Submitted via Qualtrics

DLA Piper Hong Kong

Company/Organisation view

Law Firm

Question 1

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 support lowering the WVR Financial Eligibility Test thresholds. In our experience, many innovative companies derive value primarily from technology, platforms, data and growth trajectories rather than near-term profitability or revenue size. A calibrated reduction of the thresholds would therefore broaden access to the WVR regime for suitable innovative issuers and strengthen Hong Kong's positioning as a competitive listing venue vis-à-vis other international listing venues.

Importantly, we consider that investor protection would continue to be adequately safeguarded, as the existing WVR framework already incorporates enhanced governance, disclosure and ongoing compliance requirements. The revised thresholds should continue to function as a quality filter, and we support the Exchange retaining discretion to address cases that do not align with the underlying policy intent of the WVR regime.

Clearer thresholds would also improve regulatory certainty for applicants and advisers and facilitate more predictable listing timelines.

Question 2

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 agree with the proposed WVR Financial Eligibility Test thresholds as set out in paragraph 91 of the Consultation Paper.

In our view, the proposed thresholds strike an appropriate balance between maintaining the integrity of the WVR regime and improving Hong Kong's attractiveness as a listing venue for innovative and high-growth companies. In particular, the thresholds appear to ensure that only applicants of a sufficient scale and market standing would be able to access WVR structures, which is consistent with the underlying regulatory objective of limiting WVR to companies with demonstrable significance and investor interest.

Question 3

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 agree with the proposal. For issuers of very substantial market capitalisation, a higher WVR ratio may be appropriate, as these companies typically have extensive institutional investor participation, mature governance structures and heightened market scrutiny, which together mitigate concerns associated with control differentiation.

Permitting a 20:1 WVR ratio in these circumstances would align Hong Kong more closely with global market practice. We emphasise, however, that this flexibility should continue to be accompanied by robust safeguards, including strong independent board representation, effective governance committees and clear, prominent disclosure explaining the rationale for and implications of the WVR structure.

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 support the proposal to clarify the Exchange's discretion in this area. Greater transparency around the circumstances in which a lower minimum economic interest may be accepted would improve predictability for applicants, sponsors and investors.

Where the relevant thresholds are satisfied, a lower economic interest can be consistent with the objective of attracting high-quality, large-capitalisation issuers while recognising that founders may have legitimate reasons to retain control during the initial post-listing phase.

Clear quantitative thresholds are helpful in promoting consistent regulatory outcomes, while continued Exchange discretion remains important to address cases that raise policy concerns or fall outside the intended scope of the regime.

<u>Question 5</u>

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 agree with providing applicants the flexibility to satisfy the Innovative Company Requirements through either Route A or Route B. Innovative business models can differ significantly, with some companies demonstrating innovation through scale, market leadership and platform effects, while others do so through R&D intensity or proprietary technology. A dual-route framework appropriately reflects this diversity.

In practice, optionality between the two routes should reduce unnecessary friction for applicants that clearly meet one set of criteria, while preserving the Exchange's ability to assess more borderline cases. Provided the criteria for each route are clearly articulated and consistently applied, this flexibility should enhance Hong Kong's attractiveness without diluting listing standards.

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

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 agree with the proposed retention of the current Specialist Company Presumptions as set out in paragraph 127(a) of the Consultation Paper.

In our view, the existing presumptions have provided a clear and workable framework for assessing whether a Specialist Company demonstrates sufficient “innovativeness” in the context of Route A. Retaining these presumptions would promote continuity and regulatory certainty, which is particularly important for applicants and their advisers when structuring listings under an already specialised regime.

<u>**Question 6(b)**</u>

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 support the proposed introduction of an “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.

We consider that this proposal appropriately recognises that applicants meeting the eligibility criteria under Chapters 18A and 18C have already undergone a rigorous assessment of their technological capabilities, research and development profile, and industry positioning. Accordingly, affording such applicants a presumption of “innovativeness” under Route A is both logical and consistent with the broader regulatory framework.

This approach would reduce duplication in the assessment process and streamline the listing pathway for these applicants, without undermining investor protection. It also enhances alignment between different listing regimes, thereby improving clarity and efficiency for market participants.

