Introductory Materials on HKEX and Listing Requirements

Global Issuer Services
July 2025

Content

2025 H1 at a Glance – Hong Kong Primary Markets

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#1 Global IPO Venue

US$14.1bn
IPO Proceeds

Exceeds
Full Year Amount for 2022, 2023 and 2024

Largest IPO Globally Since 2023

4 out of
Top 10 IPOs Globally

#2 Listing Geography / #3 Listing Venue

US$45bn
Total Capital Raised

Exceeds
Full Year Amount for 2022, 2023 and 2024

3 out of
5 Largest Deals Globally

A-to-H Wave Driving IPO Volumes

8 deals raising **US$10.1bn**

Broadening Register and **Increasing Liquidity** at **Tighter Discounts**

HK Going Global

- Return of **International Institutional Investor Participation**
- HK Increasingly the Venue of Choice for **International Company** IPOs
- Offshore Proceeds for **International Business Expansion**

Robust Pipeline for Remainder of 2025

212
Active A1 Filings

43
A-to-H A1 Filings
&
16
Announcing Intention

4
International Companies

Structural Innovations Aiding Issuance

- **Equity-linked enhancements** – call spread overlay / concurrent share buyback
- **Reg S only** issuance
- **HK only capital raise** for dual HK / US listed issuers
- IPO **upsize option**

Notable Sector Thematics

- **Healthcare** – **US$5.8bn** of ECM volume, highest half-yearly period since 2021 H2
- **Consumer** – Outstanding IPO aftermarket performance across 9 deals up **70%** on average[1]
- **TMT** – **6** ECM transactions > US$500mm

Further Market Enhancements

- **TECH**
- **Alternative Fund Listing**
- Expected **IPO Price Discovery Consultation** Conclusions / Initiatives

Sources: Bloomberg, Dealogic and HKEX
Note:
1. Include ECM transactions with deal size of US$100mm or above

HK New Issuance Market Thriving Despite Geopolitical Events

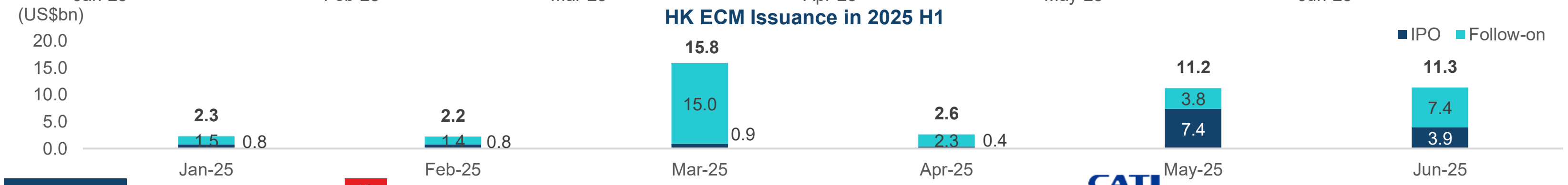
- The **HK new issuance market continued unabated** in H1, with US$45.5bn raised in HK including US$14.1bn in IPO proceeds
- The DeepSeek announcement in January drove the **re-rating of the HK market,** especially TMT and healthcare sectors, and further opened the market window for sizeable issuance, led by the **jumbo follow-ons by BYD and Xiaomi**
- The **Duality Bio IPO launched immediately post Liberation Day despite global market volatility in early April, ultimately successfully pricing** and achieving the best first day trading performance of a HK IPO in 4 years (+116.7% on Day 1)
- The escalating geopolitical tensions have been digested with the **successful listing of CATL's US$5.3bn H-share IPO**, followed by **numerous sizeable A-to-H IPOs**

HK Market Quickly Rebounded from Geopolitical Events

Period	HSI Performance
2025 H1	20%
Since 7 Apr	21%

Performance of Hang Seng Index in 2025 H1

HK ECM Issuance in 2025 H1



	Jan-25		Feb-25		Mar-25		Apr-25		May-25		Jun-25	
Notable IPOs	布鲁可 BLOKEES	US$248mm	MIXUE	US$511mm	CHIFENG GOLD	US$418mm	DualityBio 映恩生物	US$243mm	CATL 宁德时代	US$5.3bn	三花智控	US$1.3bn
			古茗	US$261mm	南山鋁業國際 NANSHAN ALUMINIUM INTL.	US$306mm	ZENERGY	US$130mm	恒瑞	US$1.5bn	海天	US$1.2bn
									mirxes	US$139mm		
Notable Follow-ons	MINISO	US$550mm	XtalPi 晶泰科技	US$269mm	BYD	US$5.6bn	巨子生物 GIANT BIOGENE	US$301mm	GDS万国数据	US$697mm	PING AN	US$1.5bn
			4Paradigm	US$180mm	mi	US$5.5bn	WuXi XDC	US$280mm	bilibili	US$690mm	Horizon Robotics	US$601mm
			黑芝麻智能 BLACK SESAME TECHNOLOGIES	US$160mm	Baidu 百度	US$2.0bn						

