

Connecting Capital with Opportunities:

# HKEX as a Trusted Global Capital Raising Centre of Choice

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# Hong Kong Listing | A Unique Value Proposition

IPO

- Valuation
- Peer performance

- Liquidity
- Investor base
- Analyst coverage
- Index inclusion

- Listing requirements
- Execution certainty

- Ongoing obligation
- Post-IPO financing tools

## Top Factors for Hong Kong Listing



Truly international market



Trusted regulatory framework



Efficient & deep IPO funding platform



Unique Stock Connect platform attracts liquidity

Global leader in IPOs and IPO funds raised: **Ranked No. 1** for seven times since 2009

# Today | The New Economy Success

## Where we are today

Introduced **WVR**, Secondary Listing and Biotech Listing Reform in 2018

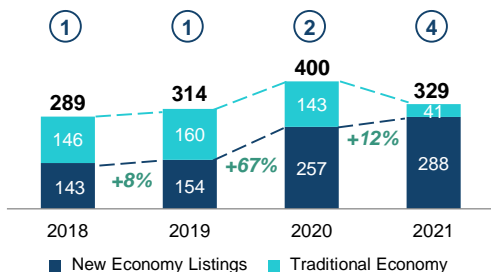
Close to 20 US-listed issuers have sought their “**home-coming**” listing in Hong Kong, with an emerging trend favoring dual-primary listing over secondary listing, e.g. XPeng

**New economy** has become the fastest-growing sector in Hong Kong – since 2018 Listing Reforms, IPOs of new economy companies accounted for **65%** of total IPO fundraising

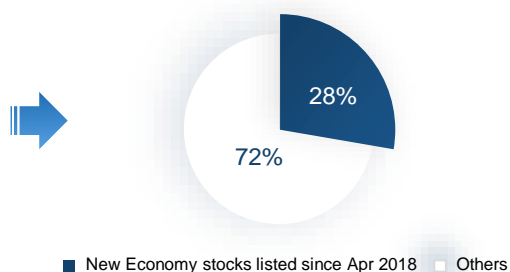
**New Economy stocks** and related structured products account for an increasing portion of ADT

## New Economy IPOs performing strongly

Global IPO Ranking (Funds raised HK\$ bn)

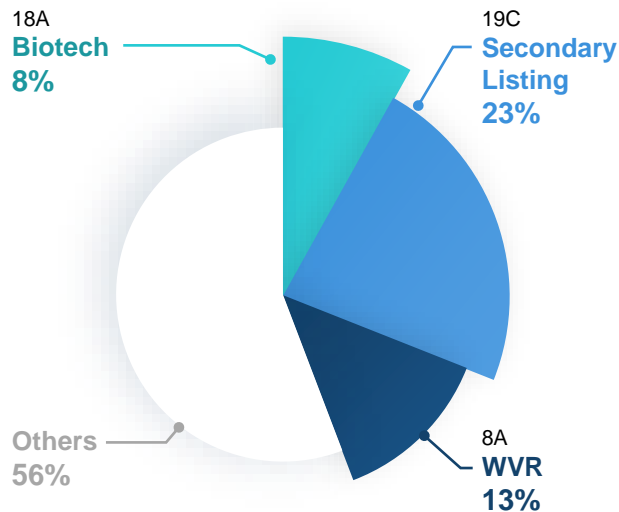


Equity Turnover Contribution (in 2021)



## New Chapters Opened Doors to Companies in Emerging and Innovative industries

New Chapter IPOs<sup>1</sup>  
(by funds raised)



1. From 30 Apr 2018 to 31 Dec 2021

# Today | The Biotech Story

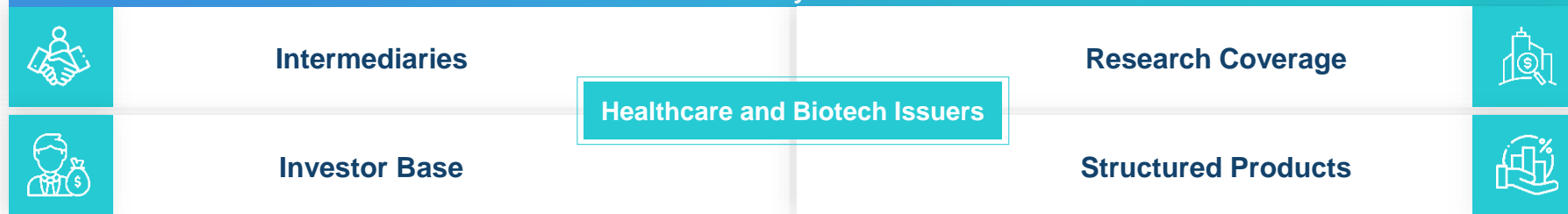
## Achievements

Listing Overview (since new listing regime)	88 Healthcare Issuers Listed	HK\$1,487bn Market Cap	HK\$255bn Fund Raised
Follow-on Fundraising since April 2018	50 Healthcare Issuers with Equity Follow-on <sup>1</sup>	HK\$200bn Fund Raised	
Policy Enhancements	Guidance Letter on Disclosure for 18A Issuers	18A Issuers inclusion in HSCI	Stock Connect inclusion for 18A Issuers

