

Operational Review

Corporates

Listing applications

Our oversight of listing matters includes vetting of listing applications. During the quarter, we vetted 69 new listing applications, including six from pre-profit biotech companies. Two companies listed overseas achieved dual-primary listings on the Main Board.

Corporate conduct

We conduct daily reviews of corporate announcements to identify potential misconduct and irregularities. During the quarter, we issued section 179¹ directions to gather additional information in 13 cases and wrote to a listed company detailing our concerns in one case. These

concerns included, for example, whether a corporate action or transaction is conducted in a manner which is oppressive or unfairly prejudicial to shareholders.

Takeovers matter

In April, we publicly criticised Gao Yunhong and Feng Xuelian for breaching the no frustrating action rules during an offer for Steering Holdings Limited. As directors of Steering, they were substantially involved in the disposal of some of the company's listed securities which constituted a disclosable transaction under the Listing Rules and a frustrating action subject to the Takeovers Code. There was a breach of the Takeovers Code when neither the approval of Steering's shareholders was obtained nor was a waiver of the requirement to obtain shareholders' approval sought from the Executive².

Listing applications and takeovers activities

	Quarter ended 30.6.2022	Quarter ended 31.3.2022	Change (%)	Quarter ended 30.6.2021	YoY change (%)
Listing applications	69	68	1.5	120	-42.5
Takeovers and share buy-backs transactions	79	66	19.7	110	-28.2

¹ Section 179 of the Securities and Futures Ordinance gives the SFC the power to compel the production of records and documents from persons related to a listed company.

² The Executive refers to the Executive Director of the SFC's Corporate Finance Division or a delegate of the Executive Director.

Intermediaries

Licence applications

In the quarter, we received 1,517 licence applications¹ (including 43 corporate applications), down 2.9% year-on-year but up 17% from the last quarter.

As at 30 June, the number of licensees and registrants remained stable at 48,533, of which 3,261 were licensed corporations.

Mandatory e-submissions via WINGS

To move to a paperless licensing process, online submissions of corporate licence applications, notifications and regulatory filings via WINGS² became mandatory on 1 April. This followed a three-month transition period after the launch of the fully digitalised licensing platform on 3 January. As of the end of June, more than 70,000 applications and other submissions were filed through WINGS. We noted that industry participants have become familiar with the use of the platform and efficiency gains have been realised.

Virtual assets

In April, we granted approval-in-principle to Hash Blockchain Limited — the second virtual asset trading platform operator in Hong Kong. Formal licence will be granted subject to the company's completion and submission of outstanding required items.

In June, the Government gazetted the Anti-Money Laundering and Counter-Terrorist Financing (Amendment) Bill 2022, which seeks to introduce a new licensing regime for centralised virtual asset exchanges trading non-security tokens in Hong Kong to be regulated by the SFC.

In a June statement, we warned investors of the risks associated with non-fungible tokens (NFTs) and reminded the industry that where NFTs cross the boundary between a collectible and a financial asset, they may be subject to our regulation.

Supervision

During the quarter, we conducted 60 on-site inspections of licensed corporations to review their compliance with regulatory requirements. We held a supervisory memorandum of understanding meeting with the China Securities Regulatory Commission to discuss cross-boundary cooperation and supervision of Hong Kong subsidiaries of Mainland securities firms.

Conduct standards in capital market transactions

In May, we published a set of frequently asked questions to provide further guidance for intermediaries to comply with the new conduct requirements for bookbuilding and placing activities under paragraphs 17.1A and 21 of the Code of Conduct³, including transitional arrangements related to the "Sponsor Coupling" requirement and clarifications of our conduct expectations for debt offerings. The new requirements came into effect on 5 August.

Licence holders insurance scheme

An industry working group, which operates with secretariat support from the SFC and comprises representatives from broker associations and brokerages, agreed to appoint a scheme administrator to arrange two master policies⁴ of insurance covering licensed corporations which are SEHK⁵ or HKFE⁶ participants for the year from 1 April 2022 to 31 March 2023. In May, we issued a circular regarding the arrangements for the insurance scheme.