Source: Bloomberg as of 30 Jun 2025

Highlights of Ch. 18C – New Listing Chapter for Specialist Technology

18C - A New Listing Chapter for Specialist Technology

From emerging and innovative industries

Substantial capital and R&D requirement for commercialisation and expansion

Relatively long pre-revenue / pre-profit stage with high growth potential

Definition: science and/or technology applied to products and/or services within an acceptable sector of a Specialist Technology Industry (see table below)

Specialist Technology Industries	Examples of Acceptable Sectors
Next-generation information technology	*Cloud-based services* | *Artificial intelligence*
Advanced hardware and software	*Semiconductors* | *Electric and autonomous vehicles* | *Aerospace technology*
Advanced materials	*Synthetic biological materials* | *Nanomaterials*
New energy and environmental protection	*New energy generation and storage technology* | *New green technology*
New food and agriculture technologies	*Meat substitutes* | *Agricultural biotechnology*

The list is non-exhaustive in nature and may be updated from time to time

Note: Issuers that meet the requirements under Biotech Chapter 18A must apply for listing under Chapter 18A and may not apply for a listing under Chapter 18C.

18C – Qualifications for Listing (1/2)

		Commercial Companies	Pre-Commercial Companies
Revenue generated from the Specialist Technology business segment for the most recent audited financial year		**HK$250 million** (Have met the Commercialisation Revenue Threshold)	Below HK$250 million (Yet to met the Commercialisation Revenue Threshold)
Expected market capitalisation[1]		≥ **HK$4 billion** at the time of listing	≥ **HK$8 billion** at the time of listing
R&D	Minimum ratio threshold	R&D investment ≥ **15%** of total operating expenditure	• R&D investment ≥ **50%** of total operating expenditure • Threshold lowered to ≥ **30%** for companies with revenue between **HK$150 million and HK$250 million**
	Period of application	• Engaged in R&D for at least three financial years • For R&D ratio threshold: ○ On a **yearly basis** for at least **two of the three** financial years prior to listing ○ On an **aggregate basis** over all **three financial years** prior to listing	
Operational track record		**At least three financial years** of operation under substantially the same management prior to listing[2]	
Additional qualification requirements for Pre-Commercial Companies		Not applicable	• Demonstration of a **credible path** to achieving the Commercialisation Revenue Threshold • Have available working capital (including the expected IPO proceeds) to cover **at least 125%** of its group's costs (which must substantially consist of general, administrative and operating costs and R&D costs) for **at least the next 12 months**

From 7 May 2025, Specialist Technology Companies seeking a listing under Chapter 18C may opt for a **confidential filing**

1. This will apply temporarily for a fixed period of three years from 1 September 2024 to 31 August 2027. Prior to 31 August 2027, the Exchange may review the requirements and conduct public consultation, if necessary.
2. The Exchange may accept a shorter trading record of at least two financial years in exceptional circumstances, in line with Rule 8.05B(3).

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18C – Qualifications for Listing (2/2)

<table>
<tr><th>Indicative benchmarks for meaningful third party investment</th><th>Commercial Companies</th><th>Pre-Commercial Companies</th></tr>
<tr><td rowspan="2">“Pathfinder” Sophisticated Independent Investors (SSI) requirement</td><td colspan="2">• Independence: must not be a core connected person[1] or controlling shareholder of the applicant, or the founder of the applicant and its close associates
• Sophisticated Investors:
i) An asset management firm with AUM of, or a fund with a fund size of, at least HK$15 billion
ii) An investor with AUM, fund size or investment portfolio size (as applicable) of at least HK$5 billion where that value is derived primarily from Specialist Technology investments
iii) A key participant in the relevant upstream or downstream industry with a meaningful market share and size</td></tr>
<tr><td colspan="2">• Two to five “Pathfinder” SSI[2] with large investments in the applicant ≥ 12 months before the listing application

Large investments:
○ In aggregate, (1) hold such amount of shares or securities convertible into shares equivalent to 10% or more of the issued share capital of the applicant at the date of listing application and throughout the pre-application 12-month period; or
○ (2) have otherwise invested an aggregate sum of ≥ HK$1.5 billion in the applicant at least 12 months prior to the date of listing application[3]

At least two Pathfinder SIIs fulfill below requirement:
○ Each holds ≥ 3% of an applicant’s issued share capital as at the date of listing application and throughout the pre-application 12-month period; or
○ Each has invested ≥ HK$450 million in the applicant at least 12 months prior to the date of listing application</td></tr>
</table>

1. Except for a substantial shareholder of the applicant that is considered a core connected person only because of the size of its shareholding in the applicant
2. Sophisticated Independent Investors must not be a core connected person of the listing applicant (excluding a person being connected only by virtue of being a substantial shareholder), or controlling shareholder(s) of the applicants or the founder(s) of the applicant and their respective close associates; and must be a sophisticated investor who meets any of the indicative size thresholds or qualification requirement
3. Excluding any subsequent divestments made on or before the date of the listing application

