

Charltons: 2020 HKEX MARKET STATISTICS



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2020 HKEX MARKET STATISTICS

- Hong Kong ranked second globally in total proceeds in 2020. During the year, there were 154 new IPOS completed, raising a total of HK\$ 397.5 billion. This represents a 26.5% increase in terms of funds raised compared to 2019.
- The increase in fundraising is mainly attributable to homecoming listings. Nine US-listed, Chinese-based companies have completed secondary listings, raising a total of HK\$ 131.3 billion, representing approximately 34% of funds raised.
- Hong Kong was followed by the Shanghai Stock Exchange (USD 49.4 billion), and the New York Stock Exchange (USD 30.9 billion).
- As of August 2021, 2,538 companies are listed on the Hong Kong Stock Exchange with a total market capitalisation of HK\$ 46.8 trillion.

Source: KPMG, HKEX

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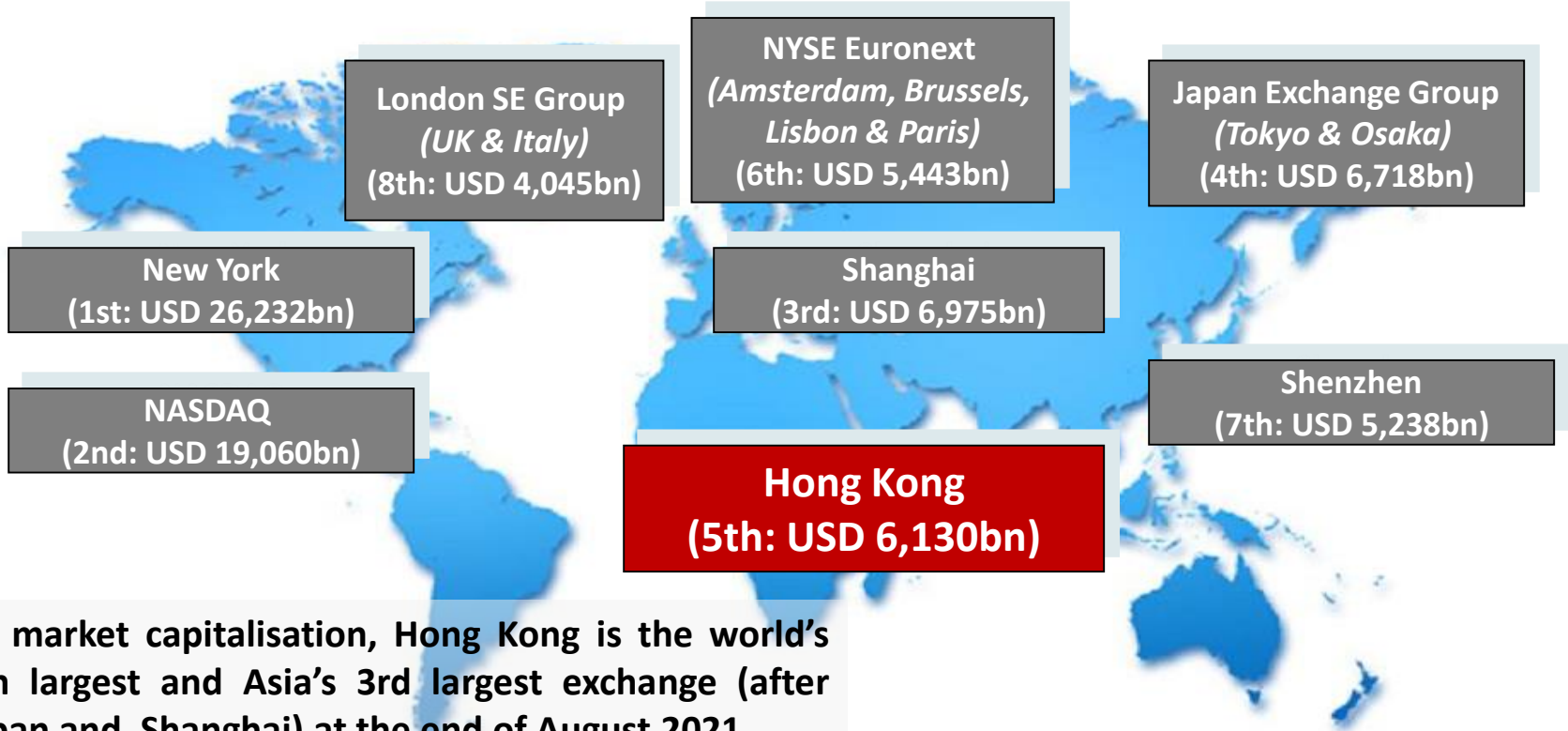
2020 HKEX MARKET STATISTICS

- 3 of the world's top 10 largest IPO were listed in Hong Kong, all of which were owned by sizable technology companies
- Market demand for distance-based services has been expanding due to the COVID-19 outbreak. This includes teleconferencing, virtual classrooms, and online trading platforms
- The Infrastructure/Real Estate sector led the market in terms of the number of listings and ranked fourth in terms of total proceeds. The growth is stimulated by the expanding infrastructural needs for Hong Kong and the Greater Bay Area.

