

Submitted via Qualtrics

**Merdeka Corporate Finance Limited
Company/Organisation view
Corporate Finance Firm / Bank**

Question 1

Do you agree that an alternative eligibility test should be introduced to enable the listing of high growth enterprises substantively engaged in R&D activities on GEM?

Yes

Please give reasons for your views.

The alternative eligibility test is necessary to (i) attract companies with different business nature and geographical location to be listed on GEM, and to facilitate their growth; and (ii) provide more variety of investment options to investors.

In addition, the alternative eligibility test should also be expanded beyond other industries as well.

Question 2

Do you have any comments on the proposed thresholds for the alternative eligibility test as set out in paragraphs 63 to 75 of the Consultation Paper?

Yes

Please give reasons for your views.

(1) The expected market capitalisation of at least HK\$250 million at the time of listing should be lowered to around HK\$150 million.

(2) Revenue of at least HK\$100 million in aggregate for the two most recent audited financial years should be lowered to around HK\$60 million.

(3) If not, should adopt a fixed ratio for the expected market capitalisation and the 2 years aggregate revenue in order to provide more flexibility for different sizes of R&D Companies.

Question 3

Do you agree with the proposal to reduce the post-IPO 24 month lock-up period imposed on controlling shareholders of GEM issuers to 12 months as set out in paragraph 76 of the Consultation Paper?

Yes

Please give reasons for your views.

Agree to be consistent with Main Board Listing Rules.

Question 4

Should any other existing eligibility requirement for a listing on GEM be amended?

Yes

If so, please state the requirement(s) that should be amended and give reasons for your views.

(1) The proposed GEM transfees would already be listed on GEM for more than 3 years, the requirement for the Profit Test of HK\$80 million can be considered to reduce as the proposed GEM transfees are not new to listing and have already complied all disclosures requirement of the GEM Listing Rules for more than 3 years.

(2) The alternative eligilbiity test should also implement on other industries too, besides only apply to R&D Companies.

(3) Should also implement a "new profit test listing rules" as for companies which can achieve profits and intend to get listed on GEM.

Question 5

Do you agree with the proposed consequential and housekeeping amendments to the reverse takeover and extreme transaction Rules as set out in paragraphs 81 and 82 of the Consultation Paper?

Yes

Please give reasons for your views.

Agree as to be consistent with the Main Board Listing Rules.

Question 6

Do you agree with the Exchange's proposal to remove GEM's compliance officer requirement as set out in paragraph 85(a) of the Consultation Paper?

Yes

Please give reasons for your views.

Agree for the purpose to save ongoing listing costs.

Question 7

Do you agree with the Exchange's proposal to shorten the period of engagement of GEM issuers' compliance advisers and to remove the additional obligations currently imposed on a GEM issuer's compliance adviser as set out in paragraphs 85(b) and 86 of the Consultation Paper?

Yes

Please give reasons for your views.

Agree in order to saving ongoing listing costs.

Question 8

Should any other continuing obligation currently applicable to a GEM listed issuer also be removed?

Yes

If so, please state the requirement(s) and give reasons for your views.

Can consider to reivew and relax of the existing listing rules in relation to Reverse Takeovers in order to enable GEM Companies to conduct acquisitions which are in interests of the shareholders.

Question 9

Do you agree with the Exchange's proposal to remove quarterly financial reporting as a mandatory requirement for GEM issuers and instead introduce it as a recommended best practice in GEM's Corporate Governance Code?

Yes

Please give reasons for your views.

Agree for the purpose to save ongoing listing costs and lower time consumption, as interim and annual reports are already sufficient to disclose financial information to public.

Question 10

Do you agree with the Exchange's proposal to align the timeframes for GEM issuers to publish their annual reports, interim reports and preliminary announcements of results for the first half of each financial year with those for the Main Board, as set out in paragraphs 94 and 95 of the Consultation Paper?

Yes

Please give reasons for your views.

Agree to be consistent with the Main Board companies.

Question 11

Do you agree that a streamlined mechanism should be introduced to enable qualified GEM issuers to transfer their listing to the Main Board?

Yes

Please give reasons for your views.

Agree in order to enhance the attractiveness for listing on GEM and investors.

Question 12

Do you agree with the removal of the requirement for the appointment of a sponsor for the purpose of a streamlined transfer as set out in paragraph 108 of the Consultation Paper?

Yes

Please give reasons for your views.

Agree, but recommend to be compulsory to appoint a Financial Adviser (less fee incurred) to lead, oversee and communicate with HKEx throughout the transfer procedure.

Question 13

Do you agree with, for the purpose of a streamlined transfer, the removal of the requirement for a “prospectus-standard” listing document and other requirements as set out in paragraphs 111 to 114 of the Consultation Paper?

Yes

Please give reasons for your views.

Agree for the purpose to save transfer costs and lower time consumption.

Question 14

Do you agree with the track record requirements for a streamlined transfer applicant as set out in paragraphs 117 to 118 of the Consultation Paper?

Yes

Please give reasons for your views.

Strongly agree on this point as it guarantees the listed issuer and its directors are highly aware of the compliance of listing rules and also demonstrates to the public of their financial performance and position for the past 3 years which have been approved by its auditor.

Question 15

Do you agree with the daily turnover and volume weighted average market capitalisation

requirements for a streamlined transfer applicant as set out in paragraphs 120 to 133 of the Consultation Paper?

No

Please give reasons for your views.

Given that in future, the proposed GEM transferees would already be listed on GEM for more than 3 years, the requirement for daily turnover and minimum market capitalisation threshold, as well as the Profit Test of HK\$80 million, should be further lowered as the proposed GEM transferees are not new to listing and have already complied all disclosures requirement of the GEM Listing Rules for more than 3 years.

Question 16

**Should the Minimum Daily Turnover Threshold for the Daily Turnover Test be set at: -
Selected Choice**

Please give reasons for your views.

Question 17

Do you agree with the proposed compliance record requirement for a streamlined transfer applicant as set out in paragraph 134 of the Consultation Paper?

Yes

Please give reasons for your views.

Agree

Question 18

Do you agree with the proposed modification to the existing compliance record requirement for a transfer from GEM to the Main Board as set out in paragraph 136 of the Consultation Paper?

Yes

Please give reasons for your views.

Agree in order to ensure transfer applicant has a clean compliance record and mitigate the risk that any disciplinary action would be taken.

Question 19

Do you agree that the Exchange should exempt GEM transferees to the Main Board from

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the Main Board initial listing fee?

Yes

Please give reasons for your views.

Agree for the purpose to lower the transfer costs