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Momentum in Chapter 18C Specialist Technology Companies

- Specialist technology companies continue to take advantage of chapter 18C for their IPOs, with 9 new public filings and 3 vetting in progress as of H1 across Robotics, AI and Semi verticals

Notable Chapter 18C IPOs and Follow-on fundraising

Issuer (Stock code)	Type	Pricing Date	Deal Size (US$m)	Deal Size (HK$bn)	Share %	Price	Price Discount %	% Δ Offer price / D1
XtalPi 晶泰科技	IPO	11-Jun-24	133	1.0	5.7	5.3	-	9.9
	FO	17-Jan-25	145	1.1	7.2	4.3	-8.0	5.8
	FO	19-Feb-25	269	2.1	8.5	6.1	-5.9	26.4
XtalPi (2228)			**547**	**4.3**				
黑芝麻智能 BLACK SESAME TECHNOLOGIES	IPO	8-Aug-24	133	1.0	6.5	28.0	-	-27.0
	FO	19-Feb-25	160	1.2	8.6	23.2	-11.8	17.0
Black Sesame (2533)			**293**	**2.3**				
DOBOT	IPO	19-Dec-24	107	0.8	10.9	18.8	-	0.7
	FO	15-Jul-25	132	1.0	5.1	54.3	-9.5	7.2
Shenzhen Dobot (2432)			**239**	**1.8**				

Active Pipeline | Chapter 18C Listings Continued to Set the Pathway for Early-stage Tech Issuers

瑞为技术 RECONOVA	30 Jun 2025	A1 Submitted	Visual AI
ROBOT PHOENIX	30 Jun 2025	A1 Submitted	Robotics
SINOHyKEY 鸿基创能	27 Jun 2025	A1 Submitted	New Energy
STANDARD ROBOTS	23 Jun 2025	A1 Submitted	Robotics
Cheng-Tech 承泰科技	23 Jun 2025	A1 Submitted	Autonomous Driving
51 WORLD	30 May 2025	A1 Refiled	Digital Twin
UISEE	28 May 2025	A1 Submitted	Autonomous Driving
基本半导体 BASiC Semiconductor	27 May 2025	A1 Submitted	Semiconductor
SEER ROBOTICS	27 May 2025	A1 Submitted	Robotics
CiDi 希迪智驾	8 May 2025	A1 Refiled	Autonomous Driving
滴普科技 DEEPEXI	15 Apr 2025	A1 Submitted	Foundation Model AI
云迹科技 YUNJI TECHNOLOGY	21 Mar 2025	A1 Submitted	Robotics

Sources：Company announcements and Dealogic, as of Jul 21st, 2025

Chapter 18C Companies

Momentum in HK IPO & Follow-on Issuance in AI / Deep Tech / Robotics

- Follow-on issuance in Hong Kong has surged within the AI / Deep Tech / Robotics sectors, for both 18C and mature (non-18C) companies. Under a general mandate, companies can conduct multiple share placements with maximum 20% issuance size and price discount capped at **20%.** Block trades and issuances can be completed **overnight** without trading suspensions
- AI / Deep Tech / Robotics companies need continuous R&D funding to remain competitive, often raising more in follow-ons than their IPO offerings

Non-18C Issuer (Stock code)	Type	Pricing Date	Deal Size (US$m)	Deal Size (HK$bn)	Share %	Price	Price Discount %	% Δ Offer price / D1
商汤 sensetime	IPO	23-Dec-21	852	6.7	5.2	3.9	-	7.3
	FO	21-Jun-24	257	2.0	6.1	1.2	-9.1	3.0
	FO	17-Dec-24	360	2.8	5.1	1.5	-6.3	0.7
SenseTime - W (20)			**1,469**	**11.5**				
robosense 速腾聚创	IPO	2-Jan-24	136	1.1	5.5	43.0	-	-
	FO	18-Dec-24	36	0.3	2.2	27.8	-8.0	-7.2
	FO	26-Feb-25	131	1.0	4.6	46.2	-8.4	7.0
Robosense (2498)			**303**	**2.4**				
Marketingforce	IPO	13-May-24	33	0.3	2.5	43.6	-	18.5
	FO	18-Dec-24	14	0.1	0.4	110.0	-0.5	-3.0
	FO	21-Feb-25	155	1.2	7.9	60.0	-11.6	20.2
Marketingforce (2556)			**202**	**1.6**				

