

Submitted via Qualtrics

**Latham & Watkins LLP
Company / Organisation
Law Firm**

Question 1

Do you agree with the proposed definitions of “Specialist Technology Company”, “Specialist Technology Products” and “Specialist Technology”?

Yes

Please give reasons for your views. If your answer is “No”, please provide alternative suggestions.

Question 2

Do you agree with the list of Specialist Technology Industries and the respective acceptable sectors set out in paragraph 4 of the Draft Guidance Letter (Appendix V to the Consultation Paper)?

Yes

Please give reasons for your views. If your answer is “No”, please provide alternative suggestions.

While we agree that the list of Specialist Technology Industries and the respective acceptable sectors set out in paragraph 4 of the Draft Guidance Letter can be considered to be the initial coverage when the new listing regime becomes effective, we note that the list will be updated “from time to time”, and the Exchange may remove certain industries and sectors from the list. The Exchange should consider the following potential execution issues and provide further guidance:

1. Is a potential listing applicant required to submit any pre-A1 consultation in order to confirm its eligibility as a 18C listing applicant with principal business in the Specialist Technology Industries and acceptable sectors?

2. What is the procedure or process to remove certain industries or sectors from the list on the grounds that such technology has become a commonplace? Would the Exchange be removing such industry or sectors directly or would this be subject to any market consultation?

3. If the Exchange decides to remove certain industries or sectors from the list, please consider to allow time for transitional arrangements in order to cater for those applicants which have filed A1 and those that may have already filed pre-A1 submissions.

Question 3

Do you agree that the Exchange should take into account the factors set out in paragraph 107 of the Consultation Paper to determine whether a company is “primarily engaged” in the relevant business as referred to in the definition of “Specialist Technology Company”?

Yes

Please give reasons for your views.

We welcome the Exchange’s proposal to allow an applicant with multiple business segments to list under the proposed regime, however, we note that some of the criteria proposed may be difficult to quantify and/or be allocated to different business segments, for example, it may be difficult to accurately allocate senior management resources and operating expenditure to a particular business segment.

It would be helpful if there could be more guidance on how the Exchange would assess these attributes in order for the applicants to conduct evaluation.

Question 4

Do you agree that the Exchange should retain the discretion to reject an application for listing from an applicant within an acceptable sector if it displays attributes inconsistent with the principles referred to in paragraph 101 of the Consultation Paper?

Yes

Please give reasons for your views.

We agree with the proposal that the Exchange should retain the discretion to reject an application for listing from an applicant within an acceptable sector if it displays attributes inconsistent with the principles referred to in paragraph 101 of the Consultation Paper and at the same time, we believe it would be helpful to set out clear principles and guidance on how the Exchange is going to objectively determine "high growth potential"; "success attributable to the new business model" etc. and whether the decision would be subject to the determination of the listing committee.

Question 5

Do you agree that the Specialist Technology Regime should accommodate the listings of both Commercial Companies and Pre-Commercial Companies?

Yes

Please give reasons for your views.

We agree with the proposal that Specialist Technology Regime should accommodate the listings of both Commercial Companies and Pre-Commercial Companies, subject to our comments that the qualification thresholds should be adjusted. Please refer to our responses to Questions below.

Question 6

Do you agree with the proposed approach to apply more stringent requirements to Pre-Commercial Companies?

Yes

Please give reasons for your views.

We agree with the proposed approach to apply more stringent requirements to Pre-Commercial Companies, as there displays higher risks of the business in Pre-Commercial Companies which lack proven track record.

Question 7

Do you agree with the proposal that all investors, including retail investors, should be allowed to subscribe for, and trade in, the securities of Pre-Commercial Companies?

Yes

Please give reasons for your views.

We agree with the proposal that all investors, including retail investors, should be allowed to subscribe for, and trade in, the securities of Pre-Commercial Companies, given the additional safeguards and disclosure obligations set out in the proposal, e.g. the reduced initial retail allocation and enhance price discovery mechanics.

