

Date: 3 November 2016

Corporate Finance Division  
Securities and Futures Commission  
35/F., Cheung Kong Center  
2 Queen's Road Central  
Hong Kong

and

Corporate Communications Department  
c/o Hong Kong Exchanges and Clearing Limited  
12/F., One International Finance Centre  
1 Harbour View Street  
Central  
Hong Kong

Dear Sirs,

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

With reference to the Securities and Futures Commission (the "SFC") and Hong Kong Exchanges and Clearing Limited's (the "HKEx") joint consultation paper published in June 2016 in relation to the "Proposed Enhancements to The Stock Exchange of Hong Kong Limited's Decision-Making and Governance Structure for Listing Regulation" (the "Proposed Revamp"), we hereby write to extend our opinion as this regard.

We consider that the existing structure of the Listing Committee comprising 28 market elites, including lawyers, accountants, investors, wealth managers and other professionals, and the Listing Appeals Committee are taking independent roles in deciding initial public offering ("IPO"), formulating listing rules and listing policies, hearing appeals and taking any other disciplinary actions. Such systems make Hong Kong remain as the largest IPO market worldwide last year which held this same title since 2009 to 2011.

Now, the Proposed Revamp seems to take a step backward under which, two new committees, namely "Listing Policy Committee" and the "Listing Regulatory Committee" which seems to complicate the listing matters, the reporting procedures and policy making. It does not recognise the function of the existing Listing Committee, but also gives the SFC more power in the listing approval process and in setting listing policies, making matters worse and damage the listing environment in Hong Kong.

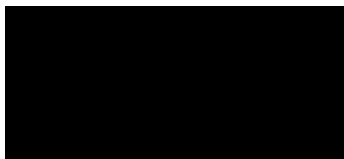
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In addition, the Proposed Revamp will take over some of the functions of the current Listing Committee which cause overlapping the authorities and accountabilities. Under the Proposed Revamp, the new Listing Regulatory Committee and the Listing Policy Committee comprise mostly officials of the SFC and the HKEx which lack of independence and transparency.

Furthermore, according to the Proposed Revamp, it intends to simplify the process for IPO applications so that they can be vetted and approved more efficiently. It is said a large majority of IPO applications do not involve suitability issues or give rise to broader policy implications will leave to be approved by the Listing Committee. However, if there is no clear definition of “suitability issues” and “giving rise to broader policy implications”, it is believed that most of the IPO applications will be passed to be decided by the Listing Regulatory Committee.

Last but not least, we would like to express our strong objection to the Proposed Revamp and it is hoped that the SFC and the HKEx will consider any other appropriate acceptable changes to ensure the maintenance of quality investors to list their shares in Hong Kong and to protect the rights and interests of all investors in Hong Kong.

For and on behalf of  
WANG ON PROPERTIES LIMITED



Name: Wong Yiu Hung, Gary  
**Director**