Question 6(c)

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)?

Yes

Please give reasons for your views and any alternative suggestions.

We agree with the proposed refinements to the Innovative Characteristics applicable to Route A, as set out in paragraphs 127(c), 129 and 130 of the Consultation Paper.

In particular, the refinements appear to provide greater specificity and clarity as to how "innovative" characteristics should be assessed in practice. This will assist applicants in demonstrating compliance and enable more consistent application of the criteria by the Exchange.

We consider that these refinements strike an appropriate balance between maintaining sufficient flexibility to accommodate a range of business models and enhancing objectivity in the assessment process. This is especially important in light of evolving technological developments and the diversity of Specialist Company sectors.

Question 7(a)

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 agree with the proposed refinements to the Innovative Characteristics applicable to Route B, as set out in paragraphs 129 and 131 of the Consultation Paper.

In our view, the refinements provide greater clarity and specificity as to how the "innovative" requirement should be assessed for Route B applicants. This is particularly important given the broader range of business models that may fall within Route B compared to Route A.

The proposed refinements would assist applicants and their advisers in demonstrating compliance with the relevant criteria, and promote a more consistent and transparent approach in the Exchange's assessment. However, to make Route B workable in practice and to avoid inconsistent outcomes, we would suggest the Exchange issue more granular, prescriptive guidance—supported by worked examples and indicative case studies—setting out how the refined characteristics will be applied to common Route B fact patterns (including borderline cases). Such guidance should, at a minimum, illustrate (i) what types of product / business model differentiation, R&D intensity, intellectual property, data / platform effects or commercialisation milestones would generally be regarded as meeting the "innovative" threshold; (ii) examples of features that would typically be insufficient on a standalone basis; and (iii) the evidential expectations for demonstrating these characteristics (e.g. key metrics, third party validation, customer adoption indicators and documentation), so as to reduce iterative clarification during vetting and improve predictability of outcomes.

<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 support 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.

We consider that clearer guidance on what constitutes a "sophisticated investor" would reduce interpretative uncertainty and enhance consistency in application. In particular, such guidance would assist applicants in identifying appropriate investors whose participation may be relied upon as part of the external validation assessment.

This proposal would also strengthen the credibility of the external validation requirement by ensuring that qualifying investors possess the requisite experience, expertise and financial capacity to make informed investment decisions, thereby supporting investor protection objectives.

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 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.

We consider that providing clearer parameters around “meaningful” investment would enhance transparency and reduce uncertainty for both applicants and practitioners. This would facilitate a more efficient assessment process and help ensure that the external validation requirement is applied in a consistent and objective manner.

In addition, the proposed guidance appears to strike an appropriate balance between setting sufficiently robust thresholds to ensure genuine validation, while retaining flexibility to accommodate differences in company size, sector characteristics and funding structures.

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 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, as set out in paragraph 173 of the Consultation Paper.

In our view, aligning the financial eligibility thresholds between primary and secondary listings would promote greater consistency and coherence within the WVR regime. It would ensure that companies with comparable scale and market characteristics are subject to similar eligibility requirements, irrespective of whether they pursue a primary or secondary listing in Hong Kong.

We also consider that the proposal would enhance Hong Kong's competitiveness as a listing venue for innovative and high-growth companies, particularly those already listed on overseas exchanges. Lowering the thresholds would broaden the pool of eligible issuers while maintaining an appropriate level of safeguards, given that such companies are typically subject to regulation in their home markets and have an established track record in public markets.

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 agree with the proposal to lower the market capitalisation threshold under Criteria B from HK$10 billion to HK$6 billion, as set out in paragraph 177 of the Consultation Paper.

In our view, the proposed reduction strikes an appropriate balance between enhancing Hong Kong's competitiveness as a listing venue and maintaining the integrity of the WVR regime. Lowering the threshold would expand the pool of eligible overseas issuers seeking a secondary listing in Hong Kong, particularly for high-growth and innovative companies that may not yet have reached the higher market capitalisation level but nonetheless demonstrate strong growth potential and investor interest.

