM or PREMIUM even Main Board should have some imposed requirement such as lower certain level of stake holding of existing shareholders of PRO.

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.

Yes I do agree with the proposed level of requirement of PRO & PREMIUM

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.

I disagree with the authority of refusal because New economy is all about flexibility in business terms therefore the right would be reserved by the shareholders of the company rather than the HKEX, in the normal circumstance the company would naturally choose PREMIUM, Main or GEM as the requirements is more than PRO.

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 proposed requirement would be appropriate

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.

Yes, if the company has proven record elsewhere(America, Japan, Korea, China etc.) the demonstration should be exempted or minimised

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.

The approach of 'lighter touch' is very important to adapt New economy based business models and could be the key factor of success of New Board, however there are certain guidelines to be designed that could filter certain companies out at the very early stage.

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.

Professional investors shall be classified with their track record of investing into New economy industries and they should be the key partner of the New Board and some of the government funded or NGO funded investors could be among the list.

Yes, certain level of investment shall be partnered by professional investors.

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.

Mimumum standard required as proposed with SFO level

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.

The Financial Advisor would be appropriate to list on New Board and the latest financial position of the company to be opinioned and signed off by the Advisor.

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.

The role of Committee would be critical to New Board and
1. PRO - more of business model and story focused professionals, CEOs etc.
2. PREMIUM- Qualified professional with New economy industry experienced memebers to be required

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.

New economy industries are much more dynamic than conventional businesses therefore Listing Document should be sufficient enough for PRO

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.

Yes, different criteria shall be applied for different segment , especially PRO side to be much easier/flexible/alternative obligations to be set compare to PREMIUM

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.

Yes, it should apply both segments in order to improve market transparency

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.

Yes, it should apply the same to both segment with mandatory safeguards.

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.

Yes, if the company listed proven market elsewhere (NASDAQ, KOSDAQ etc), disclosure only would be sufficient enough for New Board level.

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 the proposed level on New Board

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.

Yes, New Board should monitor the companies and make certain decisions based on the criteria on listing

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.

This is an important to have a constant approach to New Board, 'lighter touch' enforcement should be applied

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