<u>**Submitted via Qualtrics**</u>

Maples and Calder (Hong Kong) LLP

Company/Organisation view

Law Firm

<u>Question 1</u>

Do you agree that the WVR Financial Eligibility Test thresholds should be lowered?

Yes

Please give reasons for your views and any alternative suggestions.

We recognize the Exchange's objective of keeping Hong Kong competitive in attracting appropriate innovative and high-growth issuers. We think that any adjustment should continue to sit alongside the existing suitability assessment, disclosure and governance framework.

<u>Question 2</u>

Do you agree with the proposed WVR Financial Eligibility Test thresholds (as set out in paragraph 91 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We do not have a strong view on the specific thresholds from our perspective as offshore legal counsel.

<u>Question 3</u>

Do you agree with the proposal to accept a 20:1 WVR Ratio Cap if an applicant has a market capitalisation of at least HK$40 billion at the time of listing (see paragraph 103 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We do not have a strong view from our perspective.

Question 4

Do you agree with the proposal to clarify that the Exchange may be prepared to accept the listing of an applicant whose WVR beneficiaries collectively hold a lower minimum economic interest at listing only if such lower underlying economic interest, at the time of the applicant's initial listing: (a) represents at least 5% of the applicant's total issued share capital; and (b) has an amount of at least HK$4 billion (see paragraph 105 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We do not have a strong view on the specific thresholds from our perspective as offshore legal counsel.

Question 5

Do you agree with the proposal to provide a choice of Route A and Route B that applicants can use to meet the Innovative Company Requirements (as set out in paragraph 126 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We do not have a strong view as to providing a choice of Route A and Route B from our perspective.

Question 6(a)

In respect of Route A, do you agree with the proposed retention of the current Specialist Company Presumptions (as set out in paragraph 127(a) of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We have no opinion on this question.

Question 6(b)

In respect of Route A, do you agree with the proposed "innovative" presumption for Qualified Biotech Applicants and Qualified Specialist Technology Applicants (as set out in paragraphs 127(b), 132 and 133 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We have no opinion on this question.

<u>Question 6(c)</u>

In respect of Route A, do you agree with the proposed refinements to the Innovative Characteristics that are applicable to Route A (as set out in paragraphs 127(c), 129 and 130 of the Consultation Paper)?

Please give reasons for your views and any alternative suggestions.

We have no opinion on this question.

<u>Question 7(a)</u>

Do you agree with the proposed refinements to the Innovative Characteristics that are applicable to Route B (as set out in paragraphs 129 and 131 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We have no opinion on this question.

<u>Question 7(b)</u>

Do you agree with the proposed guidance on the meaning of a "sophisticated investor" for the purpose of the "external validation" requirement (as set out in paragraph 134 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We have no opinion on this question.

Question 7(c)

Do you agree with the proposed guidance on what constitutes "meaningful third-party investment" for Route B applicants for the purpose of the "external validation" requirement (as set out in paragraph 135 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We have no opinion on this question.

Question 8

Do you agree with the proposal to lower the financial eligibility thresholds for a secondary listing of an overseas issuer with a WVR structure to align them with those proposed for WVR issuers with a primary listing (see paragraph 173 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We generally support the proposal to lower the financial eligibility thresholds for secondary listings of overseas issuers with WVR structures. We believe this may enhance the attractiveness of Hong Kong for eligible overseas-listed issuers.

Question 9

Do you agree with the proposal to lower the market capitalisation threshold under Criteria B from HK$10 billion to HK$6 billion (see paragraph 177 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We are supportive of lowering the Criteria B market capitalisation threshold, which we believe may facilitate additional secondary listings by overseas issuers with an established compliance record.

Question 10

Do you agree with the proposal to retain the market capitalisation threshold under Criteria A (see paragraph 178 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We do not have a strong view as to retaining the market capitalisation threshold under Criteria A.

<u>Question 11</u>

What measures (if any) do you think the Exchange should implement to further facilitate the listings, in Hong Kong, of issuers listed overseas (see paragraphs 198 and 199 of the Consultation Paper)?

From our perspective as offshore legal counsel, we do not have any particular measures to propose beyond noting that the existing framework and guidance already provide a workable basis for overseas-listed issuers to pursue a Hong Kong listing.

Please give reasons and specify any accompanying conditions for your suggested measures.

<u>Question 12</u>

Do you agree with the proposal to codify the existing guidance into a Rule to state that an applicant will be considered to have satisfied the Ownership Continuity Requirement if it can demonstrate, to the Exchange's satisfaction, that there was no material change in influence on management during the Relevant Period despite the change in controlling shareholder over that period to address any packaging concerns (see paragraphs 205 and 206 of the Consultation Paper)?

Please give reasons for your views and any alternative suggestions.

We have no opinion on this question.

<u>Question 13</u>

Do you agree with the proposed consequential updates to our guidance (as set out in paragraph 207 of the Consultation Paper)?

Please give reasons for your views and any alternative suggestions.

