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Where this document refers to Bond Connect, please note that currently, access to northbound trading is only available to foreign investors that are able to trade onshore bonds on the China Foreign Exchange Trade System & National Interbank Funding Centre.

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Agenda

1. Key Performance and Growth Drivers
2. Group Financial Update
3. Strategic Plan 2019-2021
4. China Connectivity
5. Appendix Financial supplement
HKEX – Leading Vertically Integrated Exchange Group

HKEX GROUP

- Leading diversified exchange group in the Asian Time Zone
- HK’s only exchange group
- World’s leading IPO venue – ranked #1 in 7 of the past 11 years
- Pioneer in Mainland capital markets connectivity
- London Metal Exchange – globally leading base metals exchange

HKEX GROUP

Financials

<table>
<thead>
<tr>
<th></th>
<th>FY2019</th>
<th>1H 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>HK$16.3bn</td>
<td>HK$8.8bn</td>
</tr>
<tr>
<td>EBTIDA</td>
<td>HK$12.3bn</td>
<td>HK$6.7bn</td>
</tr>
<tr>
<td>PAT</td>
<td>HK$9.4bn</td>
<td>HK$5.2bn</td>
</tr>
<tr>
<td>EPS</td>
<td>HK$7.49</td>
<td>HK$4.15</td>
</tr>
<tr>
<td>DPS</td>
<td>HK$6.71</td>
<td>HK$3.71</td>
</tr>
</tbody>
</table>

(90% payout)

Primary & Secondary Markets

- Cash Equities
- Equity & Financial Derivatives
- Commodities

Market Data

2019 Revenue Share¹

- 22%
- 18%
- 9%

1. Corporate items accounted for 8% of total revenue in 2019 and are not shown on this slide.
1H 2020 Key Highlights

- Record half-yearly revenue and profit despite challenging macroeconomic backdrop with core business revenue up by 13% YoY; total revenue up by 2% YoY and PAT up by 1% YoY
- Record half-yearly Stock Connect revenue of HK$743mn (+46% YoY)
- Net investment income fell $681mn, primarily due to the fair value losses of collective investment schemes previously announced at Q1
- Strong IPO Market – #2 globally in number of new company listing (64) and #3 in IPO funds raised (HK$ 92.8bn)
- Strong performance in Connect Schemes – all achieved half-yearly record high ADT
- Major licensing agreement for MSCI Asia & EM indexes to offer suite of 37 new contracts, further expanding HKEX product ecosystem
- Ongoing market microstructure enhancements and technology capabilities enhancement
Core Business Well-Positioned for Organic and Structural Growth

A | Broad Product Ecosystem Attracting Diverse Mainland and International Investor Base

- Southbound Connect
- Jumbo IPOs
- Global Investors

B | IPOs Driving ADT Growth

<table>
<thead>
<tr>
<th># of IPOs</th>
<th>Total IPO funds raised (US$ billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>110</td>
<td>30.0</td>
</tr>
<tr>
<td>122</td>
<td>21.8</td>
</tr>
<tr>
<td>138</td>
<td>33.9</td>
</tr>
<tr>
<td>126</td>
<td>25.2</td>
</tr>
<tr>
<td>174</td>
<td>16.4</td>
</tr>
<tr>
<td>218</td>
<td>40.1</td>
</tr>
<tr>
<td>183</td>
<td>17.1</td>
</tr>
</tbody>
</table>

Global fundraising rank

C | Transformational Growth from China’s Opening

- New Economy Listing Reforms
  - Biotech
  - WVR
  - Secondary Listings
- Strong Pipeline of Mainland and International Listings

D | Focus on Revenue Growth and Cost Discipline

Source: HKEX, Dealogic.
1. Shanghai-HK and Shenzhen-HK Stock Connect was launched in Nov 2014 and Dec 2016 respectively.
2. Buy + Sell ADT.
Diverse International Investor Base Attracted to Broad Product Ecosystem

1. HKEX signed a licence agreement with MSCI to introduce futures contracts on the MSCI China A Index, subject to regulatory approval and market conditions.

2. HKEX signed a licence agreement with MSCI to introduce 37 futures and options contracts in Hong Kong based on a suite of indexes in Asia and Emerging Markets, subject to regulatory approval and market conditions (33 already launched in Jul and Aug 2020).

Recent initiatives and future focus

- Market microstructure enhancements: leading to better price discovery and trade efficiency
- Targeted marketing and client support: onboarding 10+ clients each year
- Incentives: driving increased volumes
- Product cross-selling: creating arbitrage opportunities
A  |  New MSCI Suite - Growing Product Ecosystem to Connect Global Trades

<table>
<thead>
<tr>
<th>Internationalising Hong Kong’s Product Offering</th>
<th>Key Dynamics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Index Futures NTR Futures</td>
<td>Expanding our product UNDERLYING</td>
</tr>
<tr>
<td>MSCI Australia Net Total Return (USD)</td>
<td>▪ licence a suite of MSCI indexes in Asia and Emerging Markets to introduce 37 futures and options contracts (33 already launched as of Aug 2020)</td>
</tr>
<tr>
<td>MSCI China Free (USD)</td>
<td>▪ Allow investors to Trade Asia, in Asia</td>
</tr>
<tr>
<td>MSCI Emerging Markets (USD)</td>
<td>▪ Complement existing HSI and HSCEI index futures</td>
</tr>
<tr>
<td>MSCI EM ex China Net Total Return (USD)</td>
<td>▪ Better capital efficiency</td>
</tr>
<tr>
<td>MSCI EM ex Korea Net Total Return (USD)</td>
<td>▪ Creating a competitive one-stop shop for China and Asian exposures</td>
</tr>
<tr>
<td>MSCI EM Asia Net Total Return (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI EM Asia ex China Net Total Return (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI EM Asia ex Korea Net Total Return (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI EM EMEA Net Total Return (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI EM LatAm Net Total Return (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Hong Kong Net Total Return (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI India (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Indonesia Index (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Japan (JPY)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Japan Net Total Return (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Malaysia (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI New Zealand Net Total Return (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Pacific Net Total Return (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Pacific ex Japan Net Total Return (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Philippines (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Singapore Free (SGD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Singapore Free Net Total Return (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Singapore Net Total Return (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Taiwan (USD)*</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Thailand (USD)</td>
<td>▪</td>
</tr>
<tr>
<td>MSCI Vietnam (USD)</td>
<td>▪</td>
</tr>
</tbody>
</table>