## Competitive Landscape

**#2** in the world in terms of **Healthcare IPO Funds raised since New Listing Regime<sup>2</sup>**

## Ecosystem



1. Include placing, right issue and consideration issue. Does not include new shares issued for the ESOP purpose.

2. IPO funds raised period since New Listing Regime

# Opportunities | Continuous Enhancement of our Listing Regime

## IFC Competitiveness



- Constant review to **stay “Fit for Purpose”** - study underway to create bespoke chapter for large-scale advanced technology companies
- **New frameworks** to cater for issuer and investor demands e.g. SPACs
- **Streamlined process** for listing of overseas companies

## Market Quality



- Vigorous eligibility and compliance requirements
- Robust corporate governance and ESG standards

## Regulatory Efficiency




- Active dialogue with stakeholders to identify areas for further enhancement e.g. Project FINI
- New technology to facilitate regulation

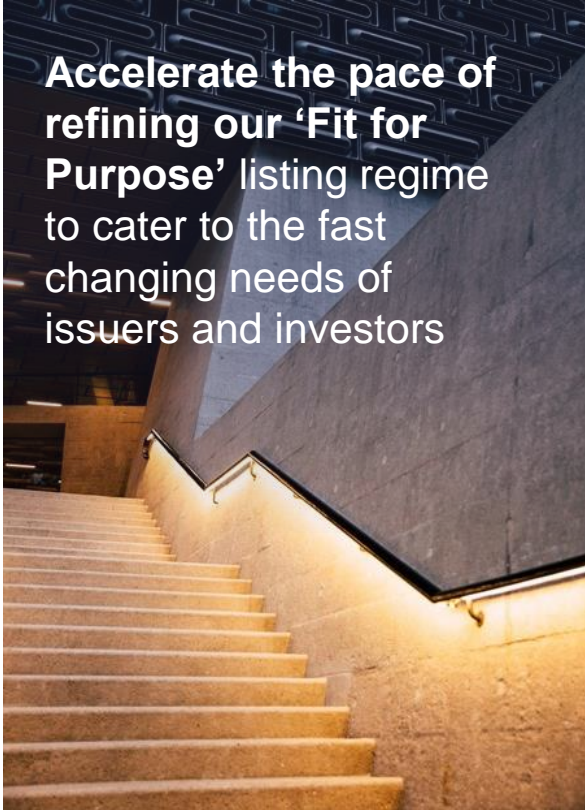
# Enablers | Policy Agenda for 2022

	1H	2H
 <p><b>IFC Competitiveness</b></p>	<ul style="list-style-type: none"> <li>IPO Eligibility / WVR Suitability Review</li> <li>Structured Products Rules – Consultation</li> </ul>	<ul style="list-style-type: none"> <li>ESG Review (ISSB Climate Disclosure) – Sub-committee</li> <li>IPO Eligibility / WVR Suitability – Consultation</li> <li>Optimisation of IPO Price Discovery</li> <li>ESG Review (ISSB Climate Disclosure) – Consultation</li> </ul>
 <p><b>Market Quality</b></p>	<ul style="list-style-type: none"> <li>Issuers' Annual Reports Review</li> <li>Listing Committee Report 2021</li> <li>Listing Newsletter and Enforcement Bulletin</li> <li>Updated Guidance on Shell Companies</li> <li>E-Learning – Trading Arrangements</li> </ul>	<ul style="list-style-type: none"> <li>ESG Practice Analysis</li> <li>ESG Academy Webinar – Climate</li> <li>Listing Newsletter/ LIR Newsletter/ Enforcement Bulletin</li> </ul>
 <p><b>Regulatory Efficiency</b></p>	<ul style="list-style-type: none"> <li>Consequential Rule Changes relating to the SFC's Code of Conduct</li> <li>Diversity Repository</li> <li>XBRL for Hong Kong – Joint Working Group Discussions</li> </ul>	<ul style="list-style-type: none"> <li>Further Paperless Listing Reform – Consultation</li> <li>FINI – Listing Rules Consultation</li> </ul>

## Summary | Attractive, Competitive and Trusted Framework for Capital Raising



Leverage our New Economy success to continue building the IPO pipeline welcoming issuers from diverse sectors and geographies



Accelerate the pace of refining our 'Fit for Purpose' listing regime to cater to the fast changing needs of issuers and investors



Create a sustainable regime underpinned by robust ESG standards and regulation