

Our Ref: [REDACTED]

28 October 2016

Corporate Communications Department  
c/o Hong Kong Exchanges and Clearing Limited  
12<sup>th</sup> Floor, One International Finance Centre  
1 Harbour View Street  
Central, Hong Kong

**BY FAX AND BY MAIL (Fax No.: 2524 0149)**

Dear Sirs,

**RE: SFC and HKEx Joint Consultation Paper on Proposed Enhancements to Stock Exchange's Decision-Making and Governance Structure for Listing Regulation ("the Proposals")**

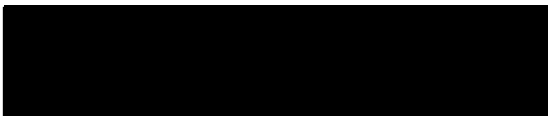
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We refer to the Joint Consultation Paper and would like to submit our views on same for your consideration.

The Chamber of Hong Kong Listed Companies ("CHKLC") has made a very detailed submission on their views on the Joint Consultation Paper. We agreed with the views of CHKLC. We do not think the Proposals are in the interest of Hong Kong and the Hong Kong Stock Exchange. We are very concerned that the implementation of the Proposals will seriously hamper the competitiveness of Hong Kong, amongst other major global capital markets.

Hong Kong is a success story. Its success is widely recognized. The laissez-faire policy adopted by Hong Kong is the foundation of its success. A light government touch, flexibility in business and the strategic position of the city with China mainland allow Hong Kong to enjoy economic success over decades. This achievement is sustainable and we want this success to continue.

We do not see the suggested benefits of having a Listing Regulatory Committee ("LRC") as suggested in the Proposals. On the other hand, we see a strong element of SFC in the proposed LRC, when compared with the existing Listing Committee. This will not help in formulating new policies or ideas that may help promote Hong Kong as a preferred capital market for new IPOs, bearing in mind most members of the SFC are professionals, like accountants or lawyers, who are usually risk-averse and conservative.



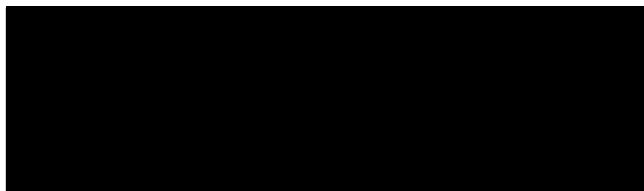
Conclusion

We are concerned that the Proposals, if implemented, will reduce the competitiveness of Hong Kong as a preferred listing destination for new IPOs. We urge the Stock Exchange and SFC to give further thoughts on the Proposals before taking it further.

Please note that we wish our name be withheld from publication.

Yours faithfully,

For and on behalf of



Executive Director & Company Secretary