



香港聯合交易所
The Stock Exchange of Hong Kong

NEWS RELEASE

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**GEM offers unique attractions
to Silicon Valley companies**

The Growth Enterprise Market, GEM, offers some unique opportunities to Silicon Valley companies, according to Alec Tsui, Chief Executive of the Stock Exchange of Hong Kong.

Mr Tsui was speaking on Tuesday, June 8 at the Hong Kong Night in San Francisco, California. The conference was organised by the Hong Kong Economic and Trade Office in San Francisco and the Hong Kong Industrial Technology Centre.

He stressed that GEM was not a second tier market, or a training market where companies could prepare themselves for listing on the main board. "GEM will follow the NASDAQ in the United States and will be an alternative market with distinct characteristics that offer growth enterprises a strong identity. GEM will complement the initiatives of the Hong Kong government to foster the development of technology industries in Hong Kong.

"GEM is a new and exciting chapter for Hong Kong, which the Exchange aims to develop into a significant growth market of international repute. Companies that are selling their products in China and the Asian region will find Hong Kong an excellent place both for capital formation and for raising their profile.

"US stock markets are big markets. Some companies that may be relatively small in the US context could well become major forces in the smaller but internationally well regarded Hong Kong market.

"US companies that list on GEM will develop closer ties with their Asian business partners, which may be an important business strategy relevant to their corporate growth.

"A listing on GEM, combined with relocation to Hong Kong, offers companies a home ground to raise expansion capital," Mr Tsui said.

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He pointed out that Hong Kong was an important international financial centre with a first class market infrastructure, and was well positioned to support the growth of the Asia-Pacific region.

“With China continuing to open up and the Asian economies gradually recovering, the growth of the region is likely to prevail again. The region has offered and will continue to offer good opportunities for many enterprises to flourish,” Mr Tsui said.

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Corporate Communications Department