

Submitted via Qualtrics

(Anonymous)

Company / Organisation view

Consultation Question 1(a):

Do you support the proposed arrangements on trade amendment under the T+1 settlement cycle across the Cash Market trade lifecycle?

Please give reasons for your views.

Yes, comments (optional) as follows

██████████ is supportive of the proposed arrangements under a T+1 settlement cycle for the Hong Kong Cash Market. A move to T+1 aligns Hong Kong with international market trends and has the potential to reduce systemic risk, counterparty exposure and settlement failures, provided that sufficient automation, STP and industry readiness are achieved across the trade lifecycle.

██████████ supports the proposed arrangements on trade amendment under a T+1 settlement cycle.

From ██████████'s perspective, successful implementation will depend on:

- Timely and standardised electronic trade confirmations and amendments;
- Industry adoption of common data standards (e.g. ISO 20022) to minimise mismatches and rework.

Clear market conventions and discipline around amendment timelines will be critical to avoid downstream settlement risks under T+1.

Consultation Question 1(b):

Do you support the proposed arrangements on post trade under the T+1 settlement cycle across the Cash Market trade lifecycle?

Please give reasons for your views.

Yes, comments (optional) as follows

██████████ supports the proposed post trade arrangements under the T+1 settlement cycle. Accelerated settlement places greater emphasis on same day post trade processing, including matching, affirmation, allocation, and settlement instruction generation.

To support T+1 effectively, post trade processes should:

- Maximise automation and STP across custodians, brokers, CCPs and CSDs;
- Leverage standardised messaging and data models to reduce exceptions; and
- Provide real time or near real time status visibility to participants.

We also recommend leveraging the SMPG to discuss any potential support to standards for HKEX's T+1 migration requirements. In SR 2026 as an example, there is a structured indicator that will be

introduced to flag settlement instructions that must be automatically held until a specific point in time on the requested settlement day (gating event), at which the Securities Financing instructions will be automatically released. This is to support the T+1 migration.

Consultation Question 1(c):

Do you support the proposed arrangements on risk management under the T+1 settlement cycle across the Cash Market trade lifecycle?

Please give reasons for your views.

No comment

Consultation Question 1(d):

Do you support the proposed arrangements on other processes (including reporting, corporate actions, stock conversion arrangement and stamp duty arrangement) under the T+1 settlement cycle across the Cash Market trade lifecycle?

Please give reasons for your views.

Yes, comments (optional) as follows

██████████ supports the proposed corporate action arrangements under a T+1 settlement cycle. The alignment of the ex date with the record date under T+1 is a logical consequence of the shortened settlement cycle and is consistent with global market practice.

Under this model, entitlement determination becomes more tightly coupled with timely and accurate settlement, reducing tolerance for late or failed trades around record dates. This increases the importance of clear, timely and standardised dissemination of corporate action information across the market.

From a market infrastructure perspective, the use of standardised data models and messaging for corporate action announcements, entitlements and confirmations will be important to support automation, reduce reconciliation breaks, and enable market participants to manage compressed timelines more effectively.

Consultation Question 2:

Do you have any comments on the assessment of the implications for Exchange Traded Products (ETPs) and Stock Options under the proposed T+1 settlement cycle? In particular, please comment on:

- Guiding principles for the ETP primary market;
- Buy-in considerations for ETPs; and
- Stock options (including exercise and assignment).

Please give reasons for your views.

No comment

Consultation Question 3:

Do you have any comments that consequential amendments should be made to the Listing Rules to reflect the arrangements proposed under the T+1 operating model?

██████████ does not have direct involvement in these processes and therefore does not have specific comments.

Consultation Question 4:

In assessing your circumstances for a T+1 transition, are there any other key topics, perspectives or types of market participants which you believe are relevant to highlight, that have not been covered in Exhibit 1 and paragraphs 110-113?

Please share your views.

Yes, suggestions and considerations as follows

In addition to the topics covered, ██████████ believes it is important to highlight:

- The readiness of cross-border investors and global custodians, particularly where time-zone differences may constrain same-day processing;
- The importance of industry wide adoption of common data and messaging standards to support interoperability;

These factors will be particularly relevant given Hong Kong's role as an international financial centre with significant overseas participation.

Consultation Question 5:

Do you consider the timeframe to be sufficient for you to prepare for T+1 to become effective in Q4 2027, given the advance visibility and lead time provided? Do you have any comments on the discussion and implementation approach?

Please share your views on the proposed approach and timeline.

Yes, comments (optional) as follows

██████████ considers the proposed timeline, with T+1 becoming effective in Q4 2027, to be broadly reasonable, provided that detailed specifications, industry engagement and testing frameworks are made available sufficiently early.

A phased and transparent implementation approach, with:

- Early clarity on detailed requirements,
- Ongoing industry consultation, and
- Market-wide testing and dress rehearsals,

will be critical to ensuring a safe and orderly transition.

Alignment with other Asia-Pacific jurisdictions in terms of migration processes and rules would also help institutional investors navigate the fragmented landscape. The use of global standards and processes would help ease the burden of migrating in different markets and at different timelines.