¹ The figure does not include applications for provisional licences. See the table on licensing applications on page 6 for details.

² Web-based INteGrated Service.

³ Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission.

⁴ Under each master policy of insurance, an insured participant will be indemnified for financial losses owing to fidelity risks relating to its activities of dealing in securities, futures contracts or both, subject to an indemnity limit of \$15 million per regulated activity per year and a deductible amount of \$3 million per claim or loss.

⁵ The Stock Exchange of Hong Kong Limited.

⁶ Hong Kong Futures Exchange Limited.

Intermediaries

Licencees and registrants

	As at 30.6.2022	As at 31.3.2022	Change (%)	As at 30.6.2021	YoY change (%)
Licensed corporations	3,261	3,231	0.9	3,174	2.7
Registered institutions	111	111	0	114	-2.6
Licensed individuals	45,161	45,059	0.2	44,239	2.1
Total	48,533	48,401	0.3	47,527	2.1

Licensing applications

	Quarter ended 30.6.2022	Quarter ended 31.3.2022	Change (%)	Quarter ended 30.6.2021	YoY change (%)
Applications to conduct new regulated activity	5,927	4,997	18.6	5,570	6.4
Applications for SFC licences [^]	1,517	1,294	17.2	1,563	-2.9

[^] Figures do not include applications for provisional licences. During the quarter, we received 1,025 provisional licence applications compared with 1,132 in the same quarter last year.

Intermediary inspections

	Quarter ended 30.6.2022	Quarter ended 31.3.2022	Change (%)	Quarter ended 30.6.2021	YoY change (%)
On-site inspections conducted [^]	60	64	-6.3	71	-15.5

[^] Including inspections conducted remotely in light of the COVID-19 pandemic.

Products

Authorisations

During the quarter ended 30 June, we authorised 35 unit trusts and mutual funds (including 17 Hong Kong-domiciled funds) and 47 unlisted structured investment products for public offering in Hong Kong.

OFC registrations

As of 30 June, there were 78 registered open-ended fund companies (OFCs), of which 16¹ were new OFCs registered during the quarter.

Hong Kong-domiciled funds

As at 30 June, the assets under management (AUM) of Hong Kong-domiciled funds decreased by 5% from the previous quarter to US\$169.7 billion. Net fund inflows of about US\$0.5 billion were recorded during the quarter and the number of firms licensed for Type 9 regulated activity (asset management) increased 1.8% to 2,039 in the same period.

ETF Connect²

ETF Connect launched on 4 July following our joint announcement with the China Securities Regulatory Commission (CSRC) in June. Under the scheme, four Hong Kong exchange-traded funds (ETFs) are currently eligible for southbound trading and 83 Mainland ETFs (including 53 from the Shanghai Stock Exchange and 30 from the Shenzhen Stock Exchange) are eligible for northbound trading.

Mutual Recognition of Funds (MRF)

Under the Mainland-Hong Kong MRF scheme, as of 30 June, we authorised a total of 47 Mainland funds (including two umbrella funds) whilst the CSRC approved 38 Hong Kong funds.

As of 30 June, the cumulative net subscription was about RMB1.04 billion for Mainland funds and about RMB11.27 billion for Hong Kong funds. During the quarter, Mainland funds recorded a net redemption of about RMB44.71 million, compared to a net subscription of about RMB54.39 million in the previous quarter. Hong Kong funds recorded a net redemption of about RMB915.48 million this quarter, down from a net redemption of about RMB2.05 billion in the last quarter.

Asset and Wealth Management Activities Survey³

The *Asset and Wealth Management Activities Survey* for 2021, released in July, showed that Hong Kong's asset and wealth management business recorded a 2% year-on-year increase in AUM to \$35,546 billion as at the end of 2021. Net fund inflows during the year reached \$2,152 billion, up 6% from 2020.

