

PART B: DETAILED QUESTIONS FOR RESPONSE

Please indicate your preference by providing comments as appropriate. Where there is insufficient space, please attach additional pages as necessary.

- (1) Do you support Approach 1, Approach 2, Approach 3 or suspending the CAS as a whole? Please state.

We support Approach 1.

- (2) If Approach 1 is adopted,

- (i) Do you prefer the price limit to be set at 5%, 10% or other percentages?

We support this Approach and prefer the price limit to be set at 10%.

- (ii) How much lead time would your firm require for its implementation?

Provided that HKEx gives clear rejection message in case of invalid orders that falls outside the limit, implementation can be done shortly, i.e. within a month.

- (3) If Approach 2 is adopted,

- (i) Do you prefer the price limit to be set at 10 spreads, 24 spreads or other spreads?

Not a preferred approach/option.

- (ii) How much lead time would your firm require for its implementation?

Provided that HKEx gives clear rejection message in case of invalid orders that falls outside the limit, implementation can be done shortly, i.e. within a month.

- (4) If Approach 3 is adopted,

- (i) Do you prefer the outstanding orders priced outside the pre-set range to be cancelled instead of carrying forward to the CAS?

Not a preferred option.

- (ii) For securities without the day high and day low prices at 4 pm, do you prefer disallowing order input during the CAS for these securities or not imposing a price control limit at all?

Not a preferred option.

- (iii) Do you prefer the price control limit to be set at 0 spreads (i.e. simply using the day high and day low prices as limit), 10 spreads or other spreads above the day high and below the day low prices?

Not a preferred option.

- (iv) How much lead time would your firm require for its implementation?

Provided that HKEx gives clear rejection message in case of invalid orders that falls outside the limit, implementation can be done shortly, i.e. within a month.

- (5) If suspension of the CAS is adopted, how much lead time would your firm require for its implementation?

Not require much time for implementation

- (6) Do you have other proposed measures to reduce price volatility during the CAS or other comments or suggestions regarding the CAS? Please state.

We would detail our proposal regarding CAS separately at a later stage.

- End -