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 support retaining the market capitalisation threshold under Criteria A. The threshold serves an important role in ensuring that overseas-listed issuers seeking a listing in Hong Kong are of sufficient scale and quality, which underpins investor confidence and the overall reputation of the Hong Kong market.

Maintaining a stable and predictable threshold also promotes regulatory certainty and facilitates planning for prospective applicants. At the same time, we consider it appropriate for the Exchange to retain limited flexibility, within clearly defined parameters, to accommodate exceptional cases where an issuer is otherwise of high quality and there is strong investor demand.

Question 11

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)?

We support further measures to facilitate listings of issuers already listed overseas, particularly where those issuers are subject to robust regulatory oversight in their primary markets. Such measures could include continued expansion and periodic review of recognised overseas exchanges and equivalence factors, streamlining the vetting process for secondary listings with strong regulatory track records, and providing clearer guidance on the interaction between home-market disclosure requirements and Hong Kong’s ongoing compliance obligations.

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

At the same time, we consider it important that any facilitative measures are accompanied by appropriate safeguards. Core shareholder protection standards should be maintained, and sufficient disclosure should be required to address material differences between regulatory regimes. The Exchange should also retain discretion to impose additional conditions where an issuer’s risk profile warrants closer scrutiny.

Question 12

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)?

Yes

Please give reasons for your views and any alternative suggestions.

We agree with the proposal to codify the existing guidance into a Listing Rule clarifying that an applicant may be regarded as having satisfied the Ownership Continuity Requirement where it can demonstrate, to the Exchange's satisfaction, that there has been no material change in influence on management during the Relevant Period, notwithstanding a change in controlling shareholder.

Codifying the existing guidance into a Rule will enhance regulatory certainty by providing applicants and sponsors with clear and authoritative criteria for assessing compliance with the Ownership Continuity Requirement.

At present, reliance on guidance (rather than a Rule) may give rise to interpretational uncertainty, particularly in complex ownership transition scenarios. Elevating the principle to a Rule will ensure consistent treatment across cases and reduce ambiguity in application.

The proposed approach also appropriately reflects commercial and market realities. Changes in controlling shareholder do not necessarily result in a substantive change in control or influence over management, as corporate structures may evolve for legitimate commercial or financing reasons without affecting continuity of management or business direction. By focusing on substance over form—namely whether there has been any material change in influence on management—the proposal avoids placing undue emphasis on formal changes in shareholding.

We further consider that the proposal strikes an appropriate balance between addressing "packaging" or circumvention concerns and avoiding undue rigidity. By requiring applicants to demonstrate the absence of any material change in management influence to the Exchange's satisfaction, the framework preserves the Exchange's ability to scrutinise artificial or opportunistic restructurings while allowing legitimate transactions to proceed. This is consistent with the policy intent of the Ownership Continuity Requirement, which is to ensure that investors can assess a track record reflecting a coherent management and business strategy.

To further enhance clarity and consistency, we suggest that the Exchange consider providing supplementary guidance or non-exhaustive factors for assessing "material change in influence on management", such as continuity of key senior management personnel, stability of board composition and decision-making control, continuity of business strategy and operational control, and the absence of contractual or governance arrangements conferring substantive control on new shareholders. We also consider that clarifying evidential expectations and documentation requirements would assist applicants and sponsors in preparing submissions and promote greater consistency in practice.

Question 13

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

Yes

Please give reasons for your views and any alternative suggestions.

We agree with the proposed consequential updates to the guidance as set out in paragraph 207 of the Consultation Paper. The updates are a logical and necessary step to ensure that the existing guidance is fully aligned with the proposed codified Rule, and to avoid any risk of misalignment or duplication between the Rule and guidance.

Updating the guidance in tandem with the Rule will promote a coherent and internally consistent regulatory framework, thereby facilitating a more streamlined and predictable application of the Ownership Continuity Requirement. While the Rule establishes the governing principle, the updated guidance will continue to play an important role in providing practical interpretative assistance to market participants, particularly in relation to fact specific scenarios. This combination of rule based clarity and guidance based flexibility is consistent with established regulatory practice and supports effective implementation.

