

**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 agree that the board lot value floor guidance should be reduced in light of lower trading execution costs and to give issuers greater flexibility to boost retail participation. Please also see our comment on board lot value calculation at Q2 below.

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

Yes. We will defer to issuers and brokers as to what is a floor guidance that would make financial sense.

Please clarify how the board lot value is to be calculated – would this be over a period of trading days and a volume weighted average closing price to deal with short term fluctuations?

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

Yes. Our comments in Q2 also apply to the board lot value ceiling guidance.

In addition, please clarify what are the consequences of the value exceeding the board lot value ceiling guidance; would this require remedies to be undertaken and what is the period allowed for this?

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

No comment.

**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. We can see the advantage of attaining alignment with Chinese Mainland markets especially with the Stock Connect being in place.

**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. We agree with the rationale for streamlining board lot units subject to our comment at Q8 below and issuers' feedback on whether more options should be included.

**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.**

No. We propose more board lot unit options at this stage should be included between (i) one and 50 and (ii) 100 and 500 as these units have larger proportional gaps between them compared to the other units, to offer issuers more flexibility for this stage of the convergence exercise.

**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.**

Yes. Please see our comment at question 8.

**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.

**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?**

No comment.