Question 8

Do you agree that a Commercial Company applicant must have a minimum expected market capitalisation of HK\$8 billion?

No

Please give reasons for your views.

We disagree with the proposal that a Commercial Company applicant must have a minimum expected market capitalisation of HK\$8 billion. The current proposal requires a Commercial Company with half of the revenue as currently required under Rule 8.05(3) to achieve twice the market capitalisation of that under Rule 8.05(3). While we understand the aim of the current

proposal is to attract quality specialist technology companies to list in Hong Kong, we believe it would also be important to strike a balance between quality applicant and the accessibility of the new proposal.

Question 9

Do you agree that a Pre-Commercial Company applicant must have a minimum expected market capitalisation of HK\$15 billion at listing?

No

Please give reasons for your views.

Please refer to our answers to Question 8. While it is understood that Pre-Commercial Company should face a higher market capitalization requirement, a “double-unicorn” threshold would be overly restrictive and compromise the success of this new financing platform.

Question 10

Do you agree that a Commercial Company must have revenue of at least HK\$250 million for the most recent audited financial year?

No

Please give reasons for your views.

We disagree with the proposal that a Commercial Company must have revenue of at least HK\$250 million for the most recent audited financial year.

Based on the market feedback we received, the revenue threshold remains too high for a Commercial Company to keep this proposal attractive and competitive.

Question 11

Do you agree that only the revenue arising from the applicant’s Specialist Technology business segment(s) (excluding any inter-segmental revenue from other business segments of the applicant), and not items of revenue and gains that arise incidentally, or from other businesses, should be recognised for the purpose of the Commercialisation Revenue Threshold?

Yes

Please give reasons for your views.

We agree that only the revenue arising from the applicant’s Specialist Technology business segment(s) (excluding any inter-segmental revenue from other business segments of the applicant), and not items of revenue and gains that arise incidentally, or from other businesses,

should be recognised for the purpose of the Commercialisation Revenue Threshold but we are of the view that the proposed HK\$250 million is too high. Please refer to our answer to Question 10.

Question 12(a)

Do you agree that a Commercial Company must demonstrate year-on-year growth of revenue derived from the sales of Specialist Technology Product(s) throughout the track record period, with allowance for temporary declines in revenue due to economic, market or industry-wide conditions?

Yes

Please give reasons for your views.

We in principle agree that a Commercial Company shall demonstrate year-on-year growth of revenue in the prospectus, and if there is any decline or fluctuation in revenue, such change(s) should be explained in the prospectus with detailed explanation.

However, the Exchange should maintain flexibility over how this rule is applied, given that a Commercial Company at such an early stage of development may be focused on other targets such as research and development, or introduction of new models / prototypes, rather than purely on growing revenue. Nevertheless, disclosure shall be enhanced for any fluctuations sighted, and how such fluctuation can reconcile with the requirements for high industry growth and potential.

Question 12(b)

Do you agree that the reasons for, and remedial steps taken (or to be taken) to address, any downward trend in a Commercial Company's annual revenue must be explained to the Exchange's satisfaction and disclosed in the Listing Document?

Yes

Please give reasons for your views.

Question 13

Do you agree that a Specialist Technology Company listing applicant must have been engaged in R&D of its Specialist Technology Product(s) for a minimum of three financial years prior to listing?

Yes

Please give reasons for your views.

We agree that the Specialist Technology Company listing applicant should be engaged in R&D of its Specialist Technology Product(s) throughout its track record period. Please consider providing guidance on the possibility for a shorter track record period for Specialist Technology Companies given the main purpose is to show a history of R&D and the quality of R&D, rather than period of, may be more relevant.

Question 14(a)

Do you agree that, for a Commercial Company, its total amount of R&D investment must constitute at least 15% of its total operating expenditure for each of its three financial years prior to listing?

Yes

Please give reasons for your views.

Question 14(b)

Do you agree that, for a Pre-Commercial Company, its total amount of R&D investment must constitute at least 50% of its total operating expenditure for each of its three financial years prior to listing?

