



Press Release

FSDC releases report
“Hong Kong as an International Financial Centre –
Enhancement of Hong Kong’s IPO offerings”

Hong Kong, 3 March 2022 – The Financial Services Development Council (FSDC) today released a research report titled “Hong Kong as an International Financial Centre – Enhancement of Hong Kong’s IPO offerings”. The report is prepared with an objective to maximise the potential of the listing framework and the broader capital market in Hong Kong.

With the accelerated advancement of the *new economy* and Hong Kong’s attractiveness as one of the world’s most sought-after listing venues, the report identified relevant areas to enhance the listing framework for Hong Kong to capture opportunities arising from the latest IPO landscape.

“Hong Kong’s continued success as an International Financial Centre depends much on its ability to connect investors to the attractive investments at the right price. In other words, the sustainable development of our status as a leading financial hub would, among others, require us to sharpen our competitiveness as an IPO venue for future-proof companies.” said Laurence Li SC, Chairman of the FSDC. “As we laud the Government’s intent to examine listing requirements for large-scale advanced technology enterprises set out in 2022-23 Budget, we are also grateful that our early discussions with relevant stakeholders have already led to a positive response in the 2022-23 Budget. Hong Kong should continue to assess the competitiveness of its listing regime to address evolving market needs, on top of striving for the dynamic balance between market quality and high standards of conduct.”

For Hong Kong to stay ahead in the race and to continue vitalising the capital market, the report proposes short, medium and long-term measures to strengthen its proposition as a leading capital formation hub in Asia. These recommendations include (i) expanding the pre-revenue requirement to other



sectors riding on the success of the development of Chapter 18A for biotech listings; (ii) reviewing the definition and interpretation of “innovativeness” for issuers with weighted voting rights structure listed through Chapter 8A of the listing rules; and (iii) exploring a new framework to capture small and medium enterprises’ capital needs with a balance between investor protection and market development whilst creating a deeper pool of capital.

The full version of the report can be downloaded from the FSDC website: www.fsd.org.hk.

About the FSDC

The FSDC was established in 2013 by the Hong Kong Special Administrative Region Government as a high-level, cross-sectoral advisory body to engage the industry in formulating proposals to promote the further development of the financial services industry of Hong Kong and to map out the strategic direction for the development.

The FSDC has been incorporated as a company limited by guarantee with effect from September 2018 to allow it to better discharge its functions through research, market promotion and human capital development with more flexibility.

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