

BY HAND AND BY EMAIL

Our Ref:

24 November 2017

Hong Kong Exchanges and Clearing Limited 12th Floor, One International Finance Centre 1 Harbour View Street, Central Hong Kong

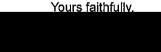
Dear Sirs,

Re: Consultation Paper on Delisting and other Rule amendments

SHINEWING Risk Services Limited ("SHINEWING") has thoroughly studied the consultation paper on delisting and other rule amendments and our detailed comments on it are set out in the questionnaire attached to this letter.

We support most of the proposals. We believe that a short, fixed period (i.e. 12 months) is appropriate for the delisting criterion which can encourage the management of issuers to work seriously on resumption. Further, we suggest that suspended issuer should update its development and resumption progress monthly to the public in order to maintain an informed market.

Should you have any questions on the above comments, please do not hesitate to contact us at



SHINEWING Risk Services Limited

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.
2.	Do you think the appropriate period under the fixed period delisting criterion should be:
	■ 12 months
	□ 18 months
	□ 24 months
	☐ Other (please state)
	Please also explain why.
	A responsible management of issuers should monitor the business on an on-going basis. They should alert on any issues that may cause trading suspension. Once the issuers suspended the trading of its securities, management is expected, by investors and public, to act as soon as practical to meet the resumption condition. We believe that shorter period can encourage the management to work seriously on resumption.

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.
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.

6.	Do you agree with our proposal to remove MB Rule 6.01(1)?
	□ Yes
	■ No
	If your answer is "No", please explain why.
	We suggest not to remove MB Rule 6.01(1) but to clearly state whether the disciplinary decision under Chapter 2A or a non-discplinary decision under Chapter 2B should be followed.
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.
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.
	We agree to specify the requirement to annouce updates on the issuer's developments. However, we believe that a monthly update will be more appropriate to maintain an informed market.

	As mentioned in Question 2, we expect that the management of issuers should understand thoughtfully the issues facing by the issuers and should have the ability to obtain restoration of listing in a short period of time.
	Please also explain why.
	□ Other (please state)
	□ 12 months
	■ 6 months
11	. Do you think the appropriate period under the fixed period delisting criterion should be:
	If your answer is "No", please explain why.
	□ No
	■ Yes
10	Do you agree with our proposed GEM Rule amendment to add a fixed period delisting criterion?
	If your answer is "No", please explain why.
	□ No
	■ Yes
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?

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.
13. Do you agree with our proposal to align the wording of GEM Rule 9.15 with ME Rule 6.10?
■ Yes
□ No
If your answer is "No", please explain why.
14. Do you agree with our proposal to remove GEM Rule 9.04(5)?
□ Yes
■ No
If your answer is "No", please explain why.
As mentioned in Question 6, we suggest not to remove GEM Rule 9.04(5) but to clearly state what procedures should be followed after breaching of GEM Rules.

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
[f your answer is "No", please explain why.
16.	Do you agree with our proposed GEM Rule amendment to require suspended issuers to announce quarterly updates?
	□ Yes
	■ No
_	f your answer is "No", please explain why.
	We agree to specify the requirement to annouce updates on the issuer's developments. However, we believed that a monthly update will be more approporate to maintain an informed market.
17.	Do you agree with our proposal to remove MB Rule 14.37(1) / GEM Rule 19.37(1)?
	■ Yes
	□ No
	f your answer is "No", please explain why.
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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.
19. Do you agree with our proposed MB / GEM Rule amendment to delegate authorise to the Listing Department to direct resumption of trading and to provide for a accelerated review procedure?
■ Yes
□ No
If your answer is "No", please explain why.

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