We also consider that clear and aligned guidance will enhance efficiency in the vetting process by assisting applicants and sponsors in structuring transactions and preparing submissions, thereby reducing iterative queries and improving overall predictability.

To further support implementation, we suggest that the Exchange consider including illustrative examples or case studies demonstrating how the “no material change in influence on management” test would be applied in practice. Additional guidance on scenarios involving partial changes in control, consortium shareholders or layered ownership structures—which are commonly encountered in listing applications—would also be helpful in promoting consistent application.

Question 14

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

Yes

Please give reasons for your views and any alternative suggestions.

We support expanding the permitted use of US GAAP. This proposal would facilitate listings by overseas issuers, including those with established US investor bases, and reduce unnecessary costs and complexity associated with accounting standard conversions. US GAAP is a well-recognised and widely understood framework, and its expanded use can improve efficiency without compromising the quality of financial information provided to investors, provided appropriate disclosures are maintained.

Question 15

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)?

Yes

Please give reasons for your views and any alternative suggestions.

We agree with removing the reversion requirement. This change would reduce compliance burdens for issuers that have established reporting systems under US GAAP and promote continuity of financial reporting. It would also enhance Hong Kong's attractiveness for issuers that may adjust their listing status over time, while continuing to provide investors with high-quality and familiar financial information.

Question 16

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)?

Yes

Please give reasons for your views and any alternative suggestions.

We support removing the mandatory auditor review requirement for reconciliation statements. In many cases, the reconciliation is straightforward and based on established methodologies, and removing the review requirement would reduce cost and time without materially weakening investor protection, particularly given the broader disclosure and liability framework applicable to listing documents.

We consider it appropriate for the Exchange to retain discretion to require additional assurance in limited circumstances, such as where novel accounting issues arise.

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)?

Yes

Please give reasons for your views and any alternative suggestions.

We agree with allowing Eligible Specialist Companies to apply under the relevant Specialist Chapters. This approach is consistent with the policy objectives of those chapters and provides a tailored framework for issuers with specialist characteristics, while maintaining appropriate eligibility criteria and disclosure standards.

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)?

Yes

Please give reasons for your views and any alternative suggestions.

We 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.

In our view, the proposed modifications would enhance the clarity and coherence of the regulatory framework governing Specialist Companies. By refining and formalising the additional requirements, the proposal would provide clearer guidance to applicants and their advisers on the Exchange's expectations, thereby facilitating more efficient preparation and assessment of listing applications.

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 support the proposal to remove the Publication Requirements and to allow listing applicants to elect whether to publish an application proof upon submission.

Optional confidential filing would improve the efficiency and effectiveness of the vetting process by enabling the Exchange and sponsors to focus on substantive issues prior to public disclosure. This should, in turn, improve the overall quality, completeness and reliability of listing documents at the point of first public filing.

The proposal would also provide applicants with appropriate flexibility in handling commercially sensitive information, and aligns Hong Kong with international practices, including confidential submission regimes in other major markets. This should strengthen Hong Kong's positioning as a competitive listing venue.

We consider that the proposal would not compromise investor protection or regulatory oversight, as disclosure would still be made at an appropriate stage and the Exchange's review process, as well as sponsors' obligations, would remain unchanged.

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)?

Yes

Please give reasons for your views and any alternative suggestions.

We agree in principle with the proposal that, in addition to the existing Return Application Details, the identities of other professional parties responsible for the Application Materials be displayed on the Exchange's designated webpage.

The proposal is consistent with the broader regulatory objective of ensuring that parties involved in the preparation of Application Materials are appropriately accountable for their work product. In particular, sponsors and other professional advisers are already subject to established obligations under the Listing Rules (including Chapter 3A in respect of sponsors), and such disclosure would reinforce the importance of maintaining high standards throughout the application process.

Disclosure of the identities of responsible professional parties would also enable the market to better understand the advisers involved in a listing application and may, over time, strengthen confidence in the robustness of the vetting process, thereby supporting investor confidence and market discipline.