Investment-linked assurance schemes (ILAS)

Following the introduction of enhanced guidance on ILAS product design in November 2021, we have been working closely with the industry and other stakeholders on its implementation. During the quarter, we authorised the first Protection Linked Plan under the new guidance.

Depositories of SFC-authorised funds

A further consultation on proposed amendments to subsidiary legislation and SFC codes and guidelines to implement the new Type 13 regulated activity for depositories of SFC-authorised funds closed on 30 April. The comments were mainly technical in nature. We will continue to engage the industry and work with the Hong Kong Monetary Authority to finalise the proposals.

¹ This figure includes 15 private OFCs.

² Post-reporting period.

³ Post-reporting period.

Products

Authorised collective investment schemes

	As at 30.6.2022	As at 31.3.2022	Change (%)	As at 30.6.2021	YoY change (%)
Unit trusts and mutual funds – Hong Kong-domiciled	868 ^a	866	0.2	838	3.6
Unit trusts and mutual funds – non-Hong Kong-domiciled	1,382	1,381	0.1	1,394	-0.9
ILAS	300	300	0	300	0
Pooled retirement funds	32	32	0	33	-3
Mandatory provident fund (MPF) schemes	26	26	0	26	0
MPF pooled investment funds	219	219	0	209	4.8
Others	25 ^b	25	0	26	-3.8
Total	2,852	2,849	0.1	2,826	0.9

a This figure includes 110 approved pooled investment funds (retail APIFs) which MPFs may invest into and may also be offered to the public in Hong Kong.

b Comprising 14 paper gold schemes and 11 real estate investment trusts (REITs).

Registered OFCs

	As at 30.6.2022	As at 31.3.2022	Change (%)	As at 30.6.2021	YoY change (%)
OFCs	78 [^]	62	25.8	15	420

[^] This figure includes 68 private OFCs.

Authorised unlisted structured investment products

	As at 30.6.2022	As at 31.3.2022	Change (%)	As at 30.6.2021	YoY change (%)
Unlisted structured investment products [^]	228	187	21.9	146	56.2

[^] On a "one product per key facts statement" basis, including equity-linked investments and deposits.

Products

SFC-authorized renminbi (RMB) investment products

	As at 30.6.2022
Unlisted products	
Unlisted funds primarily investing in onshore Mainland securities markets ^a or offshore RMB bonds, fixed-income instruments or other securities	55
Unlisted funds (non-RMB denominated) with RMB share classes	346
Paper gold schemes with RMB features	1
Recognised Mainland funds under Mainland-Hong Kong MRF arrangement	47
Unlisted structured investment products issued in RMB ^b	227
Listed products	
ETFs primarily investing in onshore Mainland securities markets ^a or offshore RMB bonds, fixed-income instruments or other securities	50
ETFs (non-RMB denominated) with RMB trading counters	11
RMB leveraged and inverse products	2
RMB gold ETFs ^c	1
RMB REITs	1

^a Refers to onshore Mainland investments through the Qualified Foreign Investor scheme, Stock Connect, Bond Connect and China Interbank Bond Market.

^b The number is on a "one product per key facts statement" basis.

^c Only includes gold ETFs denominated in RMB.

Markets

Supervision of HKEX

Holiday trading on derivatives market

Holiday trading on the derivatives market commenced in May. On the first two holiday trading days¹, nine types of MSCI contracts were traded including the MSCI China A 50 Connect Index futures contract and the market operated smoothly.

New risk models of cash market

Following our approval, Hong Kong Exchanges and Clearing Limited (HKEX) implemented new risk models for the cash market in June. The new risk models strengthen the resilience of the clearing house by sizing the initial margin and default fund requirements for HKEX clearing participants more precisely based on a wide range of stress scenarios and ensure better alignment with international standards.

