

Market Consultation

Regulatory Enhancements for Securities Trading on the SET and mai

**Consultation period ends on
June 13, 2025**

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Part 1: Introduction

The Stock Exchange of Thailand ("SET") has reviewed the rules related to securities trading on both SET and mai across various aspects to ensure that they remain appropriate for the current market environment and trading conditions, without imposing unnecessary obstacles for investors, and in line with international stock exchange practices. Therefore, SET deems it appropriate to further amend these rules as follows:

1. **Board Lot Adjustment:** The board lot size will be reduced to 10 shares per Board Lot specifically for securities with a closing price of 50 baht or higher continuously for a period of 6 months, in order to align with the ticket size of retail investors (The Board Lot size for general securities will remain unchanged at 100 shares).
2. **Ceiling & Floor Adjustment for New Listings:** The floor level for newly listed securities will be reduce to 0.5 times the IPO price, while the Ceiling will remain unchanged at no more than 3 times the IPO price).

In this regard, SET is seeking input from the stakeholders to gather information that will be beneficial in considering further revisions to related regulations. Please submit your comments or any suggestions to the Exchange by June 13, 2025, via the following channel: <https://forms.gle/KudnKA6oLyQh6exYA>

For further inquiries, please contact the Securities Trading Operations Department via Email: SecuritiesTradingDepartment@set.or.th

Part 2: Proposed Amendments

2.1) Board Lot Adjustment

SET has established trading rules requiring investors to specify the number of securities based on a trading unit (Board Lot) to ensure appropriate transaction sizes. Currently, 1 Board Lot equals 100 shares¹, except for securities with a closing price of 500 baht or higher continuously for a period of 6 months, where 1 Board Lot equals 50 shares, or calculated as a minimum ticket size of 25,000 baht.

Most international stock exchanges in the region, such as BURSA, SGX, and IDX, set the Board Lot size for common stocks at 100 shares, similar to SET, except for HKEX, which sets different Board Lot sizes depending on the issuer's policy.

SET has studied data regarding the trading behavior and trends of retail investors and stock prices. The conclusions are as follows:

- **Retail Investor Trading Behavior**

- The ticket size of retail investors has been trending downward, with most having a ticket size of no more than 5,000 baht.
- The proportion of retail investors with a ticket size not exceeding 500 baht has been continuously increasing, with 16% in 2024 (up from just 9% in 2019).

- **Majority of Stock Prices**

- Approximately 95% of securities priced below 50 baht, as well as SET100 stocks, are priced between 5 and 50 baht

Proposal:

To align the Board Lot size with the trading behavior of retail investors, particularly the new generation of investors, most of whom have an average ticket size of no more than 5,000 baht, and to enhance investment opportunities across a wider range of price levels, SET proposes the following adjustments to the Board Lot requirements:

Current	Amendments
<u>Securities</u> <ul style="list-style-type: none"> ● 1 Board Lot equals 100 shares ● Securities with a closing price of 500 baht or higher continuously for a period of 6 months, where 1 Board Lot equals 50 shares <u>Depository Receipts (DR)</u> <ul style="list-style-type: none"> ● 1 Board Lot equals 1 share 	<u>Securities</u> <ul style="list-style-type: none"> ● Unchanged ● Securities with a closing price of 50 baht or higher continuously for a period of 6 months, where 1 Board Lot equals 10 shares <u>Depository Receipts (DR)</u> <ul style="list-style-type: none"> ● Unchanged

¹ Except for Depository Receipts (DR), where 1 Board Lot is specified as 1 share.

2.2) Ceiling & Floor Adjustment for New Listings

Currently, SET applies wider price limits (Ceiling & Floor) for the first trading day of common stocks compared to those applied during regular trading days. The Ceiling for the first trading day is set at no more than 3 times the initial public offering price (IPO) and the floor is set at no lower than 0.01 baht (equivalent to 1 time the IPO price). This price limit structure aims to provide a sufficiently wide price range to facilitate appropriate price discovery by investors, while still maintaining market stability and preventing excessive price volatility.

International stock exchanges, such as BURSA and KRX, apply different Ceiling & Floor limits for newly listed common stocks compared to SET. Specifically, these exchanges allow for a wider Ceiling range while imposing narrow Floor limits. BURSA and KRX set the Floor at 30% and 60% of the IPO price, respectively.

The price movements of newly listed common stocks (New Listings) on SET over the past five years reveal that, among 175 New Listings, only 4% reached prices close to the Ceiling level. In contrast, some stocks recorded trading prices declined by as much as 45% below their IPO price.

Proposal:

To reduce the impact of price declines in New Listings on the first trading day, thereby helping to limit investment risks for investors and aligning with practices of international stock exchanges, which generally apply narrower Floor limits for first-day trading, SET proposes the following amendments to the trading price limits for New Listings as outlined below:

Day	Securities Type	Current	Amendments
1 st trading day	General Securities and Securities Held by Foreign Nationals	Ceiling: 3 times the IPO price Floor: No lower than 0.01 baht	Ceiling: Unchanged Floor: 0.5 times (50%) the IPO price
Daily	General Securities	Ceiling & Floor: 30% ²	Ceiling & Floor: Unchanged
	Securities Held by Foreign Nationals	Ceiling & Floor: 60% ²	Ceiling & Floor: Unchanged

² of the closing price of the Securities on the preceding trading day

Part 3: Questionnaires

You can respond by completing the questionnaire which can be accessed via the link below Link

<https://forms.gle/KudnKA6oLyQh6exYA>

1. General information

Name-Surname

Company Name

(Symbol

)

Position

Contact Number

E-mail address

Category of the respondent (You may choose more than 1 choice)

☐

Securities Company

☐

Individual Investor

☐

Employees of securities company

☐

Institutional Investor

☐

Other (please specify)

The Exchange will process your personal information for the purpose of Market Consultation, our policy on protection of personal data is set out in the Privacy Notice accessible via this link <https://www.set.or.th/th/privacy-notice>

2. Questions (If you agree but details are otherwise or disagree, please provide reasons of your view)

2.1 Do you agree with the adjustment of the trading unit (Board Lot) for securities with a closing price of 50 baht or higher continuously for a period of 6 months, where 1 Board Lot equal 10 shares?

<input type="checkbox"/> Agree	
<input type="checkbox"/> Agree, but the details are otherwise.	(Please explain your reasoning)
<input type="checkbox"/> Disagree	(Please explain your reasoning)
<u>Further suggestions:</u>	

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2.2 Do you agree with the adjustment of the price limits (Ceiling & Floor) for New Listing, by reducing only the Floor price to not lower than 50% or 0.5 times the IPO price?

<input type="checkbox"/> Agree (please answer Question 2.2)	
<input type="checkbox"/> Agree, but details are otherwise (please answer Question 2.2)	(Please explain)
<input type="checkbox"/> Disagree (Please go to Question 3)	(Please explain)
<u>Further suggestions:</u> <div style="height: 60px;"></div>	

Other suggestions:

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In case you cannot access the link <https://forms.gle/KudnKA6oLyQh6exYA>, please submit written comments by June 13, 2025 to SecuritiesTradingDepartment@set.or.th.

SET appreciates your response.