Yes

Please give reasons for your views.

Question 15

Do you agree with the proposed method for determining the amount of qualifying R&D investment and the total operating expenditure as set out in paragraph 141 of the Consultation Paper?

Yes

Please give reasons for your views.

We agree with the proposed method in principle. However, we note that different specialist technology companies may have different accounting treatments depending on the nature of their business, and we recommend that the Exchange would allow pre-consultation submission on this.

Question 16

Do you agree that a Specialist Technology Company listing applicant must have been in operation in its current line of business for at least three financial years prior to listing under substantially the same management?

Yes

Please give reasons for your views.

Question 17

Do you agree that there must be ownership continuity and control for a Specialist Technology Company listing applicant in the 12 months prior to the date of the listing application?

No

Please give reasons for your views.

We are of the view that ownership continuity requirements should not be applicable to the Specialist Technology Companies.

As the Exchange requires validation from third party investments prior to listing, coupling with the high valuation requirements, it is likely that the ownership continuity requirements may not be practical (although we note that the requirements are relaxed from 1 full financial year to 12 months prior to the date of listing application). This is because (a) founder(s)' shareholding will normally be heavily diluted when sophisticated investors come in along the growth of the company, (b) early sophisticated investors may be considered as "controlling shareholders" with their shareholding level during the growth of such companies, despite being passive investors, (c) subsequent sophisticated investors may come in and dilute the shareholdings.

In addition, in TMT companies, we have observed that it is not uncommon (if there is no WVR arrangements) for the founders not to be controlling shareholders of the listing applicant or to control the company only through voting proxy. We would recommend a more flexible set of rules regarding ownership continuity be allowed for Chapter 18C.

Question 18

Do you agree that an applicant applying to list under the proposed regime must have received meaningful investment from Sophisticated Independent Investors (SIIs)?

Yes

Please give reasons for your views.

Question 19

Do you agree with the independence requirements for a Sophisticated Independent Investor as set out in paragraphs 155 to 157 of the Consultation Paper?

Yes

Please give reasons for your views.

We agree. This would allow pre-IPO investors with more than 10% and less than 30% to be qualified as Sophisticated Independent Investor. It would be clearer if the Exchange could clarify:

1. For the purpose of paragraph 156, whether a shareholder with board nominee(s) would continue to qualify as independent shareholder (so long as it is a core connected person only because of the size of its shareholding in the applicant).
2. For the purpose of paragraph 157, whether it means controlling shareholder “at the time of listing” and such that, controlling shareholder at the time of listing application which would hold less than 30% upon listing would also be considered as independent and qualify as a Sophisticated Independence Investor.

Question 20

Do you agree with the proposed definition of a sophisticated investor (including the definition of investment portfolio) as set out in paragraphs 159 to 162 of the Consultation Paper?

No

Please give reasons for your views.

While we agree with the threshold under Paragraph 160(c), we would suggest lowering the AUM, fund size and investment portfolio size requirements from HK\$15 billion to HK\$10 billion. We would also suggest the specify the requirement for calculating the AUM (for example, a cut-off date) as AUM is a constant moving figure

Question 21

Do you agree that as an indicative benchmark for meaningful investment, an applicant should have received third party investment from at least two Sophisticated Independent Investors who have invested at least 12 months before the date of the listing application, each holding such amount of shares or securities convertible into shares equivalent to 5% or more of the issued share capital of the listing applicant as at the date of listing application and throughout the pre-application 12-month period?

No

Please give reasons for your views.

We are of the view that 12 months prior to A1 application is too long, and 6 months would be a more appropriate period to further categorise certain sophisticated independent investors as “pathfinder” sophisticated independent investors. We would suggest the Exchange clarify the test to calculate the 12 months (whether it is pursuant to signed agreement, regulatory filings, or the date of irrevocable settlement).