Position limit regime

In April, we launched a two-month consultation on proposed changes to the position limit regime for listed futures and options contracts. A key proposal is to set out how the statutory prescribed limits and reporting requirements should be applied to unit trusts and sub-funds under an umbrella fund. Other proposed changes include reportable positions in contracts traded on holiday trading days and the inclusion of a broader range of contracts which may be authorised by the SFC for excess positions.

OTC derivatives

In April, we concluded a joint consultation with the Hong Kong Monetary Authority (HKMA) on the addition of eight new calculation periods under the Clearing Rules for the over-the-counter (OTC) derivatives regulatory regime. Subject to the legislative process, the new calculation periods would come into effect on 1 March 2023. For the enhancements to the OTC derivatives reporting templates which will take effect in December 2022, we worked with the HKMA to update the supplementary reporting instructions and publish the data fields in the Government Gazette in June.

Investor identification

We have been preparing for the late 2022 launch of the investor identification regime at the trading level for the securities market in Hong Kong. Frequently asked questions were published on the websites of the SFC and HKEX to provide further guidance. A test² has been arranged for intermediaries to assess system readiness for implementation. In addition, we have been promoting investors' awareness and understanding of the regime through the Investor and Financial Education Council on social media and through other channels.

Automated trading services

As of 30 June, the number of automated trading services (ATS) providers³ authorised under Part III of the Securities and Futures Ordinance (SFO) was 50, whilst 26 corporations, including 13 dark pool operators, were licensed under Part V of the SFO to provide ATS.

ATS providers

	As at 30.6.2022	As at 31.3.2022	Change (%)	As at 30.6.2021	YoY change (%)
Under Part III	50	53	-5.7	51	-2
Under Part V	26	25	4	24	8.3

¹ 9 May and 3 June.

² The test assessed intermediaries' ability to connect to HKEX's systems for conducting activities under the new regime.

³ Under the SFO, two regimes regulate ATS providers. Typically, those that offer facilities similar to those of a traditional exchange or a clearing house are authorised under Part III of the SFO. Intermediaries which provide dealing services with ATS as an added facility are licensed under Part V of the SFO.

Enforcement

Court proceedings

The Court of First Instance (CFI) granted orders under section 213¹ of the Securities and Futures Ordinance (SFO) against fraudsters² of a global pyramid and ponzi scheme to compensate their victims. The Court appointed administrators to receive and distribute to aggrieved investors the proceeds from the scheme totalling \$2.8 million in two bank accounts frozen by the SFC.

The CFI also granted orders under section 213 of the SFO against Maxim Capital Limited and Maxim Trader to pay aggrieved investors in relation to certain

investment schemes they operated. The Court appointed administrators to receive, administer and distribute a total sum of approximately \$23.5 million in an account frozen by the SFC to the investors on a pro rata basis. The Court also ordered Maxim Capital Limited and Maxim Trader, while unlicensed, not to hold themselves out as carrying on a business in regulated activities.

Disciplinary actions

We disciplined two corporations and two individuals during the quarter, resulting in total fines³ of \$7 million.

Anti-money laundering and counter-terrorist financing regulatory breaches

Company/Name	Breaches	Action
China Everbright Securities (HK) Limited	Failed to implement adequate and effective systems and controls to guard against and mitigate the risk of money laundering and terrorist financing associated with third party deposits	Reprimanded and fined \$3.8 million

Other regulatory breaches

Company/Name	Breaches	Action
CES Capital International (Hong Kong) Co., Limited	Failed to discharge its duties as an investment manager of two funds	Reprimanded and fined \$3.2 million
Ho Pak Hay	Misappropriated and misused clients' funds	Banned from re-entering the industry for life
Poon Choi Yung	Effectuated transactions in clients' accounts without their authorisation and failed to take reasonable steps to establish clients' financial situations and investment experience during account opening	Banned from re-entering the industry for 20 months

¹ Section 213 of the SFO empowers the court to make a broad range of orders including injunctive relief and other civil remedies on the application of the SFC.