<u>Question 14</u>

Do you agree with the proposal to expand the permitted use of US GAAP (as set out in paragraph 213 of the Consultation Paper)?

Please give reasons for your views and any alternative suggestions.

We have no opinion on this question.

<u>Question 15</u>

Do you agree with the proposal to remove the requirement that a US-listed issuer using US GAAP must revert to preparing financial statements using HKFRS or IFRS if it subsequently delists from the US (see paragraph 214 of the Consultation Paper)?

Please give reasons for your views and any alternative suggestions.

We have no opinion on this question.

<u>Question 16</u>

Do you agree with the proposal to remove the requirement for a Reconciliation Statement produced for the purpose of unaudited financial results to be reviewed by auditors (see paragraph 215 of the Consultation Paper)?

Please give reasons for your views and any alternative suggestions.

We have no opinion on this question.

Question 17

Do you agree with the proposal to allow Eligible Specialist Companies to seek a listing under the applicable Specialist Chapters (see paragraph 232 of the Consultation Paper)?

Please give reasons for your views and any alternative suggestions.

We have no opinion on this question.

Question 18

Do you agree with the proposed modifications to the additional requirements under the Specialist Chapters to be imposed on Eligible Specialist Companies (as set out in paragraph 233 of the Consultation Paper)?

Please give reasons for your views and any alternative suggestions.

Question 19

Do you agree with the proposal to remove the Publication Requirements for all listing applicants, such that a listing applicant (including a listing applicant associated with an Issuer-related Listing Application) may choose not to publish its AP at the time it submits its listing application, in which case it would only be required to publish an OC Announcement on the same date as it publishes its PHIP (as set out in paragraph 260 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We do not have a strong view from our perspective.

Question 20(a)

Do you agree with the proposal that, in addition to the existing Return Application Details, the identities of other professional parties responsible for the Application Materials also be displayed on the designated webpage of the Exchange (as set out in paragraphs 264 to 265 of the Consultation Paper)?

No

Please give reasons for your views and any alternative suggestions.

Please refer to our response to Question 20(b).

<u>Question 20(b)</u>

Do you agree with the list of professional parties proposed to be considered as responsible for the Application Materials for the above purpose (as set out in Box 1 under paragraph 265 of the Consultation Paper)?

No

Please give reasons for your views and any alternative suggestions.

We support the Exchange's objective of improving the quality of listing applications and protecting market integrity. However, we do not consider it appropriate for offshore issuer counsel to be treated as "responsible" for the Application Materials for the purpose of public display following a return decision. Also, we have significant concerns about the proposal to display on the Exchange's designated webpage the names and roles of offshore legal counsel following a return decision.

As Cayman legal advisers to issuers, our workstream in a Hong Kong IPO is typically confined to Cayman law corporate matters (including M&As, corporate actions and governance), Cayman-law specific disclosures, and the provision of Cayman law legal opinions. We do not control, and in practice cannot meaningfully assess, the completeness or quality of the prospectus as a whole, which is driven primarily by the sponsor, the reporting accountants, and the Hong Kong/PRC counsel and other experts responsible for business, financial and regulatory due diligence and disclosures. We usually do not have visibility of the sponsor's due diligence files, nor do we receive or review successive drafts of the full prospectus beyond those sections directly relevant to our scope. Nor do we have standing to require changes outside our remit or to insist on receiving all underlying documents for review. In our experience, the deficiencies that typically lead to a return (for example, insufficiency of business or financial disclosure, valuation or accounting issuers, or incomplete responses to regulatory comments), are not offshore-law issues and are not matters that we can prevent or detect.

Public identification of offshore counsel in connection with a returned application therefore risks creating a disproportionate and potentially misleading reputational consequence for parties whose work is not causative of the return. Where our role as an offshore legal adviser is limited and compartmentalized, public identification may not assist the market to understand what drove the return. More broadly, the proposal may deter high-quality specialist service providers from accepting mandates – an outcome that would sit uncomfortably with the consultation's broader aim of enhancing Hong Kong's listing competitiveness.

We encourage the Exchange to consider more proportionate alternatives such as a tiered disclosure regime which could identify only those professional parties whose scope of work directly relates to the stated reason(s) for the return, to avoid discouraging the acceptance of mandates by specialist counsel who cannot influence application-level disclosure.

Question 21

Do you agree with the proposal to amend the starting point of the 8-week moratorium to either: (a) the date on which all applicable review procedures in respect of the Listing Division's decision to return the listing application have been completed; or (b) the date on which the time period for invoking any such review procedures has lapsed (as set out in paragraph 266 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We do not have a strong view from our perspective as offshore legal counsel.

Question 22

Do you agree with the consequential changes to issuers' disclosure obligations in relation to Issuer-related Listing Applications (as set out in paragraph 268 of the Consultation Paper)?

Yes

Please give reasons for your views and any alternative suggestions.

We generally support the consequential amendments so that issuer disclosure obligations align with the revised publication timing where an applicant elects confidential filing.

Please provide your overall comments (if any) regarding the Consultation Paper which have not been covered in the questions above.