In addition, if the “pathfinder” threshold is set at 12 months prior to A1 application, it is likely that such “pathfinder” investment would be part of earlier rounds of pre-IPO investments, and accordingly, their shareholdings are likely to be further diluted by subsequent rounds of financing and other shareholders. Taking into account application time, it would mean the pathfinder SII has to invest in the company around 18 months prior to listing, which is a very high standard and is way more stringent than the similar requirement for biotech companies under the relevant guidance letter, which only requires one sophisticated investor investing at least 6 months from listing. Further, there are different circumstances where having two pathfinder Sophisticated Independent Investors may not be practical, for example, if there is already one Pathfinder Sophisticated Independent Investor which has already made a very sizeable investment, then other Sophisticated Independent Investors may not necessarily need to make the required 5% investment.

Question 22

Do you agree that as an indicative benchmark for meaningful investment, the aggregate investment from all Sophisticated Independent Investors should result in them holding such amount of shares or securities convertible into shares equivalent to at least such percentage of the issued share capital of the applicant at the time of listing as set out in Table 4 and paragraph 168 of the Consultation Paper?

No

Please give reasons for your views.

While we agree in principle with setting an indicative benchmark for meaningful investment, the requirement on aggregate investments from all Sophisticated Independent Investors is much higher than the requirement for biotech companies. For example, taking a company with HK\$10 billion market capitalization as example, if it is a biotech company, the requirement under GL92-18 is only 1% of the issued share capital of the company at the time of listing; whereas, assuming it is a Commercial Company (which recorded at least HK\$250 million revenue, as opposed to biotech company which may not have any revenue), the requirement under the proposed regime would be 20%. While we recognize that the heightened requirements are to address the lack of competent authority validation and to substantiate the valuation, we are of the view that the rule requirements differences between specialist technology and biotech

companies should be narrowed down significantly.

Question 23

Do you agree that a Pre-Commercial Company applicant must have as its primary reason for listing the raising of funds for the R&D of, and the manufacturing and/or sales and marketing of, its Specialist Technology Product(s) to bring them to commercialisation and achieving the Commercialisation Revenue Threshold?

Yes

Please give reasons for your views.

Question 24

Do you agree that a Pre-Commercial Company applicant must demonstrate to the Exchange, and disclose in its Listing Document, a credible path to the commercialisation of its Specialist Technology Products, appropriate to the relevant Specialist Technology Industry, that will result in it achieving the Commercialisation Revenue Threshold?

Yes

Please give reasons for your views.

Question 25

Do you agree with the examples proposed in paragraphs 176 to 179 (including the definition of “highly reputable customer”) of the Consultation Paper that a Pre-Commercial Company applicant could use to demonstrate a credible path to achieving the Commercialisation Revenue Threshold?

No

Please give reasons for your views.

We have heard from Pre-Commercial Companies that binding contracts or purchase orders may not be a practical expectation, and that more likely, they will have co-development arrangements (or “evaluation boards”) with key industry players, which already represent an investment effort from such industry players, and will lead to revenue generating orders if the development is successful. Therefore, the Exchange should be flexible in considering what would satisfy such path to Commercialisation requirement.

Question 26(a)

Do you agree that a Pre-Commercial Company applicant must explain and disclose, in detail, the timeframe for, and impediments to, achieving the Commercialisation Revenue Threshold?

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Yes

Please give reasons for your views.

Question 26(b)

Do you agree that a Pre-Commercial Company applicant must, if its working capital (after taking into account the listing proceeds) is insufficient to meet its needs before it achieves the Commercialisation Revenue Threshold, describe the potential funding gap and how it plans to further finance its path to achieving the Commercialisation Revenue Threshold after listing?

Yes

Please give reasons for your views.

Question 27

Do you agree that a Pre-Commercial Company applicant must have available working capital to cover at least 125% of its group's costs for at least the next 12 months (after taking into account the IPO proceeds of the applicant), and these costs must substantially consist of the following: (a) general, administrative and operating costs; and (b) R&D costs?

Yes

Please give reasons for your views.