² DFRF Enterprises LLC, DFRF Enterprises, LLC, and Daniel Fernandes Rojo Filho.

³ Fines paid by intermediaries in disciplinary actions go into the general revenue of the Government.

Enforcement

Public consultation on law amendments

In June, we began a two-month public consultation on proposals to amend the SFO to facilitate more effective enforcement actions. The proposed amendments would broaden the scope of some SFO provisions to expand the basis for the SFC to apply for remedial and other orders against a regulated person under section 213. The amendments would also clarify that the professional investor exemption in section 103(3)(k) applies to unauthorised advertisements of investment products issued only to professional investors. Other amendments would expand the insider dealing provisions to cover insider dealing in overseas-listed securities or their derivatives conducted in Hong Kong as well as insider dealing in Hong Kong-listed securities or their derivatives perpetrated outside Hong Kong.

Enforcement cooperation with the CSRC

In June, we held a meeting with the China Securities Regulatory Commission (CSRC) via video conference where we discussed our enforcement cooperation efforts during 2022.

We also agreed on follow-up arrangements for emerging issues related to cross-boundary enforcement cooperation issues. We shared with the CSRC our experience of conducting video interviews since the pandemic and exchanged views on other topics such as arranging training programmes for enforcement officers.

We and the CSRC have maintained close and smooth enforcement collaboration and will continue to enhance communication and expand enforcement cooperation.

We will also seek to address operational issues and work together to tackle cross-boundary securities misconduct and support the healthy, long-term development of the capital markets in the two jurisdictions.

Market surveillance

Our surveillance of untoward price and turnover movements resulted in 1,392 requests for trading and account records from intermediaries in the quarter. In addition, we published three high shareholding concentration announcements to remind investors to exercise caution when trading shares in companies where a small number of shareholders hold a high concentration of shares.



Virtual meeting on enforcement cooperation with the CSRC (right)

Enforcement

Enforcement activities

	Quarter ended 30.6.2022	Quarter ended 31.3.2022	Change (%)	Quarter ended 30.6.2021	YoY change (%)
S179 ^a inquiries commenced	5	12	-58.3	15	-66.7
S181 ^b inquiries commenced (number of letters sent)	40 (1,392)	31 (972)	43.2	63 (2,319)	-40
S182 ^c directions issued	24	41	-41.5	59	-59.3
Investigations started	24	42	-42.9	62	-61.3
Investigations completed	44	40	10	31	41.9
Individuals and corporations charged in criminal proceedings	3	0	N/A	2	50
Criminal charges laid	47	0	N/A	18	161.1
Notices of Proposed Disciplinary Action ^d issued	6	5	20	10	-40
Notices of Decision ^e issued	6	10	-40	7	-14.3
Individuals and corporations subject to ongoing civil proceedings ^f	169	168	0.6	170	-0.6
Compliance advice letters issued	23	33	-30.3	36	-36.1
Cases with search warrants executed	11	1	1,000	20	-45

a Section 179 of the SFO gives the SFC the power to compel the production of records and documents from persons related to a listed company in relation to fraud or other misconduct.

b Section 181 of the SFO gives the SFC the power to require information from intermediaries about trading transactions, including information identifying the ultimate clients, the particulars and instructions relating to the transactions.

c Section 182 of the SFO gives the SFC the power to investigate SFO offences, market misconduct, fraud, misfeasance and disciplinary misconduct.

d A notice issued by the SFC to regulated persons that it proposes to exercise its disciplinary powers, on grounds that they appear to be guilty of misconduct or not fit and proper.

e A notice that sets out the SFC's decision and its reasons to take disciplinary action against regulated persons.

f As of the last day of the period.