Source: KPMG, HKEX

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Hong Kong: A Leading International Stock Market

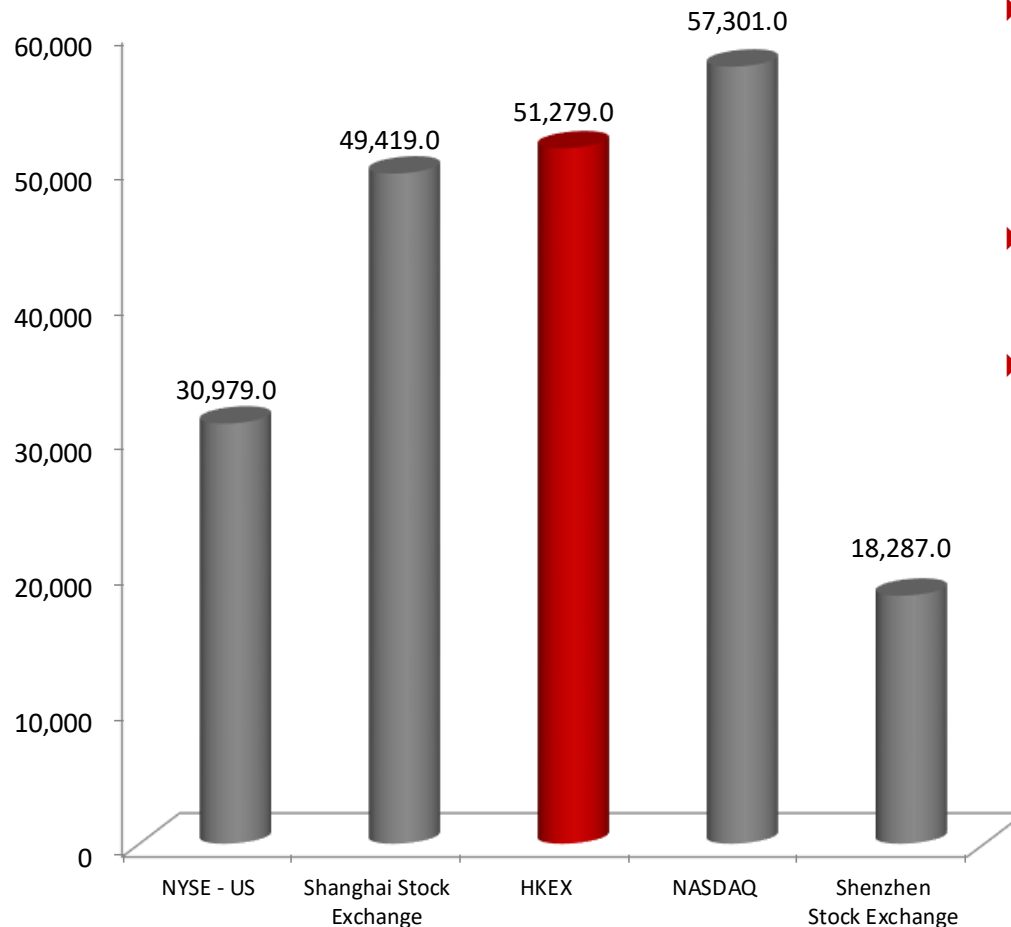


By market capitalisation, Hong Kong is the world's 5th largest and Asia's 3rd largest exchange (after Japan and Shanghai) at the end of August 2021.

