

Y/As to the third board, I support this. I would like to provide some practical suggestions to deal with the governance/investor protection issues.

Y/These governance/investor protection issues arise because we do not have (1) class actions in Hong Kong, and (2) litigation funding. These means that the benefactors of weighted voting rights could go virtually unchecked.

Y/Despite this, we cannot allow these governance/investor protection issues to detract from attracting global IPOs like ARAMCO, when even The London Stock Exchange are changing their rules relating to sovereign listings.

Y/I would as a practical suggestion suggest that we should open up the third board to professional investors (PIs) only initially for a few years. The retail investors could invest their funds through PI funds.

Y/This arrangement would provide retain investors an added level of protection, if we strengthen the obligation on PI funds to explain clearly to retail investors as to what they are investing in.

Y/We could then completely open up the market after a few years to retail investors, if there is the demand by retail investors for direct access.

Y/The suggestions herein deal with thorny governance issues, attract IPOs and also help to develop the fund industries.

Thank you for the kind attention.