

Part B Consultation Questions

Please indicate your preference by checking the appropriate boxes. Please reply to the questions below on the proposed change discussed in the Consultation Paper downloadable from the HKEX website at:

<http://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp2017091.pdf>

Where there is insufficient space provided for your comments, please attach additional pages.

1. Do you agree with our proposed MB Rule amendment to add a fixed period delisting criterion?

Yes

No

If your answer is "No", please explain why.

A fixed period delisting criterion should be a reference but not a strict limit. What happened after delisting? What if the companies could survive and continue operation after delisting? Could investors trade the delisted stock under OTC like the pink sheet in the US? It is suggested to set up a new board to trade delisted stocks.
Charles Li in HKEX likes to set up new boards. Why not set up a "Trash Board" for "Trash investors" to trade "Trash companies"? HKEX could get extra fee in "Trash trading"

2. Do you think the appropriate period under the fixed period delisting criterion should be:

12 months

18 months

24 months

Other 48 (please state)

Please also explain why.

The proposed time limits are too short for companies to do remedies under financially distressed situation. Typically, years are needed to sell valuable assets, find white knights and solve debt problems.

3. Do you agree with our proposed MB Rule amendment to allow the Exchange to delist an issuer under any applicable delisting criteria in MB Rule 6.01 immediately, or publish a delisting notice and give the issuer a period of time to remedy the relevant issues to avoid delisting?

Yes

No

If your answer is "No", please explain why.

4. Do you agree with our proposal to remove Practice Note 17 and to delist issuers without sufficient operations or assets under either the fixed period criterion or the new delisting process for MB Rule 6.01?

Yes

No

If your answer is "No", please explain why.

It is vague to define "without sufficient operations or assets". What if companies just sold their key business to repay the debt and relieve financial distress? Why if companies hold more cash to wait for market cycle? Frankly speaking, there are some loopholes to avoid being identified as "cash companies".

5. Do you agree with our proposal to add a note to MB Rule 13.24 setting out the characteristics of issuers which are unable to comply with MB Rule 13.24?

Yes

No

If your answer is "No", please explain why.

No comment.

6. Do you agree with our proposal to remove MB Rule 6.01(1)?

Yes

No

If your answer is "No", please explain why.

No comment.

7. Do you agree with our proposal to clarify in MB Rule 2B.07(5) the applicable procedures for reviewing decisions to suspend or cancel a listing under MB Rule 6.01?

Yes

No

If your answer is "No", please explain why.

No comment.

8. Do you agree with our proposed MB Rule amendment to require suspended issuers to announce quarterly updates?

Yes

No

If your answer is "No", please explain why.

9. Do you agree with the proposed transitional arrangements described in paragraph 52 of the consultation paper, and the proposed commencement dates of the fixed period under different situations?

Yes

No

If your answer is "No", please explain why.

No comment.

10. Do you agree with our proposed GEM Rule amendment to add a fixed period delisting criterion?

Yes

No

If your answer is "No", please explain why.

No comment. GEM stocks are trash and I never buy one.

11. Do you think the appropriate period under the fixed period delisting criterion should be:

6 months

12 months

Other _____ (please state)

Please also explain why.

No comment. GEM stocks are trash and I never buy one

12. Do you agree with the proposed transitional arrangement described in paragraph 59 of the consultation paper?

Yes

No

If your answer is "No", please explain why.

No comment. GEM stocks are trash and I never buy one

13. Do you agree with our proposal to align the wording of GEM Rule 9.15 with MB Rule 6.10?

Yes

No

If your answer is "No", please explain why.

No comment. GEM stocks are trash and I never buy one

14. Do you agree with our proposal to remove GEM Rule 9.04(5)?

Yes

No

If your answer is "No", please explain why.

No comment. GEM stocks are trash and I never buy one

15. Do you agree with our proposal to clarify in GEM Rule 4.07(6) the applicable procedures for reviewing decisions to suspend or cancel a listing under Chapter 9 of the GEM Rules?

Yes

No

If your answer is "No", please explain why.

No comment. GEM stocks are trash and I never buy one

16. Do you agree with our proposed GEM Rule amendment to require suspended issuers to announce quarterly updates?

Yes

No

If your answer is "No", please explain why.

No comment. GEM stocks are trash and I never buy one

17. Do you agree with our proposal to remove MB Rule 14.37(1) / GEM Rule 19.37(1)?

Yes

No

If your answer is "No", please explain why.

No comment.

18. Do you agree with our proposal to remove MB Rule 14.37(2) / GEM Rule 19.37(2)?

Yes

No

If your answer is "No", please explain why.

No comment.

19. Do you agree with our proposed MB / GEM Rule amendment to delegate authority to the Listing Department to direct resumption of trading and to provide for an accelerated review procedure?

Yes

No

If your answer is "No", please explain why.

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- End -