Non-18C Issuer (Stock code)	Type	Pricing Date	Deal Size (US$m)	Deal Size (HK$bn)	Share %	Price	Price Discount %	% Δ Offer price / D1
4Paradigm 第四范式	IPO	21-Sep-23	144	1.1	4.3	55.6	-	5.2
	FO	7-Feb-25	180	1.4	9.5	50.2	-11.6	10.4
	FO	17-Jul-25	167	1.3	8.1	50.5	-8.9	10.1
4Paradigm - H (6682)			**491**	**3.8**				
地平线 Horizon Robotics	IPO	22-Oct-24	783	6.1	10.5	4.0	-	2.8
	FO	12-Jun-25	601	4.7	5.8	6.9	-6.9	3.2
Horizon Robotics (9660)			**1,384**	**10.8**				
优必选 UBTECH	IPO	27-Dec-23	133	1.0	2.8	90.0	-	0.9
	FO	8-Aug-24	17	0.1	1.2	92.0	-16.1	-0.5
	FO	22-Oct-24	56	0.4	1.6	86.2	-20.0	29.8
	FO	20-Nov-24	75	0.6	2.2	83.9	-20.0	23.2
	FO	20-Feb-25	118	0.9	3.1	90.0	-8.5	5.2
UBTECH Robotics - H (9880)			**399**	**3.1**				

Sources：Company announcements and Dealogic, as of Jul 21st, 2025

TECH – Technology Enterprises Channel

On 6 May 2025, the SFC and HKEX jointly announced the launch of the Technology Enterprises Channel (TECH):

- Highlights commitment to fostering transparency and facilitating a more efficient pathway to successful listing in HK for Specialist Technology and Biotech Companies
- Aims to strengthen HK's position as a premier listing platform for emerging and innovative companies

TECH	• A **specialized team** to review and provide guidance on Main Board Chapters 18C and 18A applications • Engage with prospective companies to understand their businesses and **facilitate comprehension of Listing Rules** • Provide **guidance on listing eligibility and suitability**, and the opportunity to discuss and seek the Exchange's preliminary guidance on case-specific issues
Confidential filing	• Specialist Technology and Biotech Companies in early development stages often face heightened risks from **premature disclosure of operational strategies, proprietary technologies, and listing plans** • To mitigate these risks, **confidential submission of Application Proofs** under Main Board Chapters 18C and 18A is permitted
18A/18C companies seeking to list with WVR structure	• Specialist technology and biotech companies that fully meet the requirements of Chapters 18C and 18A respectively shall **qualify as innovative companies** under Chapter 8A, including the **Innovation Company Requirements** and the **external validation requirement**[1]

Notes:
1. For the avoidance of doubt, Specialist Technology Companies and Biotech Companies seeking listing with a WVR structure shall remain subject to all other applicable requirements under Main Board Chapter 8A and Chapter 2.2 of *the Guide for New Listing Applicants*

Appendix

Rules and Regulations

Main Board Listing Requirements – General Overview

Financial Requirements

To fulfill any one of the following tests:

1. **Profits Test**
   - Profit of latest year ≥ US$4.5M (HK$35M)
   - Aggregate profit of two preceding years ≥ US$5.8m (HK$45M)
   - Market cap ≥ US$64.1m (HK$500m)

OR

2. **Market Cap / Revenue Test**
   - Market cap ≥ US$513m (HK$4bn)
   - Revenue of the most recent audited year ≥ US$64.1m (HK$500m)

OR

3. **Market Cap / Revenue / Cashflow Test**
   - Market cap ≥ US$256m (HK$2bn)
   - Revenue of most recent audited financial year ≥ US$64 .1m (HK$500m)
   - Aggregate positive cash flow from operating activities for 3 preceding financial years ≥ US$12.8m (HK$100m)

Control and Management

- A track record period of at least 3 financial years with:
- Ownership continuity and control for at least the most recent audited financial year
- Management continuity for at least 3 preceding financial years

Public Float

- Minimum of 25% public float and market cap of at least US$16mn (HK$125mn) to be held by public
- If market cap ≥ US$1,282m (HK$10bn), public float may be lowered to 15% at SEHK's discretion
- Minimum of 300 shareholders

Professional Advisors

- Must appoint a sponsor for listing
- Public offer tranche must be fully underwritten by underwriters
- Must appoint a compliance adviser for the period from listing date to end of publication of financial results for 1st full financial year after listing

1. Source: HKEX.
2. The monetary values in US$ are approximate figures converted from HK$ (at conversion rate of 7.8) for easy references. Readers should refer to the Listing Rules for full details of the relevant provisions.