Question 28

Do you agree that Independent Institutional Investors should be given a minimum allocation of offer shares in the IPO of Specialist Technology Companies to help ensure a robust price discovery process?

Yes

Please give reasons for your views.

Question 29

Do you agree with the definition of Independent Institutional Investors as set out in paragraphs 201 to 202 of the Consultation Paper?

No

Please give reasons for your views. Please provide any alternative definition you believe appropriate with reasons for your suggestions.

We are of the view that excluding corporate professional investors and individual professional investors would make the pool of potential investors rather restrictive and may compromise the proposed regime. Institutional investors will be benefited from the research and professional assessment through a reduced clawback mechanism as suggested in the proposal. Independent Professional Investors should be sufficient to address the Exchange's concern on independence of placees.

Question 30

Do you agree that a Specialist Technology Company must, in addition to meeting the existing requirements on public float, ensure that at least 50% of the total number of shares offered in the initial public offering (excluding any shares to be issued pursuant to the exercise of any over-allotment option) must be taken up by Independent Institutional Investors?

Yes

Please give reasons for your views.

Question 31

Do you agree that in the case where a Specialist Technology Company is listed by way of a De-SPAC Transaction, at least 50% of the total number of shares issued by the Successor Company as part of the De-SPAC Transaction (excluding any shares issued to the existing shareholders of the De-SPAC Target as consideration for acquiring the De-SPAC Target) must be taken up by Independent Institutional Investors?

Yes

Please give reasons for your views.

Question 32

Do you agree that in the case of a Specialist Technology Company seeking to list by introduction, the Exchange will consider granting waivers, on a case-by-case basis, from the requirement for the minimum allocation of offer shares to Independent Institutional Investors, if the applicant is able to demonstrate that it is expected to meet the applicable minimum market capitalisation at the time of listing (see paragraph 120 of the Consultation Paper), having regard to its historical trading price (for at least a six-month period) on a Recognised Stock Exchange with sufficient liquidity and a large investor

base (a substantial portion of which are independent Institutional Professional Investors)?

Yes

Please give reasons for your views.

We would suggest the Exchange to provide some guidance on “sufficient liquidity” and “large investor base” and what it meant by a substantial portion.

Question 33

Do you agree that there should be a new initial retail allocation and clawback mechanism for Specialist Technology Companies to help ensure a robust price discovery process?

Yes

Please give reasons for your views.

Question 34

Do you agree with the proposed initial allocation and clawback mechanism for Specialist Technology Companies as set out in paragraph 205 of the Consultation Paper?

Yes

Please give reasons for your views. If your answer is “No”, please provide alternative suggestions and provide reasons for your suggestions.

We agree with the current scaled back clawback mechanism to minimize retail's participation as they may not necessarily have the supplication of institutional investors.

Question 35

Do you agree that a Specialist Technology Company seeking an initial listing must ensure that a portion of its issued shares with a market capitalisation of at least HK\$600 million is free from any disposal restrictions (whether under: contract; the Listing Rules; applicable laws; or otherwise) upon listing (referred to as its “free float”)?

No

Please give reasons for your views.

While we do not oppose putting in place a “free float” concept for Specialist Technology Companies, we would recommend the Exchange to consider adopting a sliding scale with reference to the market cap. As PRC law requires all existing shareholders to be locked up for one year from the date of listing, we would suggest the Exchange consider lowering the threshold for such companies in view of H-shares being an increasingly popular structure with

many such companies targeting a listing on the Star Market as a second step.

Question 36

Do you agree that the Exchange should reserve the right not to approve the listing of a Specialist Technology Company if it believes the company's offer size is not significant enough to facilitate post-listing liquidity, or may otherwise give rise to orderly market concerns?

No

Please give reasons for your views.

We would suggest the Exchange to consider setting out the minimum offering size instead as issuers will not be able to control post-listing liquidity.

Question 37

Do you agree that a Specialist Technology Company applicant's Listing Document must include the additional information set out in paragraph 32 of the Draft Guidance Letter (Appendix V of the Consultation Paper) due to it being a Specialist Technology Company?