Source: SFC based on data from the World Federation of Exchanges and Bloomberg. Figures for the London SE Group include those of London Stock Exchange and Borsa Italiana; figures for the NYSE Euronext include those of Euronext Amsterdam, Euronext Brussels, Euronext Lisbon and Euronext Paris; and Figures for the Japan Exchange Group includes those of Tokyo Stock Exchange and Osaka Securities Exchange

HKEx: Top IPO Funds Raising Platform

IPO funds raised 2019 (US\$ billion)



- ▶ **The Stock Exchange of Hong Kong (SEHK or the Exchange) was the second largest IPO market in 2020 in terms of funds raised.**
- ▶ **A total of US\$51.279 billion IPO funds was raised in Hong Kong in 2020.**
- ▶ **There were 154 new listings in 2020:**
 - Main Board – 146
 - GEM - 8

* Includes 7 companies which moved their listings from GEM to the Main Board

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Source: Hong Kong Exchanges and Clearing Limited and Bloomberg

Ten Largest Hong Kong IPOs in 2020

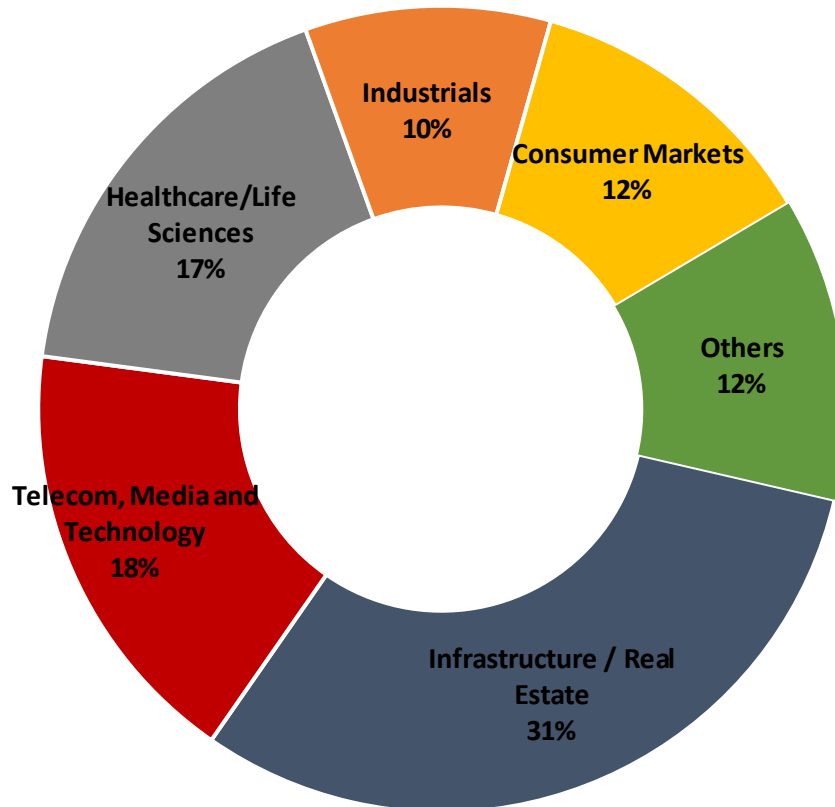
	Company name	Industry	IPO funds raised (HK\$bn)
1	JD.com, Inc. –SW (9618)	Information Technology	34.54
2	JD Health International Inc. (6618)	Healthcare / Life Sciences	26.95
3	NetEase, Inc. - S (9999)	Information Technology	24.26
4	Yum China Holdings, Inc. - S (9987)	Consumer Markets	17.27
5	China Bohai Bank Co., Ltd. - H Shares (9668)	Financial Services	15.90
6	GDS Holdings Ltd. - SW (9698)	Information Technology	14.88
7	Evergrande Property Services Group Ltd. (6666)	Industrial	14.27
8	Hangzhou Tigermed Consulting Co., Ltd. - H Shares (3347)	Healthcare / Life Sciences	12.31
9	China Resources Mixc Lifestyle Services Ltd. (1209)	Consumer Markets	12.27
10	New Oriental Education & Technology Group Inc. - S (9901)	Education	11.65

Ten Largest IPO on the HKEx

	Company name	Industry	IPO funds raised (HK\$bn)
1	AIA Group Ltd.	Financials	159.08
2	Industrial and Commercial Bank of China Ltd. - H Shares	Financials	124.95
3	Alibaba Group Holding Ltd. –SW	Information Technology	101.20
4	Agricultural Bank of China Ltd. - H Shares	Financials	93.52
5	Bank of China Ltd. - H Shares	Financials	86.74
6	China Construction Bank Corporation - H Shares	Financials	71.58
7	Postal Savings Bank of China Co Ltd - H Shares	Financials	59.15
8	China Tower Corporation Ltd. – H Shares	Telecommunications	58.80
9	Budweiser Brewing Co. APAC Ltd.	Consumer Staples	45.08
10	China Unicom Ltd.	Telecommunications	43.61