Reinforces Hong Kong’s role as the leading global market in the Asian Time Zone

* Also include MSCI Taiwan (USD) Index Options
ETP – A Growing Contributor along with Market Structure Enhancements

Our aspiration is to become Asia’s ETP Marketplace

1. YTD Data from 1 Jan 2020 to 30 Jun 2020
B | Strongly Performing IPO Market boosted by New Economy Issuers and Secondary Listings

2020 Jan - July Fundraising Summary

HK$132.1bn IPO Funds Raised (#3 globally) +56% YoY

22 New Economy & Biotech Companies Listed... raising HK$94.8bn +212% YoY

IPO Funds Raised by Segments

<table>
<thead>
<tr>
<th>No. of IPO</th>
<th>IPO Funds Raised (HK$ bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>New Economy¹</td>
<td>174</td>
</tr>
<tr>
<td>Biotech²</td>
<td>0</td>
</tr>
<tr>
<td>Biotech</td>
<td>14</td>
</tr>
<tr>
<td>New Economy</td>
<td>218</td>
</tr>
<tr>
<td>Biotech</td>
<td>27</td>
</tr>
<tr>
<td>New Economy</td>
<td>183</td>
</tr>
<tr>
<td>Biotech</td>
<td>38</td>
</tr>
<tr>
<td>New Economy</td>
<td>88</td>
</tr>
<tr>
<td>Biotech</td>
<td>16</td>
</tr>
</tbody>
</table>

- World’s second-largest fund raising hub for biotech companies
- Dialogue with the Biotech Community 2020 webinar series with PhiRDA - attracted 292,000+ views
- HKEX Biotech Week 2019 – attended by 1,000+ scientists, biotech entrepreneurs, investors, technology experts and policymakers
- Ongoing listing reforms
  - Shortening of IPO settlement cycle
  - Enhancing listing regime for overseas issuers
  - Enhancing the bookbuilding and price discovery aspects of IPOs (cornerstone investors, pricing flexibility, clawback mechanism)

Source: Dealogic, as of July 2020.
1. Include Non-18A Biotech companies
2. Only include Chapter 18A Biotech companies
### Jumbo IPOs Contributing to Increased Trading Activity

#### 14 Jumbo IPOs > US$1bn (HK$7.8bn) since Jan 2018

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company name</th>
<th>IPO date</th>
<th>IPO size (HK$bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Alibaba Group - SW</td>
<td>26/11/2019</td>
<td>101.20</td>
</tr>
<tr>
<td>2</td>
<td>China Tower - H</td>
<td>08/08/2018</td>
<td>58.80</td>
</tr>
<tr>
<td>3</td>
<td>Budweiser Brewing APAC</td>
<td>30/09/2019</td>
<td>45.08</td>
</tr>
<tr>
<td>4</td>
<td>Xiaomi Corporation - W</td>
<td>09/07/2018</td>
<td>42.61</td>
</tr>
<tr>
<td>5</td>
<td>Meituan Dianping - W</td>
<td>20/09/2018</td>
<td>33.14</td>
</tr>
<tr>
<td>6</td>
<td>JD.COM - SW</td>
<td>18/06/2020</td>
<td>34.56</td>
</tr>
<tr>
<td>7</td>
<td>Netease - S</td>
<td>11/06/2020</td>
<td>24.26</td>
</tr>
<tr>
<td>8</td>
<td>ESR Cayman Ltd.</td>
<td>01/11/2019</td>
<td>14.06</td>
</tr>
<tr>
<td>9</td>
<td>Shenwan Hongyuan - H</td>
<td>26/04/2019</td>
<td>9.09</td>
</tr>
<tr>
<td>10</td>
<td>Hansoh Pharmaceutical Group</td>
<td>14/06/2019</td>
<td>9.04</td>
</tr>
<tr>
<td>11</td>
<td>Topsports International Holdings</td>
<td>10/10/2019</td>
<td>9.01</td>
</tr>
<tr>
<td>12</td>
<td>Ping An Healthcare and Technology</td>
<td>04/05/2018</td>
<td>8.77</td>
</tr>
<tr>
<td>13</td>
<td>Jiangxi Bank - H</td>
<td>26/06/2018</td>
<td>8.60</td>
</tr>
<tr>
<td>14</td>
<td>WuXi AppTec - H</td>
<td>13/12/2018</td>
<td>8.28</td>
</tr>
</tbody>
</table>

#### Rising contribution to volumes from Jumbo IPOs

- **Cash Market ADT (HK$ bn) contributed by the Jumbo IPOs and related Structured Products ADT**
  - % of respective ADT
  - % of single stock option ADV

#### In 2020, 16% of cash ADT and 13% of stock option ADV is contributed by the top 14 IPOs over the last 2.5 years

Source: HKEX, as of Jul 2020.
Ranked by IPO size.
C | Transformational Growth from China’s Opening

