

We have a few thoughts to add.

1. Pre-Profit/Pre-revenue R&D companies also features no positive operating cash flow or no operating cash in-flow at all. There should be no positive operating requirements for the pre-profit RD companies.
2. For the New Board, we do think the best version is for HKEX to maintain the level of qualification and lower the threshold to invest.
3. Alternatively, if HKEX wishes to keep the new proposed framework, we have another proposal. HKEX can keep the bar of company listing low (as HKEX proposed), yet at the same time setting up a committee to review, approve and issue a designation to those applicant companies that meets the qualifications of pre-profit companies (could be good and feasible financial forecast, verified FDA approval/meeting/consultation, verified new technology, verified licensing deal, real R&D activities, registered plants etc). This designation only means that HKEX recognizes the QUALITY of the company and not a guarantee of the success. HKEX can set some criteria (e.g. market cap based on last round) to limit the number of applicant companies and allow them to choose whether or not they want to apply for it. With this designation, HKEX should allow all investors (both retail and professional) to invest in a single new board. If retail investors are risk-averse, they could choose the target based on the designation.

Also, I strongly suggest that you meet a few companies that you wish to attract. As far as I know, there are some good companies interested in listing in HKEX but probably won't fit in the currently proposed framework.

Warm regards,

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