

[REDACTED]

From: [REDACTED]
Sent: Friday, April 4, 2025 11:59 AM
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: [External] Re: [REDACTED] HKEX IPO Consultation (due 19 March)

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[REDACTED]

Many thanks for your email and apologies for this delayed reply.

Apologies, but I faced further delays receiving some of the inputs and whilst I was mid-way through the online submission, I think perhaps the portal had closed so my form might have been either incomplete or unsuccessful in terms of its submission.

As a quick feedback, we are in agreement with most of the proposed and questions, with some views and feedback for Q4 and Q 13.

On Q4 where it discusses allowing companies to trade with a free float lower than at initial IPO, whilst we recognize the challenges posed in trying to restore the float and minority shareholders might suffer if shares are suspended due to inadequate free float, allowing more flexibility to squeeze liquidity down in instances where liquidity is already fairly poor and concerning might be counter-productive. The merits are less clear here given the potential pitfalls this might also entail.

On Q13, we do have a strong view against allowing for pricing flexibility for new IPOs. We are concerned this creates added uncertainty and complexity in book building, and we don't want companies to have flexibility to squeeze valuations up at the last minute. We're therefore be preferring to have it status quo on this question.

We're happy to discuss further on a call if helpful, but I wanted to ensure these key points and feedback are passed on even as we are in broad agreement with what's been discussed in the consultation paper.

Many thanks.

Best,

[Redacted]

[Redacted]

[Redacted]

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