### Stock Connect¹

<table>
<thead>
<tr>
<th>Northbound (RMB billion)</th>
<th>Southbound (HK$ billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Value</td>
<td>Portfolio Value</td>
</tr>
<tr>
<td>2015</td>
<td>125</td>
</tr>
<tr>
<td>2016</td>
<td>186</td>
</tr>
<tr>
<td>2017</td>
<td>531</td>
</tr>
<tr>
<td>2018</td>
<td>668</td>
</tr>
<tr>
<td>2019</td>
<td>1,429</td>
</tr>
<tr>
<td>2020</td>
<td>1,951</td>
</tr>
<tr>
<td>CAGR</td>
<td>+84.0%</td>
</tr>
<tr>
<td>2015</td>
<td>115</td>
</tr>
<tr>
<td>2016</td>
<td>364</td>
</tr>
<tr>
<td>2017</td>
<td>927</td>
</tr>
<tr>
<td>2018</td>
<td>789</td>
</tr>
<tr>
<td>2019</td>
<td>1,138</td>
</tr>
<tr>
<td>2020</td>
<td>1,536</td>
</tr>
<tr>
<td>CAGR</td>
<td>+77.3%</td>
</tr>
</tbody>
</table>

- Continuing portfolio diversification by Mainland and international investors
- Inclusion of A shares into major global benchmarks
- Increasing selection of new economy companies in Southbound Stock Connect

### Bond Connect

<table>
<thead>
<tr>
<th>Total Foreign Participation in CIBM²</th>
<th>Investors Onboarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Value</td>
<td>(RMB billion)</td>
</tr>
<tr>
<td>Foreign Holdings in Chinese Bonds (US$ bn)</td>
<td>Foreign Ownership (%)</td>
</tr>
<tr>
<td>2010</td>
<td>1,536</td>
</tr>
<tr>
<td>2011</td>
<td>1,951</td>
</tr>
<tr>
<td>2012</td>
<td>2,693</td>
</tr>
<tr>
<td>2013</td>
<td>3,708</td>
</tr>
<tr>
<td>2014</td>
<td>5,007</td>
</tr>
<tr>
<td>2015</td>
<td>6,694</td>
</tr>
<tr>
<td>2016</td>
<td>7,429</td>
</tr>
<tr>
<td>2017</td>
<td>8,508</td>
</tr>
<tr>
<td>2018</td>
<td>10,328</td>
</tr>
<tr>
<td>2019</td>
<td>12,004</td>
</tr>
<tr>
<td>2020</td>
<td>13,569</td>
</tr>
<tr>
<td>CAGR</td>
<td>3.0%</td>
</tr>
<tr>
<td>YTD ADT</td>
<td>RMB 19.8bn</td>
</tr>
</tbody>
</table>

- Inclusion of Mainland bonds into global fixed income indices
- Easier access to the Mainland bond market via more trading platforms
- Increasing use of RMB globally and need to reinvest into RMB assets

Benefiting from the increased capital flow into and out of Mainland China, in particular inbound flows driven by international index inclusions.

Source: HKEX, Bond Connect, ChinaBond, SCH;
1. Shanghai-HK and Shenzhen-HK Stock Connect was launched in Nov 2014 and Dec 2016 respectively.
2. Foreign participation in CIBM was first allowed in 2010 when the PBOC rolled out a Pilot Scheme to allow foreign financial institutions to invest in CIBM.
3. Data as of Jul 2020 (unless otherwise specified).
D | Focus on Revenue Growth and Cost Discipline

**2013-2016**
- Stock Connect – Shanghai
- After-hours trading
- LME fee commercialisation
- Launch of LME Clear

**2016-2019**
- ADT re-rating
- Stock Connect – Shanghai + Shenzhen
- Continuing growth in derivatives
- Listing reforms and new economy issuers
- Revamped investment income approach

**Revenue (HK$ million)**

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>8,723</td>
<td>9,849</td>
<td>13,375</td>
<td>11,116</td>
<td>15,867</td>
<td>16,311</td>
<td></td>
</tr>
</tbody>
</table>

**EBITDA (HK$ million)**

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>5,946</td>
<td>6,891</td>
<td>10,085</td>
<td>7,661</td>
<td>9,614</td>
<td>11,757</td>
<td>12,263</td>
</tr>
</tbody>
</table>

CAGR: 68% 70% 75% 69% 73% 74% 75%

Reaping rewards from the structural growth initiatives that have already been implemented
D  Focus on Revenue Growth and Cost Discipline

**2013-2016**
- Investment in growth initiatives to capture China opportunities
- Upgrading core infrastructure to strengthen technological foundation

**2016-2019**
- Reaping rewards of past investments and benefiting from operating leverage
- Increased cost discipline
- Investment in automation and operational efficiency

### Operating Expenses (HK$ million)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Expense</td>
<td>2,777</td>
<td>2,958</td>
<td>3,290</td>
<td>3,455</td>
<td>3,566</td>
<td>4,110</td>
<td>4,048</td>
</tr>
</tbody>
</table>

### Profit Attributable to Shareholders (HK$ million)

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>4,552</td>
<td>5,165</td>
<td>7,956</td>
<td>5,769</td>
<td>7,404</td>
<td>9,312</td>
<td>9,391</td>
</tr>
</tbody>
</table>

**CAGR**
- **2013-2016**: +7.6%
- **2016-2019**: +17.6%

**Net Profit Margin**
- 2013: 52%
- 2014: 52%
- 2015: 59%
- 2016: 52%
- 2017: 56%
- 2018: 59%
- 2019: 58%

**Increase in operating leverage from revenue growth, delivered by structural drivers combined with opex discipline**

---
1. If the impact of HKFRS 16 were excluded, 2019 Operating Expense would be HK$4,362 million and the 2016-2019 CAGR would be 8.1%.
Continued focus on Organisational Excellence and Corporate Sustainability

Progressing our financial markets and communities for the benefit of all

OUR MARKETS
- Update of ESG Reporting Guide with online training materials
- Active involvement in global ESG standardisation consultations
- New ‘Sustainable Finance’ MD appointment to lead commercial sustainability proposition
- Announcement of HKEX STAGE, the first-of-its-kind sustainable and green finance information platform in Asia