HKEX Attracts a Diverse Portfolio of Issuers

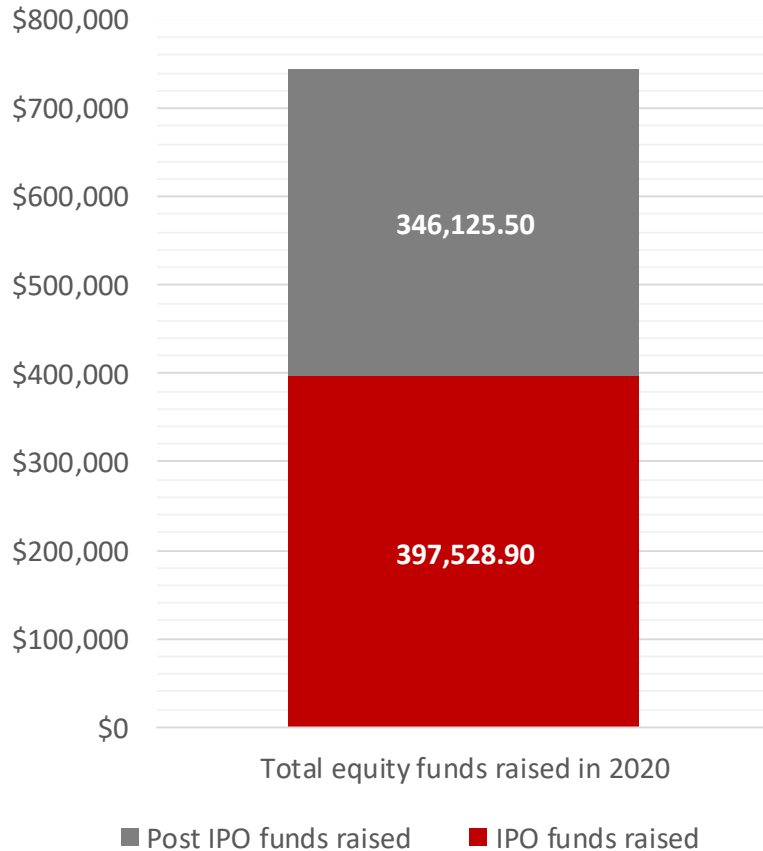
Number of Main Board IPOs by Industry (2019)



- ▶ Issuers from “Infrastructure / Real Estate” sector dominate the new listing markets in 2020
 - About one-third of the new Main Board issuers were from the **Infrastructure / Real Estate** industry

HKEX: A Strong Equity Fund Raising Platform

Total Equity Funds Raised in 2020 (HK\$ bn)



▶ **A strong equity fund raising platform:**

- A total equity funds of US\$51,279 billion was raised in 2020.

▶ **Remains top IPO fundraising platform:**

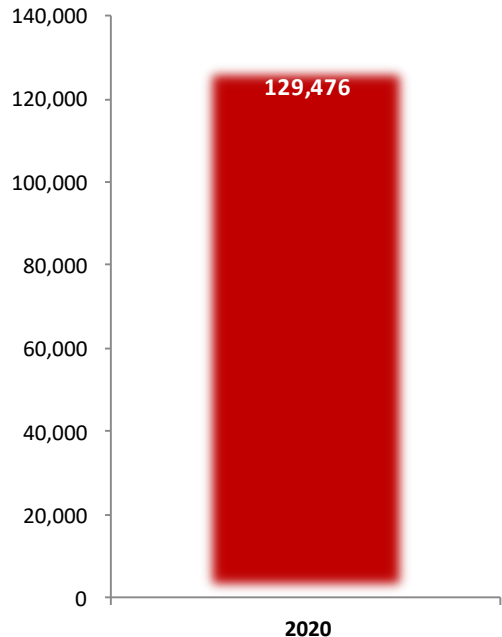
- IPO funds raised totalled HK\$397,528 in 2020. Among the world's top IPO fundraising platforms, Hong Kong ranked second in the amount of IPO equity funds raised.

▶ **A strong secondary capital raising market:**

- A total of HK\$346,125 billion was raised from post-IPO fundraising activities in 2020.

