



Dear Members,

As Hong Kong celebrates its 20th anniversary of returning to China's sovereignty, I would like to reflect upon the journey of Hong Kong in the past two decades. The "One Country Two Systems" by and large has been implemented well. The capitalist system continues to flourish and our way of life largely remains unchanged. But sadly, our securities market has made very little headway in product and market development. By that,

I meant the listing rules of our stock exchange were substantially the same as they were 20 years ago. They still tilt towards the old economy and asset-heavy industries. Despite the major economies which our stock market served have significantly transformed and the business scene has changed a lot in the past two decades, not much has been done to harvest the fruits of the technology era and capture companies that are characterised by being light in assets but rich in intellectual property, entrepreneurship and creativity. Our regulators have not been receptive to companies with non-standard governance structures to be listed on the Stock Exchange of Hong Kong ("SEHK"). As such, Hong Kong has denied itself the chance to become a primary fund raising centre for technology companies from mainland China, where a lot of big technology (including internet) companies have sprung up, and we have missed a lot of opportunities. This is disappointing, to say the least.

Having said that, I am very pleased to see that the SEHK has recently issued a Concept Paper to seek market feedback on SEHK's proposed establishment of a New Board, separate from the Main Board and the GEM, to broaden capital markets access in Hong Kong by opening up to a more diverse range of issuers. This is a move in the right direction and is worth supporting in principle. Our Chamber has studied the proposals thoroughly and has provided written comments on the matters discussed in the Concept Paper.

But this is not enough. In fact, Hong Kong cannot afford any further delay in conducting an overall market and regulatory review and putting in motion reforms of our securities market that would enable it to grow and develop in tandem with the changing times. What Hong Kong really needs is not the kind of piecemeal remedies that we saw in the Joint Consultation Paper issued by the Securities and Futures Commission and the SEHK last year (the "Joint Consultation") but a holistic review of our market infrastructure and framework, done in a thorough, comprehensive and systematic manner. As Chairman of this Chamber, I have been advocating for the Joint Consultation to be withdrawn and returned to the drawing board. It is time that our Government should show leadership and take charge of a market review and reform that is far-sighted and visionary. Only a top-down approach can ensure that there is sufficient leadership and co-ordination among various economic and financial bureaux and market participants to see through the changes. I look forward to seeing our new administration to drive the market and regulatory reforms while balancing the interests of different stakeholders.

This is a matter of urgency and development cannot be stalled anymore. Our future is now!

Yours sincerely,

Francis Leung Pak To
Chairman

各位會員：

適逢今年香港回歸祖國20週年，我希望回顧一下香港過去20年的歷程。「一國兩制」整體上妥善實行，資本主義制度繼續蓬勃發展，而我們的生活大致不變。然而不幸地，我們的證券市場在產品及市場發展方面並沒多少進展。我所指的是股票交易的上市規則基本上與20年前一樣，仍然是向舊經濟及重資產行業傾斜。儘管我們的股票市場所服務的主要經濟體已出現重大蛻變，過去20年營商環境亦已物換星移，科技時代的成果卻未收入囊中，亦未好好吸納具有豐富知識產權、企業家精神及創新意念的輕資產公司。我們的監管機構仍未能接受非標準管治架構的公司於香港聯合交易所（「聯交所」）上市。正因如此，香港喪失了成為中國內地科技公司主要集資中心的機會。於中國，許多大型科技公司（包括互聯網公司）相繼冒起，我們已錯失了許多機遇。至少可以說，這確實令人失望。

雖然如此，我仍然樂於見到聯交所最近為了將市場開放予更多類型的發行人以擴闊香港資本市場的渠道，因而推出框架文件，就建議設立有別於主板及創業板的創新板徵詢市場的意見。此舉方向正確，原則上值得支持。本商會已詳細研究該等建議，並就該框架文件中所述事宜提交書面意見。

然而這並未足夠。事實上，香港要全面檢討市場及監管機制，以行動改革證券市場，務求令市場增長與發展可與時並進。香港真正需要的並非如證券及期貨事務監察委員會與聯交所去年發佈的聯合諮詢文件（「聯合諮詢」）內那些零散的補救措施，而是徹底並有系統地對市場基礎建設及架構進行全面檢討。作為本商會的主席，我一直倡議取消有關聯合諮詢並重新進行商討。政府是時候顯示其領導能力，肩負起檢討市場並作出具遠見的改革之責任。唯有透過由上而下的方式，才能確保不同經濟及金融機關與市場參與者均具有足夠的領導能力並能協調各方以實現改變。我期待見到新管治班子可推動市場及監管改革，同時平衡不同持份者的利益。

此事刻不容緩，發展已不能再拖。現在就是未來！

誠致謝意。

梁伯韜
主席