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Hong Kong Exchanges and Clearing Limited
8th Floor, Two Exchange Square
8 Connaught Place
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8 May 2026

Dear Sirs

Re: Consultation Paper on Listing Framework Competitiveness Review

PricewaterhouseCoopers welcomes the opportunity to respond to the Consultation Paper. Unless otherwise defined, terms used in this letter shall have the same meanings as those given in the Consultation Paper.

Overall, we are supportive of the proposed reforms. In our view, the proposals represent a constructive and proportionate package of measures that can enhance the accessibility and efficiency of Hong Kong's listing framework, whilst continuing to uphold appropriate standards of market quality, governance and investor protection.

WVR Framework and Secondary Listings

We are supportive of the proposals to lower the Financial Eligibility Test thresholds for WVR issuers, accept a higher WVR Ratio Cap for applicants with a market capitalisation of at least HK$40 billion at the time of listing, refine the "innovative" test to explicitly provide a path to listing with WVR for non-tech issuers applying a new business model, and lower certain eligibility thresholds for secondary listings of overseas issuers. In our view, these measures can enhance listing accessibility for WVR issuers, provide greater flexibility for founders or key controllers to retain strategic direction, make the regime more accessible to a broader range of innovative companies, and promote HKEX as a competitive hub for cross-border capital raising, whilst maintaining appropriate investor protection.

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Ownership Continuity Requirement

We regard the proposal to codify the existing guidance on the Ownership Continuity Requirement into a Rule as a helpful development, as this should enhance certainty, predictability and consistency of application. In this regard, it would be helpful if the Exchange could provide additional practical examples to illustrate how it would assess whether there has been a material change in influence on management in different circumstances.

Financial Reporting Standards

In relation to the accounting-related proposals, we support the proposals to expand the permitted use of US GAAP, remove the requirement for a US-listed issuer using US GAAP to revert to HKFRS or IFRS following delisting from the US, and remove the mandatory auditor review for Reconciliation Statements in unaudited results. In our view, as US GAAP is a well-recognised accounting framework, these changes can reduce unnecessary compliance burden and operational complexity for relevant issuers without compromising financial transparency or the overall quality of financial reporting.

Confidential Filing and Return Mechanism

We support the proposal to extend the confidential filing option to all new applicants. This can better align Hong Kong with established practices in other major markets, including the US and the UK, and facilitate a more orderly vetting process.

Regarding the Return Mechanism, while we agree with disclosing the identities of responsible professional parties to enhance accountability, we further recommend that the Exchange disclose the underlying reasons for the return, for example, specific eligibility issues or disclosure deficiencies. This would provide the market with useful guidance, help promote higher application quality and further enhance transparency.

We trust that our comments are helpful. Should you wish to discuss any aspect of this submission further, please do not hesitate to contact [redacted]

Yours faithfully

[redacted]