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Overview of Eligibility Requirements for Listing in Hong Kong

	Main Board					GEM	
	Primary Listing		Secondary Listing	Biotech Chapter 18A	Specialist Tech Chapter 18C	Primary Listing	
Financial Requirements	*Profit Test*	*Market Cap/ Revenue Test*	*Market Cap/ Revenue/ Cashflow Test*			*Cash Flow Test*	*Mkt Cap/Rev/R&D test*
a. Profit attributable to shareholders	Profit ≥ HK$35m (US$5m) for the most recent yrs & ≥ HK$45m (US$6m) in aggregate for 2 preceding financial yrs	--	--	--	--	--	--
b. Market capitalisation	≥ HK$500m (US$64m)	≥ HK$4b (US$513m)	≥ HK$2b (US$256m)	≥ HK$1.5b (US$200m)	≥ HK$4b (US$513m) for commercial company; ≥ HK$8b (US$1.0b) for pre-commercial company[1]	HK$150m (US$19m)	≥ HK$250 million (US$32m)
c. Revenue	--	≥ HK$500m (US$64m) for the most recent audited financial year	≥ HK$500m (US$64m) for the most recent audited financial year	--	≥ HK$250m (US$32m) for commercial company	--	≥ HK$100m (US$13m) in aggregate for past two financial years w YoY growth
d. Cashflow from operating activities	--	--	≥ HK$100m (US$13m) in aggregate for the three preceding financial years	--	--	≥ HK$30m (US$3.8m) in aggregate for the last 2 financial years	--
e. R&D Expenditure	--	--	--	Primarily engaged in R&D to develop Core Product(s)	For Commercial Company: R&D Expenditure Ratio ≥ 15% For Pre-Commercial company: R&D Expenditure Ratio ≥ 30% or 50% depending on revenue[2]	--	R&D ≥ HK$30m in aggregate for past two financial years; R&D ≥15% total operating cost (for each of the two years)
Minimum market capitalisation	Listed above		HK$3bn (US$385m) (issuer with track record of ≥ 5 years of good regulatory compliance on Recognised / Qualifying Exchange); OR HK$10b (US$1.3b) (issuer with track record of ≥ 2 years of good regulatory compliance on Qualifying Exchange)	≥ HK$1.5b (US$200m)	≥ HK$4b (US$513m) for commercial company; ≥ HK$8b (US$1.0b) for pre-commercial company[1]	Cash Flow Test: ≥ HK$150 million Mkt Cap/Rev/R&D Test: ≥ HK$250 million	
a. For WVR Issuers	≥ HK$40b (US$5b) or ≥ HK$10b (US$1.3b) with HK$1b (US$128m) of revenue					n.a.	
Trading record	3 years		3 years	2 years	3 years	2 years	
Management continuity	3 years		3 years	2 years	3 years	2 years	
Ownership continuity	For at least the most recent year						
Public float	25%		-	25%	25%	25%	
Market capitalisation of min public free float	HK$125m (US$16m)		-	HK$375m (US$48m)	HK$600m (US$77m)	HK$45m (US$5.8m)	
Public shareholders #	300		300	300	300	100	
Sponsor requirement	Yes		Yes	Yes	Yes	Yes	

1. Effective 1 September 2024, the market capitalisation requirement will apply temporarily for a fixed period of three years from 1 September 2024 to 31 August 2027
2. For Pre-Commercial Companies with revenue ≥ HK$150mn and < HK$250mn, the R&D Expenditure Ratio requirement is 30%, while companies with revenue < HK$150mn, the R&D Expenditure Ratio requirement is 50%

Note:
The monetary values in US$ are approximate figures converted from HK$ (at conversion rate of 7.8) for easy references.
The above summarises the general requirements applicable and may be subject to various exceptions in different scenarios. Readers should refer to the Listing Rules for full details of the relevant provisions.

Types of Listing in Hong Kong for Overseas Issuers

	Single Primary Listing	Dual Primary Listing	Secondary Listing
Types of Listing	• A primary listing on the **Mainboard/ GEM**	• A primary listing on the **Main Board/ GEM** • The issuer: 1) also has a primary listing on an overseas stock exchange; or 2) is simultaneously applying to list on the Exchange and one or more overseas stock exchange(s)	• A secondary listing on the **Main Board** • The issuer has: 1) a primary listing on a Recognised Stock Exchange; and 2) the majority of its equity securities trading outside of Hong Kong
Compliance requirement	• Subject to the **full extent of the Listing Rules**	• Subject to the **full extent of the Listing Rules** • Subject to the **full rules of an overseas exchange** • Waivers can be requested on a case-by-case basis	• Subject to **less stringent Listing Rule requirements** • Subject to the **full rules of an overseas exchange** • A considerable number of the Listing Rules do not apply
Eligibility for Stock Connect Inclusion[1]	Yes	Yes	No

1. Other requirements includes being constituents of Hang Seng Composite LargeCap Index / MidCap Index, or Hang Seng Composite SmallCap Index with market cap > HK$5.0bn and a liquidity criteria that requires velocity of the shares to be ≥0.05% for at least 10 out of past 12 months and 5 out of latest 6 months.