Yes

Please give reasons for your views.

Question 38

Do you have any other suggestions for additional information that a Specialist Technology Company should include in its Listing Document in order to allow an investor to properly assess and value the company?

No

If so, please provide your suggestion.

Question 39

Do you agree that existing shareholders should be allowed to participate in the IPO of a Specialist Technology Company provided that the company complies with the existing public float requirement under Rule 8.08(1), the requirement for minimum allocation to Independent Institutional Investors (see paragraph 200 of the Consultation Paper) and the minimum free float requirement (see paragraph 207 of the Consultation Paper)?

Yes

Please give reasons for your views.

We welcome such proposal, noting our comments above regarding minimum allocation to Independent Institutional Investors and minimum free float requirement in Question 28 and Question 35, respectively.

Question 40

Do you agree with the proposals set out in paragraph 225 of the Consultation Paper regarding the conditions for existing shareholders subscribing for shares in an IPO?

Yes

Please give reasons for your views.

We welcome such proposal, noting that also aligns with the treatment of Chapter 18A existing shareholders subscribing in an IPO.

Question 41(a)

Do you agree that the controlling shareholders of a Commercial Company should be subject to a lock-up period of 12 months?

No

Please give reasons for your views.

We are of the view that the proposed lock-up arrangements on controlling shareholders, key persons or investors would be onerous for Specialist Technology Companies.

The nature of Specialist Technology Companies, with its high pre-IPO valuation requirements, would mean that, contrary to the usual companies that listed on the Exchange, (a) the founder(s) may not have a controlling interest (nor even a substantial shareholder interest) in the company, (b) certain investors may have a large shareholding, or even more than 30% (assuming that their preferred shares will be converted on a fully diluted basis upon IPO), and would be considered as a “controlling shareholder” at the time of the listing application.

While we appreciate that placing restrictions on disposal of securities after an IPO is how the Exchange regulated other issuers by aligning their economic interests with that of the other shareholders, it must be noted that many “controlling shareholders” may only be pure financial investors, and restricting their disposal may not achieve this “end”. In practice, a lot of institutional investors are minded to sell down their shares to below 30% during IPO in order to avoid the requirements to disclose their investments in other portfolio companies which operate in the same sector. Alternatively, we would recommend the Exchange to consider imposing these additional requirements only to founder controlling shareholders.

For Commercial Companies, we would recommend the Exchange to reconsider whether it is necessary to heighten the lock-up requirements on controlling shareholders on top of Rule 10.07 of the Listing Rules. The Exchange should also consider putting in place a staggered approach or volumised limitation to allow certain limited disposal of securities after a prescribed period of time.

Question 41(b)

Do you agree that the controlling shareholders of a Pre-Commercial Company should be subject to a lock-up period of 24 months?

No

Please give reasons for your views.

Please refer to our response to Question 41(a) as an overall response for lock-up arrangements.

For Pre-commercial Companies, we would recommend the Exchange to reconsider the lock-up period, for example, the shorter of 18 months from listing or upon conversion to a Commercial Company subject to a minimum of 12 months. In addition, similar to the above, the Exchange should also consider putting in place a staggered approach or volumised limitation to allow certain limited disposal of securities after a prescribed period of time.

Question 42

Do you agree with the scope of key persons (as described in paragraph 242 of the Consultation Paper) that should be subject to a restriction on the disposal of their holdings after listing?

Yes

Please give reasons for your views.

Question 43(a)

Do you agree with the proposed lock-up periods on the securities of such key persons and their close associates of 12 months for a Commercial Company?

No

Please give reasons for your views.

Please refer to our response to Question 41(a) as an overall response for lock-up arrangements.

In addition, similar to the above, the Exchange should also consider putting in place a staggered approach or volumised limitation to allow certain limited disposal of securities after a prescribed period of time.

Question 43(b)

Do you agree with the proposed lock-up periods on the securities of such key persons and their close associates of 24 months for a Pre-Commercial Company?

