

**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.**

Yes. We generally support the proposal to revise the board lot value floor guidance to commensurate with current market conditions. It may protect against negative value trades where the execution cost may sometimes exceed the value of the trade.

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

Yes. The reduction of board lot value floor guidance from HKD2,000 to HKD1,000 may provide increased flexibility to market participants to trade in smaller sizes without increasing the potential risk of incurring negative value trades.

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

Yes. The introduction of board lot ceiling is expected to minimize the barrier to retail investor participation, hence promoting greater affordability and accessibility for investors.

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

Yes. The proposed board lot value ceiling of HKD50,000 is expected to align with current market observation that retail participation rate will notably decline when board lot value exceeds HKD50,000.

**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. The approach may encourage issuers to gradually adopt smaller board lot units and future-proof their board lot unit. It is expected to support alignment with markets in the Chinese Mainland which use a board lot unit of 100 shares.

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

Yes. We generally support the further reduction of the board lot value ceiling guidance in the

future to provide certain flexibility to issuers such that they could follow the board lot value ceiling guidance.

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

Yes. We generally support standardising board lot units as it may help to streamline secondary market trading and operational processes while preserving issuers' flexibility to select board lot units to suit individual circumstances.

**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. The eight board lot unit option seems offer a more balanced outcome with limited implementation impact than the other proposed board lot units of six or ten.

**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.**

No comment.

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

Yes.

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

No comment.

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

Nil