New Overseas Listing Regime

Key Changes

Shareholder Protection

- Equivalence Requirement and the distinction between Recognised Jurisdictions and Acceptable Jurisdictions **removed**
- A **baseline level** of shareholder protection requirements **adopted for all issuers**

Secondary Listing

- Greater China Issuers without a WVR relaxed **by removing the "Innovative Company" condition** and lowering the market capitalisation requirement to **HK$3 billion**
- **Significantly large** non-WVR issuers may be granted **exemption of compliance record**

Dual Primary Listing

- **Grandfathered**[1] Greater China Issuers and Non-Greater China Issuers eligible for secondary listing with their existing WVR and/or VIE **may opt for a dual primary listing**
- Clarifications on upon Dual Primary migration, the grace period of complying to HKEX Listing Rules offered

Change of Listing Status

Guidance Letter on Change of Listing Status to be published

- The migration of the majority of trading in an issuer's securities from an overseas exchange to Hong Kong
- Voluntary conversion to a dual-primary listing on the Exchange
- De-listing from overseas exchanges of primary listing

These reforms enhance the Exchange's reputation as the global listing venue of choice and will further broaden investment opportunities for investors in Hong Kong

1. Grandfathered refers to those Greater China Issuers primary listed on a Qualifying Exchange on or before 15 December 2017

Regulatory Enhancements

Enhancements to Main Board Rules has boosted the attractiveness of HKEX to prospective issuers

BIOTECH *Chapter*

Attract R&D focused Biotech companies

- At least one Core Product beyond concept stage (e.g. completed FDA Phase I)
- Market cap ≥ HK$1.5bn
- Primarily engaged in R&D to develop Core Product(s)
- Meaningful third party investment from sophisticated investors

SECONDARY LISTING *Chapter*

Attract innovative and high growth companies

- Allow Greater China companies to secondary list in Hong Kong
- Market cap ≥ HK$10bn and HK$1bn of revenue (2)
- Primary listed on NYSE / NASDAQ / LSE (3) for at least 2 FYs with good compliance

WVR *Chapter*

Attract innovative and high growth companies

- Must be an innovative company with high growth
- WVR share for individuals such as directors that is responsible for business growth
- Market cap ≥ HK$10bn and HK$1bn of revenue (1)
- Meaningful third party investment from sophisticated investors
- Need to meet additional disclosure requirements and safeguards

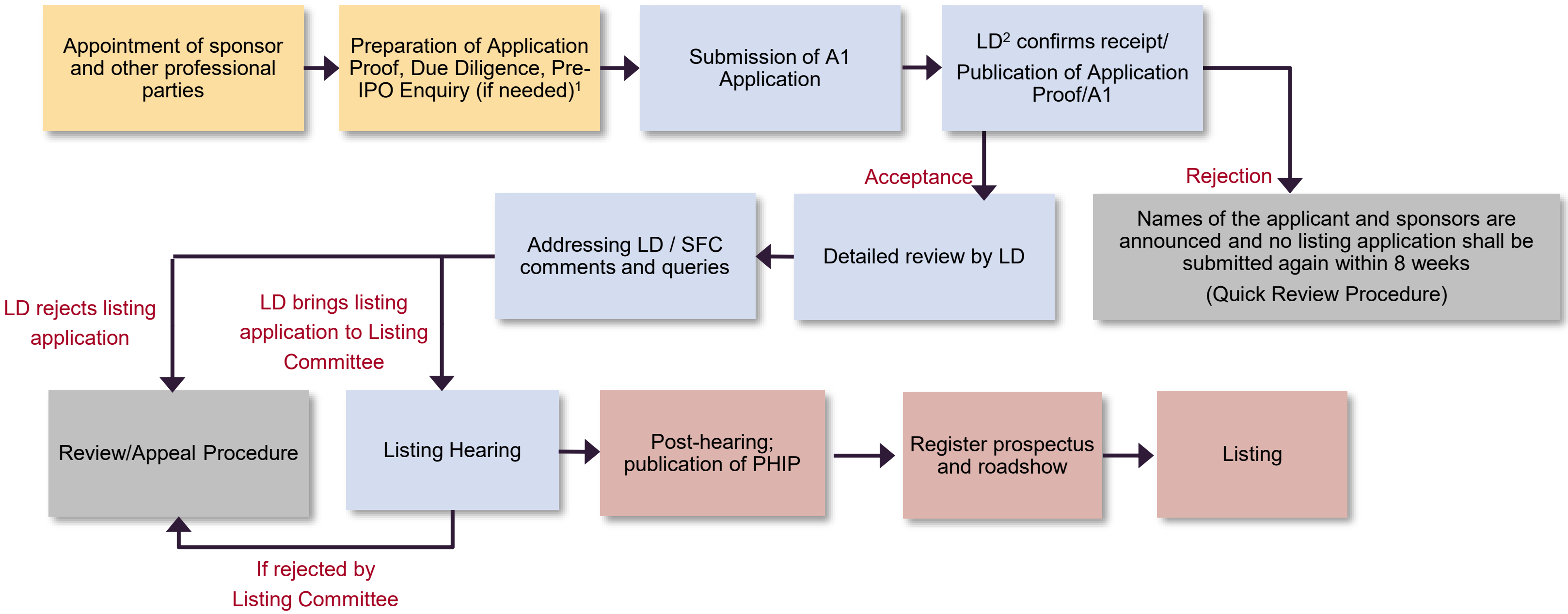
SPECIALIST TECHNOLOGY *Chapter*

Attract R&D focused Specialist Technology Companies(4)

