



December 2025

HKEX UNVEILS NEW ONGOING PUBLIC FLOAT REQUIREMENTS

The Stock Exchange of Hong Kong Limited (the “**Exchange**”) published on 17 December 2025 conclusions to its consultation on ongoing public float requirements. The amendments to the related Main Board and GEM Listing Rules (the “**Amendments**”) will come into effect on 1 January 2026 and apply to all listed issuers.

AMENDMENTS

The key reforms adopted include:

- + an alternative ongoing public float threshold;
- + a bespoke ongoing public float requirement for A+H issuers;
- + new regular public float reporting requirements for all listed issuers, as well as additional public float disclosure obligations and a restriction from corporate actions for those issuers with public float shortfalls; and
- + identifying issuers with a significant public float shortfall with reference to their public float market value and percentage and instead of being suspended. Delisting the issuers which fail to restore public float within 18 months (GEM: 12 months).

ALTERNATIVE ONGOING PUBLIC FLOAT THRESHOLD

For all issuers (other than PRC issuers with other listed shares), they may choose to comply with an alternative threshold (instead of the percentage threshold prescribed at the time of listing). Details of the two thresholds are as follows:

- + **Initial Prescribed Threshold:** All issuers must maintain, at all times, a public float of at least:
 - a) 25% of the total number of issued shares in the class of shares listed on the Exchange (excluding treasury shares); or
 - b) any lower minimum percentage as prescribed at the time of listing.
- **Alternative Threshold:** A portion of the class of shares an issuer has listed on the Exchange that is held by the public must, at all times:
 - a) have a market value of at least HK\$1 billion; and
 - b) represent at least 10% of the issuer’s total number of issued shares in the class of shares listed (excluding treasury shares).

For the avoidance of doubt, the Initial Prescribed Threshold and the Alternative Threshold will also apply to PRC issuers with no other listed shares.

PRC ISSUERS WITH OTHER LISTED SHARES

The current requirement will be replaced with a bespoke ongoing public float requirement whereby the PRC issuer’s H shares listed on the Exchange and held by the public must, at all times:

- a) have a market value of at least HK\$1 billion; or
- b) represent at least 5% of the total number of issued shares in the class to which H shares belong (excluding treasury shares).

NEW REGULAR PUBLIC FLOAT REPORTING REQUIREMENTS

The Amendments impose additional monthly and annual disclosure obligations on all listed issuers as follows:

Reporting obligation	Monthly returns	Annual reports
Confirmation of compliance with the applicable ongoing public float threshold	All issuers	All issuers
Minimum public float percentage threshold	Issuers relying on the Initial Prescribed Threshold	Issuers relying on the initial Prescribed Threshold
Actual public float percentage	Issuers relying on market value-based thresholds*	All issuers#
Actual public float market value	Issuers relying on market value-based thresholds*	Issuer relying on market value-based thresholds*#
Share ownership composition	Not applicable	All issuers
Share capital structure	Not applicable	All issuers

* These are (a) issuers relying on the Alternative Threshold and (b) PRC Issuers with other listed shares (e.g. A+H issuers) relying on the market value limb of the applicable ongoing public float threshold.

#Issuers that have relied on market value-based thresholds at any time within the financial year are required to disclose: (a) in respect of each month in which they relied on the applicable market value-based threshold as at the end of that month, the market value and percentage of their public floats as at the end of that month; and (b) a commentary on all material changes to their public float levels during the financial year.

For all listed issuers, there are additional public float disclosure obligations and a restriction from corporate actions for those issuers with public float shortfalls, to enhance transparency and encourage timely restoration of public float.

Additional public float disclosure obligations

An issuer must also:

- + upon becoming aware of a public float shortfall, issue an initial announcement; and
- + for so long as it has a public float shortfall, issue subsequent monthly announcements.

Restriction from corporate actions

An issuer with a public float shortfall, and each of its directors, must not take any action that may further lower the issuer's public float percentage, unless the circumstances are exceptional.

Issuers with a **significant public float shortfall** (by reference to their public float market value and percentage) will be identified by a stock marker ("PF") at the end of their stock name, instead of being

suspended. Such issuers will be delisted if they fail to restore their public float within 18 months (GEM issuers: 12 months).

NEXT STEPS

The Listing Rule amendments regarding ongoing public float requirements will take effect from 1 January 2026. In addition:

- + a new Guidance Letter (HKEX-GL121-26) on public float requirements will take effect on the same day to facilitate issuers' compliance with the new Rule requirements; and
- + revised monthly return e-Forms (Form FF301 and Form FF302) reflecting the new disclosure requirements will apply to monthly returns to be filed by issuers from the month ending 31 January 2026 onwards. A preview version of each of the revised e-Forms is available on the HKEX website.

Given the complexity and broad implications of the Amendments, we strongly advise issuers to consult legal advisors and mitigate compliance risks. .

CONTACT US



DANNY KAN

Partner

+852 2533 2758

danny.kan

@stephensonharwood.com



ANGELA NG

Associate

+852 2533 2706

angela.ng

@stephensonharwood.com