OUR PEOPLE
- Official launch of HKEX Foundation with flagship $20 million Charity Partnership Programme
- New university scholarship programme to support home-grown talents
- COVID-19 HK$10m relief fund through HKEX Foundation in HK, China and UK
- Enhanced Diversity & Inclusion efforts e.g. FT Women in Business Programme, CarER partnership and HKUST MBA “Diversity in Business” course sponsorship

OUR OPERATIONS
- Enhanced Risk, Operations, Communications and Continually Policy
- Newly launched ‘paper reduction’ programme as part of HKEX Green Month
- HKEX Future Workplace Programme
- Launch of new CSR website
- Awarded Sustainability Leader status in S&P Global's Sustainability Yearbook 2020 and Bloomberg Gender Equality Index

TALENT  RISK  ENGAGEMENT  REPUTATION  CULTURE
Agenda

1. Key Performance and Growth Drivers
2. Group Financial Update
3. Strategic Plan 2019-2021
4. China Connectivity
5. Appendix
   Financial supplement
1H 2020 Key Financial Highlights

Record half-yearly revenue and profit
Strong core business performance; market conditions impacted investment income

(HK$)

**Total revenue & other income**
- $8.6bn in 1H 2019
- $8.8bn in 1H 2020
  - +2%

**Core business revenue**
- $7.1bn in 1H 2019
- $7.9bn in 1H 2020
  - +13%

**Net investment income**
- $1.5bn in 1H 2019
- $0.8bn in 1H 2020
  - -45%

**EBITDA**
- $6.6bn in 1H 2019
- $6.7bn in 1H 2020
  - +1%

**PAT**
- $5.2bn in 1H 2019
- $5.2bn in 1H 2020
  - +1%

**Basic earnings per share**
- $4.16 in 1H 2019
- $4.15 in 1H 2020
  - -0%

**Dividend per share**
- $3.72 in 1H 2019
- $3.71 in 1H 2020
  - -0%

---

1. % is computed based on amounts reported in financial statements.
2. The 2020 first interim dividend will be payable in cash, without a scrip alternative.
3. Does not add up due to roundings.
## 1H 2020: Record Half-Yearly Revenue and Profit

### Revenue and other income (HK$ mn)

<table>
<thead>
<tr>
<th>Revenue &amp; Other Income</th>
<th>Core business+NII</th>
<th>Core business</th>
<th>ADT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core business+NII</td>
<td>+2%</td>
<td>+13%</td>
<td></td>
</tr>
<tr>
<td>Core business</td>
<td>+2%</td>
<td>+13%</td>
<td></td>
</tr>
<tr>
<td>ADT</td>
<td>HK$97.9bn</td>
<td>HK$117.5bn</td>
<td></td>
</tr>
</tbody>
</table>

### Operating expenses (1)

<table>
<thead>
<tr>
<th>Operating expenses (1)</th>
<th>EBITDA</th>
<th>Profit attributable to HKEX shareholders (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core business+NII</td>
<td>+6%</td>
<td>Core business+NII</td>
</tr>
<tr>
<td>Core business</td>
<td>+1%</td>
<td>Core business</td>
</tr>
<tr>
<td>ADT</td>
<td></td>
<td>Core business+NII</td>
</tr>
<tr>
<td>HK$97.9bn</td>
<td></td>
<td>HK$117.5bn</td>
</tr>
</tbody>
</table>

### EBITDA

<table>
<thead>
<tr>
<th>EBITDA</th>
<th>Core business+NII</th>
<th>Core business</th>
<th>ADT</th>
</tr>
</thead>
<tbody>
<tr>
<td>6,625</td>
<td>NII 1,519</td>
<td>Core business 5,106</td>
<td></td>
</tr>
<tr>
<td>6,706</td>
<td>NII 838</td>
<td>Core business 5,868</td>
<td></td>
</tr>
</tbody>
</table>

### Basic earnings per share (HK$)

<table>
<thead>
<tr>
<th>Basic earnings per share</th>
<th>Core business+NII</th>
<th>Core business</th>
<th>ADT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core business+NII</td>
<td>+0%</td>
<td>+1%</td>
<td></td>
</tr>
<tr>
<td>Core business</td>
<td>+0%</td>
<td>+1%</td>
<td></td>
</tr>
<tr>
<td>HK$4.16</td>
<td>HK$4.15</td>
<td>+0%</td>
<td></td>
</tr>
</tbody>
</table>

### Notes

1. Excludes depreciation and amortisation, finance costs, and share of profits/(losses) of joint ventures
2. For the purpose of this presentation, tax impact of NII is not considered when calculating the PAT attributable to NII.
### Q2 2020: Quarterly Record High Due to Rebound of External Portfolio and Seasonality

<table>
<thead>
<tr>
<th>Revenue and other income</th>
<th>Operating expenses (1)</th>
<th>EBITDA</th>
<th>Profit attributable to HKEX shareholders (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(HK$ mn)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Core business+NII</td>
<td>+ 19%</td>
<td></td>
<td>Core business+NII</td>
</tr>
<tr>
<td>Core business</td>
<td>+ 4%</td>
<td></td>
<td>Core business</td>
</tr>
<tr>
<td>HK$120.9bn</td>
<td>HK$114.0bn</td>
<td></td>
<td>HK$120.9bn</td>
</tr>
<tr>
<td>ADT</td>
<td>- 6%</td>
<td></td>
<td>ADT</td>
</tr>
<tr>
<td>HK$104.0bn</td>
<td>HK$108.0bn</td>
<td></td>
<td>HK$104.0bn</td>
</tr>
</tbody>
</table>

#### Core business
- **Q1 2020**: HK$3,923
- **Q2 2020**: HK$3,888

#### NII
- **Q1 2020**: HK$82
- **Q2 2020**: HK$885

#### Core business+NII
- **Q1 2020**: HK$4,009
- **Q2 2020**: HK$4,773

#### NII

<table>
<thead>
<tr>
<th>Q1 2020</th>
<th>Q2 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core business</td>
<td>HK$4,056</td>
</tr>
<tr>
<td>NII</td>
<td>HK$885</td>
</tr>
<tr>
<td>Core business+NII</td>
<td>HK$4,941</td>
</tr>
</tbody>
</table>

#### Operating expenses
- **Q1 2020**: HK$1,025
- **Q2 2020**: HK$1,051

#### EBITDA
- **Q1 2020**: HK$2,984
- **Q2 2020**: HK$3,722

#### Profit attributable to HKEX shareholders
- **Q1 2020**: HK$2,837
- **Q2 2020**: HK$2,971

### Notes
1. Excludes depreciation and amortisation, finance costs, and share of profits/(losses) of joint ventures
2. The tax impact of NII is not considered when calculating the PAT attributable to NII.