In addition, in the context of confidential filing—where full Application Materials may not initially be made public—such disclosure represents a proportionate approach to preserving regulatory accountability while still allowing an appropriate degree of confidentiality at an early stage.

<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)?

Yes

Please give reasons for your views and any alternative suggestions.

We broadly agree with the proposed list of professional parties to be considered responsible for the Application Materials (as set out in the Consultation Paper), insofar as it appropriately captures those parties who exercise substantive involvement and professional judgement in the preparation of such materials. The proposed approach focuses on parties who are actively involved in drafting, reviewing or validating key disclosures, rather than those whose involvement is peripheral or administrative in nature.

This is also consistent with the existing regulatory framework under the Listing Rules, where responsibilities and liabilities are generally aligned with the degree of involvement and reliance placed on the relevant professional party, for example in relation to sponsors and reporting accountants.

To ensure proportionality and avoid unintended consequences, we suggest that the Exchange consider clarifying the scope of responsibility so that only those parties with primary responsibility for material sections or key disclosures are included, thereby avoiding over inclusion of advisers with limited or highly technical roles.

Additional guidance (for example, through FAQs or guidance letters) may also assist in delineating the respective roles of sponsors (under Chapter 3A), legal advisers (issuer and sponsor counsel), reporting accountants and other experts, particularly in circumstances where responsibilities may overlap.

We further consider that the proposal should align with existing prospectus disclosure requirements (including disclosure of experts and advisers), so that duplication or inconsistencies are minimised.

<u>Question 21</u>

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 agree with the proposal to amend the starting point of the 8 week moratorium period to the later of (a) the date on which all applicable review procedures in respect of the Return Decision have been completed, or (b) the date on which the time period for invoking such review procedures has lapsed.

The proposed approach promotes procedural fairness by ensuring that an applicant's right to seek review of a Return Decision is not undermined by the automatic commencement of the moratorium period. This aligns with fairness and due process in the Exchange's decision making framework.

It also avoids duplication and inefficiency. If the moratorium were to run in parallel with review procedures, there would be a risk of duplicative processes and unnecessary inefficiencies, particularly in cases where a Return Decision is subsequently overturned or modified. The proposed amendment addresses this by ensuring that the moratorium applies only once the review process has been fully concluded.

In addition, a clear and logical trigger for the moratorium period will provide greater certainty for applicants and sponsors, enabling more effective planning and reducing uncertainty in the listing process.

To further enhance clarity, we suggest that the Exchange consider clarifying how the revised timing interacts with resubmission requirements and timing under Chapter 9 (including Rule 9.03(3)), as well as providing guidance on whether any exceptional circumstances may justify flexibility in the application of the moratorium period.

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.

Given our support for optional confidential filing, we agree with the proposed consequential changes to issuers' disclosure obligations in relation to issuer-related listing applications.

The proposed amendments are a necessary consequence of introducing optional confidential filing and ensure that the Listing Rules continue to operate in a coherent and internally consistent manner.

The proposed changes also appear to strike an appropriate balance between preserving necessary confidentiality during the early stages of the application process and ensuring that the market ultimately receives timely and meaningful disclosure once regulatory review has progressed. In particular, the fundamental disclosure standard—that information must be true, accurate, complete and not misleading in all material respects—remains unaffected. Accordingly, the proposal does not dilute investor protection or the quality of disclosures, but rather enables disclosures to be made at a more appropriate and mature stage of the vetting process.

To further enhance clarity and operability, we suggest that the Exchange consider providing more detailed guidance on the timing and scope of disclosure following confidential filing, including when information should transition to public disclosure.

Additional clarification on the interaction with inside information obligations under Part XIVA of the SFO and existing continuing disclosure requirements would also be helpful.

We further recommend ensuring alignment with existing disclosure requirements in listing documents, including those under Appendix D1A (prospectus disclosure requirements), to minimise duplication and promote consistency.

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

Overall, we are supportive of the proposals as a package and consider that they will enhance Hong Kong's international competitiveness while preserving high standards of market quality. We encourage the Exchange to accompany the rule changes with clear guidance and illustrative examples to promote consistent application, reduce regulatory uncertainty and facilitate efficient execution for market participants.