- Must be company primarily engaged in R&D / commercialisation of products within eligible sector of Specialist Technology industry(5)
- For Commercial(6) company: Market cap ≥ HK$4bn, HK$250mn of revenue & R&D Expenditure Ratio ≥ 15%
- For Pre-Commercial company: Market cap ≥ HK$8bn & R&D Expenditure Ratio ≥ 30% or 50%(7)
- Meaningful third party investment from sophisticated investors

Notes:
1. Revenue requirement applies if market cap is less than HK$40bn
2. Revenue requirement applies if market cap is less than HK$40bn and the issuer has WVR or has a “centre of gravity” in the Greater China region
3. Main Market of the LSE (and belonging to the UK FCA’s “Premium Listing” segment)
4. Effective 1 September 2024, the market capitalisation requirement will apply temporarily for a fixed period of three years from 1 September 2024 to 31 August 2027
5. Eligible industries includes areas such as next-generation information technology, advanced hardware and software, advanced materials, new energy and environmental protection, new food and agriculture technologies
6. Specialist Technology company with revenue ≥ HK$250mn are defined as Commercial Companies
7. For Pre-Commercial Companies with revenue ≥ HK$150mn and < HK$250mn, the R&D Expenditure Ratio requirement is 30%, while companies with revenue < HK$150mn, the R&D Expenditure Ratio requirement is 50%

Hong Kong Listing Process – Key Steps



Source: HKEX

1. Not mandatory for an issuer to seek a pre-listing consultation
2. Refers to the Listing Division

Hong Kong Listing Process – General Overview

Preparation

About 10 – 16 Weeks[1]

- ✓ Appointment of Sponsors and other Professional Parties
- ✓ Kick-off meeting
- ✓ Pre-listing Reorganisation / Restructuring Plan
- ✓ Seek guidance from Listing Department (“LD”) via Pre-IPO Enquiry (if needed)
- ✓ Legal, financial due diligence and prospectus drafting
- ✓ Ascertain track record period and prepare accountants' report
- ✓ Preparing profit forecast and cash flow forecast
- ✓ Waiver applications (if needed)
- ✓ Rule 144A & Reg S tranche considerations
- ✓ Compiling A1 application pack, including Draft Prospectus (Application Proof “AP”)

Submission of A1 Application

Regulatory Review

Up to 20 Weeks[2]

- ✓ LD confirms receipt and publishes AP online[3]
- ✓ LD review and vetting of A1 listing application
- ✓ SFC’s questions under the Stock Market Listing Rules (SMLR) and the Securities & Futures Ordinance (SFO)
- ✓ Addressing LD and SFC comments and queries
- ✓ Ongoing due diligence and verification
- ✓ Processing waiver applications
- ✓ Hearing by Listing Committee

Regulatory review process <u>tightened</u> under the Enhanced Listing Application Timeframe

Listing Hearing

Marketing & Pricing

About 2-3 Weeks[1]

- ✓ Investor education arrangements
- ✓ Distribution of pre-deal research report, red-herring and publishing post-hearing information pack (PHIP)
- ✓ Roadshow, book-building and international-offering launch and closing
- ✓ Hong Kong public offering launch and closing
- ✓ Price determination
- ✓ Allocation and settlement
- ✓ Listing