- **NII ↑ due to rebound of external portfolio** (Q2: HK$383mn gains; Q1: HK$521mn losses)
- **Depository, custody and nominee service fees ↑ due to seasonality**
- **Stable opex due to stringent cost control**
- **EBITDA margin ↑ 4%**
- **PAT % ↑ higher than EBITDA due to one-off deferred tax charge in Q1 2020**
Higher Revenue across All Business Segments, Offsetting External Portfolio Loss of HK$138mn (versus a Record Gain of HK$535mn in 1H 2019)

Segmental revenue

(HK$ mn)

1H 2019 | Cash Equity | Equity and Financial Derivatives | Commodities | Post Trade | Technology | Corporate Items | 1H 2020
--- | --- | --- | --- | --- | --- | --- | ---
8,578 | 390 | 7 | 55 | 367 | 70 | (685) | 8,782

% Change year-on-year

- Headline ADT up 20% (1H 2020: HK$117.5bn; 1H 2019: HK$97.9bn); ADT of cash equity up 33% (1H 2020: HK$100.0bn; 1H 2019: HK$75.1bn); ADT of DWs, CBBCs and warrants included under equity and financial derivatives down 23% (1H 2020: HK$17.5bn; 1H 2019: HK$22.8bn)

1. Headline ADT up 20% (1H 2020: HK$117.5bn; 1H 2019: HK$97.9bn); ADT of cash equity up 33% (1H 2020: HK$100.0bn; 1H 2019: HK$75.1bn); ADT of DWs, CBBCs and warrants included under equity and financial derivatives down 23% (1H 2020: HK$17.5bn; 1H 2019: HK$22.8bn)
## Resiliency and Performance reflected in EBITDA

<table>
<thead>
<tr>
<th>Cash Equity (HK$ mn)</th>
<th>Equity &amp; Financial Derivatives</th>
<th>Commodities</th>
<th>Post Trade</th>
<th>Technology</th>
<th>Group Total (incl. Corp. Items)</th>
</tr>
</thead>
<tbody>
<tr>
<td>% EBITDA Margin</td>
<td>% Share of Group EBITDA (before Corporate Items)</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>84%</td>
<td>87%</td>
<td>82%</td>
<td>81%</td>
<td>87%</td>
<td>88%</td>
</tr>
<tr>
<td>1,561</td>
<td>1,968</td>
<td>1,340</td>
<td>1,331</td>
<td>2,842</td>
<td>3,197</td>
</tr>
<tr>
<td>24%</td>
<td>27%</td>
<td>21%</td>
<td>19%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>84%</td>
<td>87%</td>
<td>82%</td>
<td>81%</td>
<td>87%</td>
<td>88%</td>
</tr>
<tr>
<td>1H 2019</td>
<td>1H 2020</td>
<td>1H 2019</td>
<td>1H 2020</td>
<td>1H 2019</td>
<td>1H 2020</td>
</tr>
</tbody>
</table>

- **Trading fees & tariffs** from ADT of equity products, trading days, and record Stock Connect trading revenue
- **Opex** due to lower allocated costs of Listing division due to proportion of listing fees from equities
- **Clearing fees** from ADT & SI, record Stock Connect clearing revenue and LME Clear fee increase
- **Other revenue** from accommodation income
- **Network fees** due to usage of the Orion Central Gateway and China Connect Central Gateway by EPs

1. The acquisition of BayConnect was completed in June 2019 and its opex is included under Technology segment.
Investment Income – External Portfolio Impacted by Broader Market; Income from Internal Funds Held Up Well

- 1H 2020: HK$838mn (1H 2019: HK$1,519mn)
- Income from Internal Funds in line YoY despite increase in margin rebates to participants
- Average Margin Fund and Clearing House Fund sizes increased due to heightened volatility in 1H 2020 (in particular March)
As the market rebounded in Q2 2020, the external portfolio partially recovered from the Q1 2020 loss, resulting in a cumulative gain of $1.2bn or an annualised return of 5.1% since inception.

1. HKEX added HK$2bn to the portfolio during the period from Q4 2018 to Q2 2019.
2. HK$3.3bn was redeemed in 1H 2020.
Agenda

1. Key Performance and Growth Drivers
2. Group Financial Update
3. Strategic Plan 2019-2021
4. China Connectivity
5. Appendix
   Financial supplement
Our 2019-2021 Strategic Vision

The Global Markets Leader in the Asian Time Zone – Connecting China, Connecting the World

- China Liquidity
- Global Liquidity
- China Markets
- Global Markets
- China Underlying
- Global Underlying

- China Anchored: Facilitating China’s internationalisation and investment diversification
- Technology Empowered: Leveraging new technology for modernisation and growth
- Globally Connected: Bringing global liquidity to China and Asia Pacific underlying

New Horizons
Commodities
Equities
Technology
FIC

Southbound
Northbound
## Key Objectives

<table>
<thead>
<tr>
<th>1</th>
<th>Expand Northbound capital inflows</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Expand Southbound capital allocation</td>
</tr>
<tr>
<td>3</td>
<td>Expand post-trade infrastructure</td>
</tr>
</tbody>
</table>

