

Dear Sirs,

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

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") refers. With due respect, I do not agree with the proposals.

Check-and-balance is vital to any system. Nonetheless, under the proposal, SFC will be given both the front and back regulatory authority with no check-and-balance in place. The existing structure comprising the Listing Committee, the Stock Exchange and the SFC and has been working very effectively. This system is not meant to provide any safeguard or guarantee to the investors of a fault free market. In fact, the Securities and Futures Ordinance has given the SFC the authority to take legal actions against the wrongdoers. I think we shall tackle this issue by asking SFC to enhance its enforcement action. Furthermore, I am afraid that the regulator-minded SFC will push Hong Kong back to a meri-based regime where decisions are made in a small-circle without valuable market input.

Thank you for your kind attention.

Yours faithfully,