

Dear Sirs,

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

Upon reviewing the Consultation Paper on the proposed changes to the Decision-Making and Governance Structure for Listing Regulation of the Stock Exchange of Hong Kong Limited (the "Stock Exchange"), I have a strong feeling that the proposed arrangement is not appropriate and not in the best interest of Hong Kong.

Firstly, the proposed structures give no check-and-balance between the Securities and Future Commission ("SFC") and the Stock Exchange as enshrined in the existing structure. I am not comfortable with the compositions and nominations of the members of the proposed Listing Policy Committee ("LPC") and Listing Regulatory Committee. According to the proposals, all powers regarding listing matters will dominate essentially by the SFC.

Secondly, under the new structures, although the Listing Committee ("LC") consisting of a pool of expertise and market practitioners with diverse background is still invited to give opinions to matters considered by LPC, their views are non-binding. It will be a big loss to Hong Kong if this pool of intelligence is suffocated.

Thirdly, as SFC is regulator-minded, the proposed structures will move Hong Kong backward to a merit-based regime and I worry that SFC's regulator mind-set would stifle the market if the proposal is enacted.

Last but not the least, I think that the proposed changes are not necessary, as proper channels of communication between the SFC and the Stock Exchange are in place. The dual filing system is meant to keep the SFC informed of all cases. SFC can intervene at any time if it so wishes.

In view of the above, I strongly recommend the SFC and the Stock Exchange to withdraw the proposals as set out in the Consultation Paper.

Thank you for your kind attention.

Yours faithfully,