### Achievements to Date

1. **MSCI China A Futures**: signed agreement with MSCI, pending regulatory approval
2. **Stock Connect**: inclusion of Xiaomi and Meituan Dianping in Southbound; announced inclusion arrangements of A+H companies for STAR companies
3. **Corporate WVR**: market consultation launched on Corporate WVR Beneficiaries
4. **Southbound investor ID**: launched in Jan 2020 to facilitate orderly operation and regulation of Stock Connect
5. **Northbound Master SPSA**: launched in Jul 2020 to facilitate more efficient pre-trade checking of Northbound sell orders and average pricing execution at the fund manager level
6. **Bond Connect**: addition of Bloomberg as second access platform; >2,050 investors onboarded; market infrastructure enhancements
7. **QME**: introduced 5 products within first year of launch; licenced to launch natural gas products in Jun 2020
Strategic Plan 2019-2021

Key Objectives

1. Enhance our product ecosystem across asset classes

2. Improve our market microstructure

3. Expand our international footprint further

Achievements to Date

- **Cash Market**: expansion of closing auction session; launched Volatility Control Mechanism (VCM); enhancements to Pre-opening Session (POS) to be implemented in Q4 2020

- **Derivatives Market**: after-hours trading extended to 3am; MSCI Asia & EM Index futures & options; enhanced block trade facilities; more new stock options

- **ETP market structure**: cross-listing link with Euroclear; buy-in exemption; new spread table and continuous quoting market making; waiver on stamp duty on stock transfers for ETP market markers

- **ETP product suite**: launched first active equity ETF, -2x Inverse ETP, iron ore futures ETF, commodity-based L&I Product, A-share L&I Product

- **Derivatives & structured products**: Inline Warrants; Weekly Index options; Indian Rupee Currency Futures

- **Commodities**: 6 gold indexes and USD London Metal Mini Futures for 6 base metals in HK; 7 new cash-settled metals futures on the LME; USD and CNH Silver Futures launched in Jun 2020; LME launched new rules to optimise warehousing network

- **IPO regime**: ongoing initiative to shorten IPO settlement cycle; Alibaba paperless IPO (T+4 settlement)

- **International listings**: Budweiser APAC and ESR Cayman
Strategic Plan 2019-2021

**Key Objectives**

1. **Modernise core systems**
2. **Leverage new technology**
3. **Expand our horizons**

**Achievements to Date**

- **Core enhancements**: Derivatives market platform upgrade; new Stock Connect trading system (OTP-CSC)
- **Client Connect**: phase 1 rollout; Initiating phase 2 for further digitisation on multiple processes and forms
- **Operational efficiency**: continue to progress on delivery of robotic process automation across divisions; shortened the listing cycle of structured products
- **Technology resources**: 51% acquisition of BayConnect (Ronghui Tongjin); launched ‘Aiden’, HKEX’s first virtual assistant
- **Virtual bank**: Fusion Bank received HKMA licence, in preparation for launch in 2020
- **Data strategy**: minority investment in Huakong TsingJiao
2019-2021 Strategy – FICC Themes

**Fixed Income and Currency**
- Facilitate CNY access
- Enhance Bond Connect
- Expand suite of offshore rates / FX derivatives on onshore underlying
- Build post-trade infrastructure (custody, settlement, collateral management, FX)

**Commodities**
- Expand product suite
- Pricing evolution
- Mainland China warehouses
- Commodity Connect
Key Components of Our FIC Strategy

Expand Existing Platform
- Bond Connect enhancements
- Listed bonds and derivatives
- Southbound Bond Connect

Capture CNY Opportunities
- CNY accessibility – repository, tracking and monitoring
- IRS and repo + Derivatives Connect
- CNY trading platform

Invest in Post-Trade Infrastructure
- Custody, settlement and collateral management
- Trade repository and monitoring
- International linkages
LME Group Integration Process Complete…

Post-acquisition integration and LME Clear launch

Commercialisation of the platform with LP and new trader programme

Strategic pathway, future platform development and revised fee structure

Source: LME data as of Jun 2020

...and LME Strategic Development on Track

**Market leadership**
- Promoting the highest standards of fair and orderly trading on the LME’s market
- Delivery of off-warrant stock reporting to provide better industry-wide metals stock transparency
- Opening a market discussion as to acceptable practices for commodities trading going forwards

**Strategic Pathway**
- Continuing the success of the Strategic Pathway
- New contracts continue to build liquidity, especially across ferrous suite
- 2020 prioritisation of electronic options market to simplify and standardise areas of its market structure

**Continued innovation**
- Significant investment in new trading platform
- Supporting industry initiatives to enhance security of off-warrant metal storage
- Investigating solutions to enable the spot trading and sourcing of specific metal types
- Insourcing warrant depository to streamline the warrant lodgement and withdrawal process, and provide significant operational efficiencies

**Sustainability focus**
- Continued embedding of responsible sourcing requirements into the LME brand lists, ensuring that LME brand listing is a clear indicator of good ethical standing
- Launch of 2020 sustainability strategy proposals to reflect market interest in broader sustainability story with a focus on low carbon aluminium
The Penetration Level of Equity Market through Stock Connect

% of domestic market included in Stock Connect

MUTUAL MARKET

By Market Cap
SSE 80% 85%
SZSE 81%

By Turnover
SSE 70% 89%
SZSE 64%

By Number
SSE 36% 19%
SZSE 32% 706

Stock Connect covers the majority of the market by market cap and turnover

Stock Connect Coverage (% of all Mainland & HK listed companies)

78% of total market cap
70% of total turnover
29% of total number of companies

Source: Wind, HKEX
Stock Connect – Trading Trends

Stock Connect generated record revenue of HK$743m in 1H 2020, 46% higher than 1H 2019 (Full Year 2019: HK$1,009m)