No

Please give reasons for your views.

Please refer to our response to Question 41(a) as an overall response for lock-up arrangements.

For Pre-commercial Companies, we would recommend the Exchange to reconsider the lock-up period, for example, the shorter of 18 months from listing or upon the conversion to a Commercial Company subject to a minimum of 12 months.

In addition, similar to the above, the Exchange should also consider putting in place a staggered approach or volumised limitation to allow certain limited disposal of securities after a prescribed period of time.

Question 44(a)

Do you agree with the proposed lock-up period on the securities of Pathfinders SIIIs of six months for a Commercial Company?

Yes

Please give reasons for your views.

Please refer to our response to Question 41(a) as an overall response for lock-up arrangements.

Question 44(b)

Do you agree with the proposed lock-up period on the securities of Pathfinders SIIIs of 12 months for a Pre-Commercial Company?

No

Please give reasons for your views.

We recommend the Exchange to reconsider setting the lock-up period, at the shorter of 12 months or upon the conversion to a Commercial Company subject to a minimum of 6 months (the same as Commercial Companies).

Please refer to our response to Question 41(a) as an overall response for lock-up arrangements.

Question 45

Do you agree that controlling shareholders, key persons and Pathfinder Slls should be permitted (in accordance with current Rules and guidance) to sell their securities prior to an IPO and offer them for sale in the IPO, such that only the securities retained by them after listing would be subject to the lock-up restrictions?

Yes

Please give reasons for your views.

Question 46

Do you agree that any deemed disposal of securities by a person resulting from the allotment, grant or issue of new securities by a Specialist Technology Company during a lock-up period would not constitute a breach of the lock-up requirements?

Yes

Please give reasons for your views.

Question 47

Do you agree that a lock-up period in force at the time of the removal of designation as a Pre-Commercial Company should continue to apply unchanged?

No

Please give reasons for your views.

Please refer to our comments above.

Question 48

Do you agree that a Specialist Technology Company must disclose in its Listing Document the total number of securities in the issuer held by the persons (as identified in the Listing Document) that are subject to the lock-up requirements under the Listing Rules, and that the same information must also be disclosed in the interim and annual reports of the Specialist Technology Company for so long as such persons remain as a shareholder?

Yes

Please give reasons for your views.

Question 49

Do you agree with the scope of the additional disclosure in the interim and annual reports of Pre-Commercial Companies as set out in paragraphs 262 and 263 of the Consultation Paper?

Yes

Please give reasons for your views. If your answer is “No”, please provide alternative suggestions and provide reasons for your suggestions.

Question 50

Do you agree that only Pre-Commercial Companies should be subject to the ongoing disclosure requirements referred to in Question 49?

Yes

Please give reasons for your views.

Question 51

Do you agree that Pre-Commercial Companies should be subject to a remedial period of 12 months to re-comply with the sufficiency of operations and assets requirement before delisting, in the event that the Exchange considers that a Pre-Commercial Company has failed to meet its continuing obligation to maintain sufficient operations or assets?

Yes

Please give reasons for your views.

Question 52

Do you agree that Pre-Commercial Companies must not effect any transaction that would result in a fundamental change to their principal business without the prior consent of the Exchange?

Yes

Please give reasons for your views.

Question 53

Do you agree that Pre-Commercial Companies must be prominently identified through a “PC” marker at the end of their stock names?

Yes

Please give reasons for your views.

Question 54

Do you agree that the continuing obligations for Pre-Commercial Companies no longer apply once a Pre-Commercial Company has met the requirements in paragraph 270 of the Consultation Paper and ceases to be regarded as a Pre-Commercial Company?

Yes

Please give reasons for your views.

Question 55

Do you agree with the proposed requirements for Pre-Commercial Companies to demonstrate to the Exchange that they should no longer be regarded as a Pre-Commercial Company (see paragraphs 269 to 272 of the Consultation Paper)?

Yes

Please give reasons for your views.