Regulatory Engagement

IOSCO

We play an active role in international policymaking. Our Chief Executive Officer (CEO) Mr Ashley Alder chairs the Board of the International Organization of Securities Commissions (IOSCO). In June, Mr Alder chaired an IOSCO Board meeting which discussed sustainable finance, fintech and financial stability issues. In addition, he co-chairs the CPMI¹-IOSCO Steering Group, which is involved in the regulatory policy work for the oversight and supervision of central counterparties.

At City Week 2022, Mr Alder participated in a panel discussion on the evolving agenda of international standard-setters. He highlighted the importance of international cooperation in light of innovations in the financial services sector and an increase in cross-border activities. He also shared his views on sustainable finance and the commodity markets.

We participate in all eight IOSCO policy committees and the Asia-Pacific Regional Committee (APRC). During the quarter, we participated in meetings of the Committee on Emerging Risks, Assessment Committee, Fintech Task Force and the IOSCO Financial Stability Engagement Group, which leads IOSCO's responses to COVID-19 and other financial stability issues.

Our senior executives play leading roles in IOSCO policy committees and task forces, including the IOSCO Sustainable Finance Task Force (STF), the Committee on Investment Management, and the Committee on Enforcement and the Exchange of Information.

Financial Stability Board (FSB)

In his role as IOSCO Board Chair, Mr Alder participated in FSB meetings during the quarter, including those of the Plenary, Steering Committee, Standing Committee on Supervisory and Regulatory Cooperation and the Steering Committee Group on Non-bank Financial Intermediation, where the discussions focused on financial stability, sustainable finance, crypto assets and issues arising from COVID-19. We are also actively involved in the work of the Standing Committee on Standards Implementation and the FSB-IOSCO joint workstream on the analysis of systemic risks using data from trade repositories.

Green and sustainable finance

During the quarter, we participated in workstreams under the IOSCO STF which are evaluating the International Sustainability Standards Board's (ISSB) exposure drafts on general requirements for the disclosure of sustainability-related financial information and climate-related disclosures, published in March, and are considering assurance and digital reporting of sustainability information. We are working closely with the Stock Exchange of Hong Kong Limited to develop a climate reporting framework for listed issuers in Hong Kong that aims to align with the global baseline being developed by the ISSB, taking into account issuers' capabilities and readiness.

In June, the Green and Sustainable Finance Cross-Agency Steering Group², co-chaired by us and the Hong Kong Monetary Authority (HKMA), discussed the progress of the potential implementation of the ISSB's climate-related disclosure standards, carbon market opportunities and taxonomies. The steering group also announced the launch of three public repositories which contain useful information about green and sustainable finance training, internship opportunities and data sources to support capacity building and climate-change data analyses.

Together with the HKMA, we are creating a freely accessible greenhouse gas emissions estimation tool with clearly-disclosed methodologies for companies to use as an alternative source of information. We are also involved in other initiatives to build capacity and enhance Hong Kong's talent pool for green and sustainable finance.

At the PRI China Conference in May and the IFRS Foundation Conference in June, Mr Alder highlighted the significance of the ISSB in delivering a global baseline for corporate sustainability disclosures and emphasised the importance of jurisdictional interoperability and assurance to ensure that investors can receive comparable, reliable and decision-useful information.

¹ Committee on Payments and Market Infrastructures.

² Established in May 2020, the steering group also comprises the Environment and Ecology Bureau, Financial Services and the Treasury Bureau, Hong Kong Exchanges and Clearing Limited, Insurance Authority and the Mandatory Provident Fund Schemes Authority.

Regulatory Engagement

Mainland China

In June, we held our eleventh high-level meeting with the China Securities Regulatory Commission (CSRC) to discuss cross-boundary regulatory cooperation and market development initiatives. These included major risks and challenges encountered by Hong Kong's capital markets, enhancements to mutual market access schemes and the progress of cooperation on cross-boundary enforcement, supervision of intermediaries and asset management initiatives.

