

Submitted via Qualtrics
Company / Organisation view

1. Do you agree that the board lot value floor guidance should be revised? If not, please provide reasons.

No comment.

2. Do you agree that the board lot value floor guidance should be revised to HK\$1,000? If not, please provide reasons.

Yes. Lower trading costs (including commissions, platform fees, and spreads) is anticipated to make mid- and lower-priced stocks more accessible. This change may lead to increase retail investor participation.

3. Do you agree with introducing board lot value ceiling guidance? If not, please provide reasons.

Yes. This could prevent excessively high per-lot values, which deters smaller investors and hurt liquidity in high-priced or large-lot stocks.

4. Do you agree that the board lot value ceiling guidance should be set at HK\$50,000? If not, please provide reasons.

No. Impact on high-priced / blue-chip stocks: Securities with traditionally large board lots may require adjustments to comply with the HK\$50k ceiling, resulting in short-term creation of odd lots and associated shareholder rebalancing costs.

Odd-lot trading: Need to consider improving the odd-lots trading mechanisms to complement this. Poor execution during transition could lead to wider spreads or poor liquidity for odd lots.

5. Do you agree with applying the board lot value ceiling guidance only to issuers whose board lot units exceed 100 shares in order to facilitate potential future adoption of a single board lot unit and support alignment with Chinese Mainland markets? If not, please provide reasons.

Yes. Serves as a progressive step toward potential future unification (e.g., single lot size), aligning more closely with international practices (e.g. US fractional shares, Japan's 100-share standard).

6. Do you support further reduction of the board lot value ceiling guidance in the future? If not, please provide reasons.

No comment.

7. Do you support standardising board lot units as a pathway to reducing market complexity? If not, please provide reasons.

Yes. Serves as a progressive step toward potential future unification (e.g., single lot size), aligning more closely with international practices (e.g. US fractional shares, Japan's 100-share standard).

8. Do you support adopting the eight board lot units specified (1, 50, 100, 500, 1,000, 2,000, 5,000, 10,000 share(s))? If not, please provide reasons.

Yes. This slashes the current 40+ varieties to 8 => Expect to simplify clearing and settlement processes, reducing the occurrence of odd lots and facilitate more efficient program trading, hedging and market-making.

9. If you do not support adopting eight board lot units, do you prefer a larger number of board lot units? If yes, please provide reasons.

N/A

10. (For issuers only) If a change is required, is six months an appropriate duration for an issuer to adjust its board lot unit or undertake other corporate action, to comply with board lot value ceiling guidance or standardisation of board lot units? If not, please provide reasons.

N/A

11. Do you support aligning implementation of standardisation of board lot units with the USM initiative? If not, please provide reasons.

Yes. Consistency across initiatives helps reduce market fragmentation, enhances clarity for investors, and improves operational efficiency for intermediaries.

12. Are there any anticipated challenges, such as system limitations, in implementing the proposed board lot framework?

No.

13. Do you have any other comments regarding the board lot framework enhancements in the Hong Kong securities market?

No further comments.