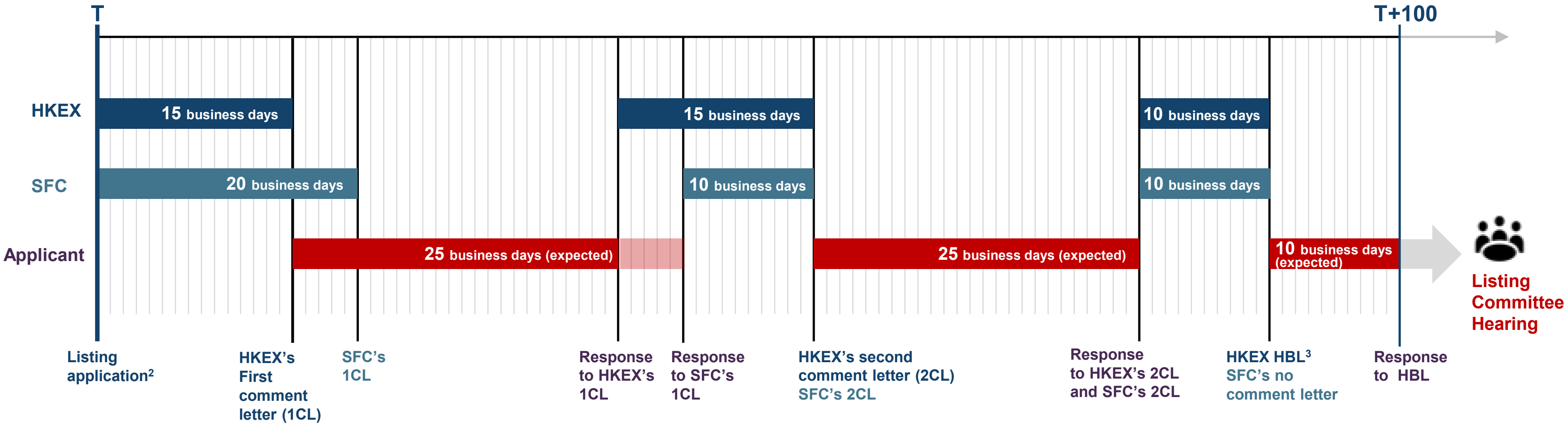
Source: HKEX

1. Estimate only. The length of time required to list a company is subject to various factors such as the size of the company's operations, complexity of issues involved, quality of the internal records, due diligence process and whether all requisite documents and approvals are readily available or have been obtained and market conditions and investors’ appetite. Complex corporate restructuring, preparation of financial statements up to the required standard and application for special waivers would lengthen the listing timetable.
2. Per HKEX’s Enhanced Listing Application Timeframe
3. An issuer can kickstart its Non-Deal Roadshow process post-A1 as part of its marketing strategy, as well as the identification of cornerstone / anchor investors during the process

Strictly Confidential

HKEX's Enhanced Listing Application Timeframe

- HKEX and SFC made a joint statement on the enhanced timeframe for new listing application process on 18 Oct 2024 – the regulators will confirm whether there are any material regulatory concerns in **no more than 40 business days through a maximum of two rounds of regulatory comments.**
- The applicant and its sponsor are expected to take a total of **around 60 business days** to satisfactorily address regulators' comments.
- Subject to obtaining approvals from the Listing Committee and other authorities or regulators, the **application process would be completed within the 6-month application** validity window.[1]



Source: HKEX

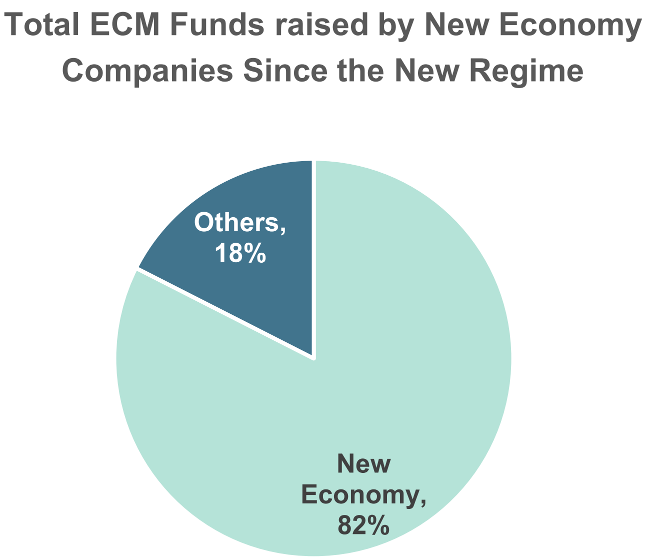
1. Where an applicant and its sponsor submit a New Listing application and related materials that meet all applicable requirements and guidance under the SFO, the SMLR and/or the Listing Rules, and where the SFC and the Exchange individually assess and indicate no material regulatory concerns
2. It refers to the acknowledgement of listing application.
3. Upon confirmation of no material regulatory concerns, the Exchange will issue a Hearing Bundle Letter (HBL) setting out the matters to be dealt with or addressed by the applicant and its sponsors to finalise the disclosure in the listing document. When the applicant and its sponsors have a listing document that is ready for Listing Committee Hearing and having obtained all requisite approvals from other authorities or regulators, where applicable, the application will proceed to the Listing Committee Hearing.

HKEX Listing Regime Keeps Innovating with Significant Success

- HKEX introduced WVR, Secondary Listing and pre-revenue Biotech listing reforms in 2018, upgraded listing rules for international companies and brought in SPACs listing in 2022,18C Specialist Technology listing rules in 2023, GEM listing reforms & enhancement of climate disclosures under ESG framework in 2024

- 378 New Economy companies raised a total of **US$360** billion (~82%) since the new regime

- HKEX has become a major fundraising centre for healthcare companies: with **225** Healthcare companies (including 73 issuers listed under Chapter18A) raising **US$79** billion since the new regime[1]



65% of Hong Kong IPO Funds Raised from New Economy companies since the new regime

Source: HKEX, Bloomberg, as of 30th June 2025

1. Calculations based on period from the launch of listing regime on 30th Apr 2018 to 30th June 2025. There are companies listed under more than one new listing chapter, resulting the sum of WVR, Biotech and Secondary Listing not equal to New Regime.

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