Stock Connect Average Daily Trading Volume (HK$ billion)

Shenzhen Southbound
Shenzhen Northbound
Shanghai Southbound
Shanghai Northbound
Total average daily trading volume
Percentage of Southbound turnover of Hong Kong Market

Stock Connect Northbound and Southbound Trading ADT reached RMB74.3bn and HK$20.7bn in 1H 2020

Stock Connect revenue continued to set record highs, reaching 8 per cent of the Group’s total revenue and other income in 1H 2020 (1H 2019: 6 per cent)

Source: HKEX, SSE and SZSE as of 31 Jul 2020
1. Northbound (NB) trading is conducted in RMB; The NB figures in the chart are converted to HKD based on the month-end exchange rate.
2. Does not add up due to roundings
Stock Connect (Northbound)

**Average Daily Turnover**

**RMB billion**

- 2016: 4.7
- 2017: 9.6
- 2018: 20.4
- 2019: 41.7
- 2020 YTD: 86.7
- 31 May 2018: 34.7
- 31 Aug 2018: 31.7
- 28 May 2019: 77.3
- 27 Aug 2019: 84.3
- 26 Nov 2019: 124.3

**MSCI rebalancing days**

**Portfolio Value**

**RMB billion**

- 2016: 4.7
- 2017: 9.6
- 2018: 20.4
- 2019: 41.7
- 2020: 1,952

Data as of Jul 2020.

Source: HKEX

Index Futures on China Underlying

**ADV (’000 contracts)**

**Hang Seng Index Futures (50)**

- **WEIGHTING COMPOSITION**
  - MAINLAND CHINA: 45%
  - OTHER: 55%

**NOTIONAL VALUE**
- US$156k

**Trading Fee:** HK$10.00/contract, 0.0007% to notional value

**HSCEI Futures (50)**

**NOTIONAL VALUE**
- US$62k

**Trading Fee:** HK$3.50/contract, 0.0006% to notional value

**FTSE China A50 Index Futures (SGX) (50)**

**NOTIONAL VALUE**
- US$14k

**Trading Fee:** US$0.80/contract, 0.0056% to notional value

**CSI 300 Index Futures (CFFEX) (300)**

**NOTIONAL VALUE**
- US$176k

**Trading Fee:** RMB27.78/contract, 0.0023% to notional value

---

Source: HKEX, SGX, CFFEX, FIA
1. As at Jun 2020.
2. CSI 300 Index Futures was launched in Apr 2010.
3. Numbers in brackets represent the number of constituents within the underlying index.
Tapping into China’s Vast Bond Market

Key Policy Drivers
- Risk migration from banking sector to bond market
- Greater credit differentiation amid ongoing market reforms
- Funding needs for economic transition and infrastructure projects – e.g. Belt & Road; Panda bonds
- Enhanced bond issuance and disclosure standards

Growing International Demand
- Yield differential against developed markets
- Inclusion in emerging market bond indexes
- Geographical and asset class diversification
- Growing convertibility of RMB / SDR inclusion
- More efficient access – Bond Connect

Bank Assets
- US$39tn

Equities
- US$6tn

Bonds
- US$13tn

Source: CBIRC (Mar 2019), World Bank, PBOC, BIS, IMF
Bond Connect Has Significantly Grown Foreign Participation in China’s Bond Market

Bond Connect Jul 2020 YTD ADT: RMB 19.8bn

**Foreign Participation in the CIBM**

- **Foreign Holdings in Chinese Bonds (US$ billion)**
- **Foreign Ownership (%)**

<table>
<thead>
<tr>
<th>Year</th>
<th>RQFII Investment</th>
<th>QFII Investment</th>
<th>Long-only Investment</th>
<th>Bond Connect Launch</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td></td>
<td></td>
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<td>2017</td>
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<td>2018</td>
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<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Pilot scheme to access CIBM**
- **US$382bn**

**Growth Drivers**

1. Inclusion of Mainland bonds in global fixed income indexes (6% of Bloomberg index weighting by 2020)
2. Greater adoption of RMB globally and need to reinvest in RMB assets
3. Improving access to the Mainland bond market

**Foreign Ownership %**

- Average: 38.5%
- Achievable target: 15%
- Foreign participation in the CIBM increased by 217% since launch of Bond Connect in July 2017

**Number of Bond Connect participants** has grown to 2,068 as of Jul 2020

Source: ChinaBond + SCH, Bloomberg, BIS

1. Foreign participation in the CIBM data as of Jul 2020
Agenda

1. Key Performance and Growth Drivers
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4. China Connectivity
5. Appendix
   Financial supplement
### Financial Highlights – Income Statement

<table>
<thead>
<tr>
<th>(HK$ mn, unless stated otherwise)</th>
<th>1H 2020</th>
<th>% of Revenue &amp; Other Income</th>
<th>1H 2019</th>
<th>% of Revenue &amp; Other Income</th>
<th>YoY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Results</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue and other income</td>
<td>8,782</td>
<td>100%</td>
<td>8,578</td>
<td>100%</td>
<td>2%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(2,076)</td>
<td>(24%)</td>
<td>(1,953)</td>
<td>(23%)</td>
<td>6%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>6,706</td>
<td>76%</td>
<td>6,625</td>
<td>77%</td>
<td>1%</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>(545)</td>
<td>(6%)</td>
<td>(495)</td>
<td>(6%)</td>
<td>10%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>6,161</td>
<td>70%</td>
<td>6,130</td>
<td>71%</td>
<td>1%</td>
</tr>
<tr>
<td>Finance costs and share of profits less losses of joint ventures</td>
<td>(57)</td>
<td>(1%)</td>
<td>(80)</td>
<td>(1%)</td>
<td>(29%)</td>
</tr>
<tr>
<td>Profit before taxation</td>
<td>6,104</td>
<td>70%</td>
<td>6,050</td>
<td>71%</td>
<td>1%</td>
</tr>
<tr>
<td>Taxation</td>
<td>(870)</td>
<td>(10%)</td>
<td>(847)</td>
<td>(10%)</td>
<td>3%</td>
</tr>
<tr>
<td>(Profit)/loss attributable to non-controlling interests</td>
<td>(1)</td>
<td>(0%)</td>
<td>2</td>
<td>0%</td>
<td>N/A</td>
</tr>
<tr>
<td>Profit attributable to HKEX shareholders</td>
<td>5,233</td>
<td>60%</td>
<td>5,205</td>
<td>61%</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Capex</strong></td>
<td>519</td>
<td>41%</td>
<td>368</td>
<td>41%</td>
<td></td>
</tr>
<tr>
<td><strong>Basic earnings per share</strong></td>
<td>HK$4.15</td>
<td></td>
<td>HK$4.16</td>
<td></td>
<td>(0%)</td>
</tr>
<tr>
<td><strong>Headline ADT on the Stock Exchange</strong></td>
<td>HK$117.5 bn</td>
<td></td>
<td>HK$97.9 bn</td>
<td></td>
<td>20%</td>
</tr>
</tbody>
</table>