During the quarter, we worked closely with the CSRC and the Mainland and Hong Kong stock exchanges and clearing houses to prepare for the inclusion of eligible exchange-traded funds (ETFs) under the Stock Connect scheme. We have agreed with the CSRC on the arrangements for cross-boundary regulatory cooperation and investor education, and will enhance enforcement cooperation to combat cross-boundary illegal activities and market misconduct. Together with the CSRC, we jointly announced the launch of ETF Connect in June and trading commenced on 4 July.

We also held regular meetings with the CSRC during the quarter, including a meeting with the CSRC Vice Chairman Li Chao in May and a regular meeting with the CSRC's Fund and Intermediary Supervision Department in June to discuss the financial status, risk management and compliance issues of the Hong Kong subsidiaries of Mainland securities companies, supervisory cooperation between the two regulators and a forthcoming joint online training for industry participants.

During the quarter, we worked closely with the Mainland authorities to discuss a number of initiatives set out in the Guangdong-Hong Kong-Macao Greater Bay Area development plan, including enhancements to the Cross-boundary Wealth Management Connect pilot scheme.

Other regulatory engagement

In June, we and the Securities Commission Malaysia jointly hosted the Asia Pacific Takeovers Regulators Conference 2022. Held virtually for the first time since the onset of the pandemic, the conference brought together more than 50 securities regulators from Australia, Bangladesh, Cambodia, Hong Kong, Laos, Malaysia, New Zealand, the Philippines, Singapore, South Africa and Thailand, to discuss recent developments in regulating takeovers activities in the region.

As part of our efforts to supervise global and Mainland financial institutions, we maintain close collaboration with Mainland and overseas regulators to share information and engage in supervisory cooperation. In view of the heightened financial risk and challenges facing global systemically important financial institutions, we conducted a series of dialogues with home regulators. For instance, we participated in supervisory colleges convened by the Swiss Financial Market Supervisory Authority in June and conducted bilateral meetings with the CSRC to exchange supervisory information about the performance and conduct of licensed firms whose parent companies are regulated by the CSRC.

Stakeholders

We proactively engage with stakeholders to provide them with regulatory updates and explain our work.

Our senior executives participated in 26 local and international events during the quarter. Chief Executive Officer (CEO) Mr Ashley Alder delivered keynote addresses at the PRI China Conference and the IFRS Foundation Conference and participated in a Bloomberg Policy Series dialogue. Deputy CEO and Executive Director of Intermediaries Ms Julia Leung was the keynote speaker at the ASIFMA Compliance Asia Conference. Other executives spoke at industry events to provide regulatory updates on a variety of topics including corporate governance, listing regulation, virtual assets and enforcement trends.

In May, we presented at an online seminar organised by the Hong Kong Securities Association to provide training to its members on our fully digitalised licensing and submission functions on WINGS¹ and enhanced competency framework as well as the risks of business email compromise and the licence holders insurance scheme. Over 380 members of the association attended the training.

We released the following publications in the quarter:

- Our *Annual Report 2020-21*, published in June, set out our key priorities and summarised our work in the past year.
- The June issue of the *Takeovers Bulletin* reminded practitioners of the requirements for ancillary documents provided as part of a Takeovers Code transaction.

We also issued 11 circulars providing guidance on a wide range of matters, including conduct requirements for bookbuilding and placing activities and mandatory system testing for the Hong Kong investor identification regime.

Publications and other communications

	Quarter ended 30.6.2022	Quarter ended 31.3.2022	Quarter ended 30.6.2021	YoY Change (%)
Press releases	21	22	32	-34.4
Policy statements and announcements	2	0	1	100
Consultation papers	3	1	1	200
Consultation conclusions	2	2	1	100
Industry-related publications	1	4	1	0
Codes and guidelines ^a	4	4	0	N/A
Circulars to industry	11	31	13	-15.4
Corporate website average daily page views ^b	49,061	45,125	27,695	77.1
General enquiries	873	920	2,283	-61.8

a Includes updates to previous versions.

b The average number of webpages browsed per day during the reporting period.

¹ Web-based INTeGrated Service.