HKEx: A Highly Active Stock Exchange

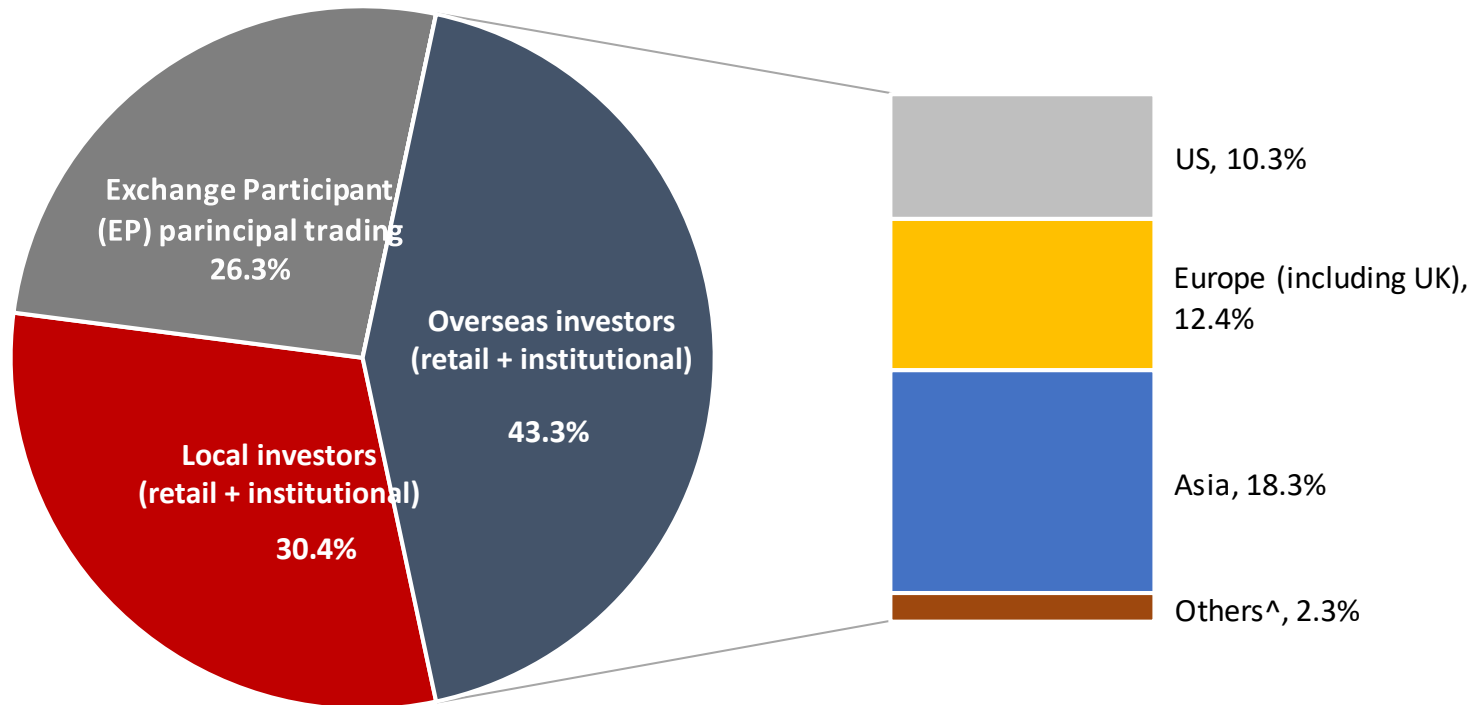
Average Daily Equity Turnover (HK\$ m)



- ▶ **High-level market liquidity:**
 - HKEX is a highly active stock exchange with a total equity turnover of HK\$32,110,148 million in 2020.
 - The average daily equity turnover was amounted to HK\$ 129,476 million.
 - Deep liquidity is partly driven by a diverse investor base.

HKEx: Diverse Investor Base

Distribution of Cash Market Trading Value by Origin (2019)



^ others includes investors from Australia, Canada, and Russia

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HKEx: Primary Financing Platform for Mainland Enterprises

	Unit	Total	Mainland Enterprise [^]	% of Total
<u>As at December 2020</u>				
No. of listed companies	No.	2,538	1,319	52%
Market capitalisation	HK\$bn	45,739.8	38,073	80%
<u>As of December 2020</u>				
Average daily equity turnover	HK\$bn	129,476	87.8	85%
Total equity funds raised	HK\$bn	743,654	651.6	88%
- IPO funds raised	HK\$bn	397,528	392.9	99%
- Post IPO funds raised	HK\$bn	346,125	258.8	75%

▶ Given a diverse investor base, HKEx has been the primary financing platform for Chinese enterprises that seek to go international:

- Chinese companies account for over 50% of Hong Kong's listed market in terms of number of listed companies as well as market capitalization.

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[^] refers to H-share companies, red chip companies and Mainland private enterprises