1. % does not add up due to roundings.
# Performance by Operating Segment

<table>
<thead>
<tr>
<th>HK$ mn</th>
<th>Cash Equity</th>
<th>Equity &amp; Financial Derivatives</th>
<th>Commodities</th>
<th>Post Trade</th>
<th>Technology</th>
<th>Corporate Items</th>
<th>Group 1H 2020</th>
<th>Group 1H 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue and other income</strong></td>
<td>2,253</td>
<td>1,638</td>
<td>749</td>
<td>3,629</td>
<td>443</td>
<td>70</td>
<td>8,782</td>
<td>8,578</td>
</tr>
<tr>
<td>% of Group Total</td>
<td>26%</td>
<td>19%</td>
<td>8%</td>
<td>41%</td>
<td>5%</td>
<td>1%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(285)</td>
<td>(307)</td>
<td>(329)</td>
<td>(432)</td>
<td>(139)</td>
<td>(584)</td>
<td>(2,076)</td>
<td>(1,953)</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>1,968</td>
<td>1,331</td>
<td>420</td>
<td>3,197</td>
<td>304</td>
<td>(514)</td>
<td>6,706</td>
<td>6,625</td>
</tr>
<tr>
<td>% of Group Total (1)</td>
<td>29%</td>
<td>20%</td>
<td>6%</td>
<td>48%</td>
<td>5%</td>
<td>(8%)</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>EBITDA margin</strong></td>
<td>87%</td>
<td>81%</td>
<td>56%</td>
<td>88%</td>
<td>69%</td>
<td>N/A</td>
<td>76%</td>
<td>77%</td>
</tr>
<tr>
<td><strong>Depreciation and amortisation</strong></td>
<td>(60)</td>
<td>(51)</td>
<td>(169)</td>
<td>(106)</td>
<td>(22)</td>
<td>(137)</td>
<td>(545)</td>
<td>(495)</td>
</tr>
<tr>
<td><strong>Finance costs</strong></td>
<td>(7)</td>
<td>(6)</td>
<td>(4)</td>
<td>(46)</td>
<td>(1)</td>
<td>(32)</td>
<td>(96)</td>
<td>(86)</td>
</tr>
<tr>
<td><strong>Share of profits less losses of joint ventures</strong></td>
<td>39</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>39</td>
<td>6</td>
</tr>
<tr>
<td><strong>Profit before taxation</strong></td>
<td>1,940</td>
<td>1,274</td>
<td>247</td>
<td>3,045</td>
<td>281</td>
<td>(683)</td>
<td>6,104</td>
<td>6,050</td>
</tr>
</tbody>
</table>

1. % Share of Group EBITDA (including Corporate Items).
Operating Expenses and Depreciation – Investment in Talent, Infrastructure and Strategic Initiatives

<table>
<thead>
<tr>
<th>Staff costs and related expenses</th>
<th>IT &amp; computer maintenance expenses</th>
<th>Premises expenses</th>
<th>Professional fees</th>
<th>Other operating expenses (1)</th>
<th>Total opex</th>
<th>Depreciation and amortisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>(HK$ mn)</td>
<td>+ 5%</td>
<td>- 8%</td>
<td>+ 78%</td>
<td>- 3%</td>
<td>+ 6%</td>
<td>+ 10%</td>
</tr>
<tr>
<td>1H 2019</td>
<td>1,328</td>
<td>64</td>
<td>37</td>
<td>246</td>
<td>1,953</td>
<td>495</td>
</tr>
<tr>
<td>1H 2020</td>
<td>1,398</td>
<td>315</td>
<td>66</td>
<td>238</td>
<td>2,076</td>
<td>545</td>
</tr>
</tbody>
</table>

Staff costs ➡️ due to annual payroll adjustments and ➡️ headcount arising from acquisition of BayConnect in June 2019

➡️ due to ➡️ maintenance expenses for new IT systems and network upgrades, and ➡️ costs from BayConnect

No significant change

➡️ Professional fees incurred for strategic initiatives and consulting fee for HKATS review

No significant change

Total opex ➡️ due to ➡️ staff costs, IT costs and professional fees

➡️ due to new and renewed office leases, and roll-out of new IT systems

1. Includes product marketing and promotion expenses
1H 2020 Performance above Historical Trendline

Quarterly performance

(HK$ million)

- Profit attributable to shareholders
- Revenue and other income
- Operating expenses
- EBITDA

1H 2020 performance reflects resiliency of core business despite macroeconomic and COVID-19 induced uncertainty.

1. Excludes depreciation and amortisation, finance costs, share of profits/(losses) of joint ventures, and non-recurring costs arising from the proposed combination with London Stock Exchange Group (LSEG).
2. Dotted trend lines are illustrative and do not constitute a forward forecast.