

October 2017

#1 global IPO fund formation centre in five of the past eight years	Over HK\$2tn total IPO funds ¹ raised by issuers over the past eight years	Over 2,000 listed companies ¹ , including international and Mainland Chinese firms	Over HK\$600bn invested in Hong Kong via Southbound Trading under Stock Connect to date
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KEY ADVANTAGES

 Partner of Choice for Opportunities from China's Internationalisation		 Stock Connect with Access to Mainland China Investors
 Diverse and Global Investor Base		 Funded Jumbo IPOs
 Healthy and Robust Secondary Market		 International Corporate Governance Standards
 Framework for Cornerstone Investors		 Sound Regulatory Regime
 Transparent Process		 Well Established Legal System

MAIN BOARD			GEM
Market for more established companies. Listings range from conglomerates, banks and property developers to internet companies and healthcare providers			Second board for small to mid-sized companies
FINANCIAL REQUIREMENTS (SATISFY ONE OF THE BELOW TESTS)			FINANCIAL REQUIREMENTS
Profit Test	Market Cap/Revenue Test	Market Cap/Revenue/Cashflow Test	
<ul style="list-style-type: none"> 3-Year aggregate Profit \geq HK\$50m Market Cap \geq HK\$200m 	<ul style="list-style-type: none"> Latest Year Revenue \geq HK\$500m Market Cap \geq HK\$4bn 	<ul style="list-style-type: none"> Latest Year Revenue \geq HK\$500m Market Cap \geq HK\$2bn Positive 3-Year aggregate Operating Cash Flow (OCF) \geq HK\$100m 	<ul style="list-style-type: none"> Positive 2-Year aggregate OCF \geq HK\$20m Market Cap \geq HK\$100m
<ul style="list-style-type: none"> 25% free float minimum (can reduce to 15% if Market Cap > HK\$10bn) Minimum of 300 shareholders 3 years management continuity 1 year ownership continuity At least 3 independent directors and control representing at least one-third of boards Requires semi-annual financial reporting 			<ul style="list-style-type: none"> 25% free float minimum (can reduce to 15% if Market Cap > HK\$10bn) Minimum of 100 shareholders 2 years management continuity 1 year ownership continuity At least 3 independent directors and control representing at least one-third of boards Requires quarterly financial reporting

For more information, please refer to the HKEX website.

Source: World Federation of Exchanges, HKEX. Note 1: Includes both Main Board and Growth Enterprise Market (GEM).

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