

Part B Consultation Questions

Please indicate your preference by checking the appropriate boxes. Please reply to the questions below on the proposed change discussed in the Consultation Paper downloadable from the HKEX website at:

<https://www.hkex.com.hk/-/media/HKEX-Market/News/Market-Consultations/2016-Present/November-2020-MB-Profit-Requirement/Consultation-Paper/cp202011.pdf>

Where there is insufficient space provided for your comments, please attach additional pages.

Capitalised terms have the same meaning as defined in the Consultation Paper unless otherwise stated.

1. Do you agree that the Profit Requirement should be increased by either Option 1 (150%) or Option 2 (200%)? Please give reasons for your views.

Yes

No

You may provide reasons for your views.

The increment of at least 150% (two times of 30m to 75m) in previous 2 years & 2.5 times in last year (50m) are strange and unacceptable towards the promotion of new small to middle size HK-based companies to develop their financing power for growth. If the potential listed companies have that kinds of resources, there is no need to be listed to get listing funding from the HK market.

2. Besides the proposed increase in the Profit Requirement, is there any other alternative requirement that should be considered? Please give reasons for your views.

Yes

No

You may provide reasons for your views.

I am a listed company Financial Controller and Company Secretary for many years before. The large sizes or small sizes of a listed company are not the paramount important towards the quality of the listed companies. Instead, some of the Big Cap nowadays, especially, with minimum requirements of Biotechnology companies and Technology listed companies which are NOT Profitable, will hinder from the profit requirements which are NOT consistent with the basic norms of Increase of Profit requirements in this Consultation Paper of Nov 2020. If that is the case, the HKEx has to re-assess ALL these kinds of Bio-technology companies and Technologies companies with the SAME legitimate requirements - Same as the new requirements of Increasing Profit requirements. Otherwise, they should be delisted properly.

The without reasonable Changes of the Profit Requirements will hinder many possibilities of listing for the local businesses in Hong Kong which is NOT a reason to promote HK businesses continuous developments.

3. Do you agree that the Exchange should consider granting temporary relief from the increased Profit Requirement due to the challenging economic environment? Please give reasons for your views.

Yes

No

You may provide reasons for your views.

Actually, it is ALL an Arguable increments which are NOT acceptable in all real senses at all. The reasons are Huge increase in requirements are ONLY Towards the benefits of Big Cap in the market, which are existed for many years and also with extra funding from the government and special financing parties.

4. If your answer to Question 3 is yes, do you agree with the conditions to the temporary relief as set out in paragraph 55? Please give reasons for your views.

Yes

No

You may provide reasons for your views.

This sudden increase is basically NOT acceptable, NOT to say about any temporary relief of application or any prolonged period. The HKEx market is Already NOT positive and inclined to the PRC Big Cap companies, being the Technology company or some Internet companies with NON-profitable Bio-medical companies Without substantial results from listing UP to Now. We can easily figure out which companies are expensing all the listing fundings without generating revenue and the related bio-technological income or any final Products. You may question with in HKEx of these kinds of companies easily without my mentioned.

In Conclusion, Total Disagreement of the Sudden Promotion of the Profit Requirements is due to the lower the local listing opportunities of HK businesses in general, do so the Sponsors, Lawyers, Underwriters and so on, etc.

This Consultation Paper should be Stopped immediately without proceeding to retain the Creditability and the Positions of HK Stock Market in the World Standpoints.

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