

**From:** Francis Lun [REDACTED] >  
**Sent:** 2016年10月3日星期一 8:56  
**To:** response  
**Subject:** public consultation  
**Attachments:** hkex consultation.docx

Lun Sheung Nim  
CEO Geo Securities Ltd  
Licensed person  
Do not hold stocks mentioned.

3 October, 2016

Hong Kong Exchanges  
Exchange Square  
Public Consultation

Dear Sirs,

Re : **Joint Consultation Paper on Proposed Enhancements to the Exchange's Decision-Making and Governance Structure for Listing Regulation**

I appreciate this chance to provide comments to the Securities and Futures Commission (the "SFC") and The Stock Exchange of Hong Kong Limited (the "Exchange") with regard to captioned consultation paper (the "Consultation Paper").

Under the existing regime, the listing division of the Exchange is responsible for vetting the applications for IPO and giving preliminary view on such application and then submit the same to the listing committee of the Exchange for approval and the SFC reserves the veto power to reject such application and also to reject listing rules formulated by the listing committee of the Exchange.

I have a strong conviction of upholding the status quo of the decision-making and governance structure of the Exchange under the existing regime for the development and making of listing decisions, listing policies and the Listing Rules as mentioned in paragraphs 37 to 43 of the Consultation Paper, as the exiting regime allows the check-and-balance to work in an effective and seamless manner.

Furthermore, I do not think the proposals in the Consultation Paper for (i) the existing Listing Committee for making listing decisions without any listing policy implications; (ii) the proposed establishment of the new Listing Policy Committee ("LPC") for formulating development of listing policy; and (iii) the proposed establishment of the new Listing Regulatory Committee ("LRC") for making listing decisions on applications for initial public offerings ("IPO") will work at all. Indeed, the Consultation Paper shall be withdrawn as it does not see what is urgently need for Hong Kong by erroneously prescribing inappropriate in proposals for addressing the listing regulation in Hong Kong.

I would set out my grave concern below in relation to the implementation of Consultation Paper.

1. The first and the second benefits alleged under the Consultation Paper is that there will be closer coordination between SFC and the Exchange to adopt a holistic and proactive

approach towards formulation of listing policy and listing rules and under a more collaborative structure, this facilitates consensus – building.

The Consultation Paper places too much emphasis on the consensus-building and totally ignores the importance of **check and balance** in the existing regime. This is really putting the cart before the house.

The Consultation Paper fails to recognize that the proposals will move Hong Kong towards the **merits-based regime** from the disclosure based regime, as regulators in general prefer the merits- based regime, which is not in line with the trend in the financial world.

All above, there is **fundamental change (instead of minor fine-tuning)** to the existing regime by establishing two new committees, i.e. LPC and LPC and transferring the IPO vetting and the formulating of listing policies and listing rules to these two new committees.

2. The third and the fourth benefits alleged under the Consultation Paper, i.e. the making of listing policy related matter more efficient and simpler; enhancing information sharing among SFC, Listing Committee and Listing division of the Exchange; and making listing regulatory regime efficient while maintaining standards and equality.

The Consultation Paper seems to ignore the existing dual filing system for IPO applications and the reality that the listing process will be more cumbersome under the proposals, as the hearings of listing committee and LRC are involved and there is tendency for the listing division to refer the new listings to LRC.

3. The fifth benefit alleged under the Consultation Paper is that closer coordination between SFC and the Exchange enhances Hong Kong's ability to interact and to enter into formal cooperative arrangement with Mainland China and other overseas securities authorities.

The Consultation Paper seems to fail to appreciate the reality that the members of LC with diverse background and connections may communicate more effectively with Mainland China authority and relatively speaking, the market development is more paramount, which is unlikely to be effectively discharged by SFC-led regulatory regime under the proposals.

I strongly request not to implement the Consultation Paper and it is not the right time to do so.

Your faithfully

Lun Sheung Nim  
Geo Securities Limited

**From:** Francis Lun [REDACTED]  
**Sent:** 2016年11月22日星期二 8:32  
**To:** response  
**Subject:** consultation on listing reform

上午改革諮詢應該關注的事

本人認為將來新成立的兩個委員會，必須面對現時上市制度下幾個嚴肅問題。首先是上市公司造假帳的問題；第二是公司上市後不尋常的升幅，造市問題；第三是財技高手把同一個業務，不停的重複上市，達成啤殼的目標；第四是同股不同權的問題，香港是不是需要改變立場，以維持競爭力。

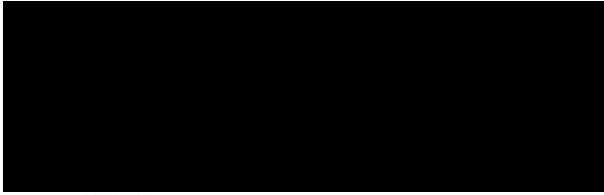
上市公司造假帳並不是新問題，中國，香港，日本，美國及歐洲都有同樣問題。大到連最大的跨國企業，日本東芝，及德國大眾汽車都有造假。香港上市公司也不例外，過去幾年都有不少企業被沽空機構狙擊。最近新聞報導香港證監對歐資大行，進行調查，有關新股上市時，公司業績造假的問題。相關公司是中國森林及中金再生，兩間公司都被沽空機構狙擊，揭發帳目造假。其實如果上市委員會有盡職，審查其帳目，必然會發覺造假的公司，其業績一定是好到不可以置信。筆者認為上市委員會把關最重要，一定要對申請上市公司的業務有一定的理解才能勝任把關的任務。筆者認為怎樣加強把關的職能，才是急需的改革，而不是增加幾多個委員會。

第二個問題是一些新上市公司，股價不合理的上升。2016年4月上市的聯旺(8217)是最出名的例子，是過去四年來全球新上市股份升幅最大的股票。不要忘記2015年新股上市的集成(1027)，也升了50倍。過去兩年香港升幅最大股票是百靈達(2326)，從低位升了150倍。這些公司其盈利絕對不可以支持股價，和基本因素完全脫節。市場莊家活動頻繁，但絕少人被起訴。監管當局，應該從造市方向進行調查，及廢除創業板全包銷機制，以減少人為造市的情況。

第三是財技高手把同一個業務，重複上市，達到啤殼的目的。例如澳科(2300)在2007年前大股東把煙草包裝業務注入，賣殼後，在2009年買回該業務。再在2011年把同一業務再注入詩天(1008)，再改名為貴聯控股。其中最離譜的是同一業務三度上市，泰邦集團(8327)，2000年的金力集團(8038)，及今年上市的創新電子(8346)都用同一業務達到上市目的。一個業務可以不停的啤殼，可以說是香港上市的奇葩。監管當局應該禁止這無良的行為，阻止財技專家混水摸魚。

第四是十分具爭議性的同股不同權的問題，在2014年阿里巴巴試探在香港上市，最主要條件是要批准同股不同權的不公平機制。香港當時不接受對小股東不公平的機制，而拒絕了阿里巴巴上市。結果大家都知道，阿里巴巴在美國上市，每天成交額達到600億元。金融界都感嘆失去了，做大生意的機會。馬雲最近表示，他旗下的螞蟻金服計劃上市，但先決條件是要接受對小股東不公平的同股不同權機制。在

美國及新加坡明搶香港的生意情況下，到底香港要潔身自愛，孤芳自賞，還是要同流合污?為了搶生意，香港是否要放棄自己的道德高位?



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