



# Chinese Mainland and Hong Kong IPO markets

2023 review and 2024 outlook

9 January 2024

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# Global IPO landscape

990.5  
Vol 814.85

# Global IPO market: 2023 highlights

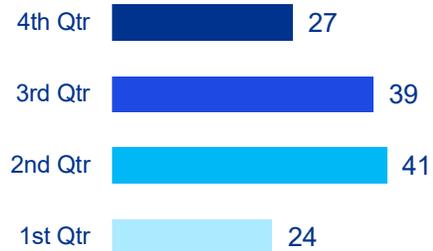
Market uncertainties and a weak macroeconomy slowed global IPO activities in 2023

 Geopolitical uncertainty

High interest rates 

 Economic recovery

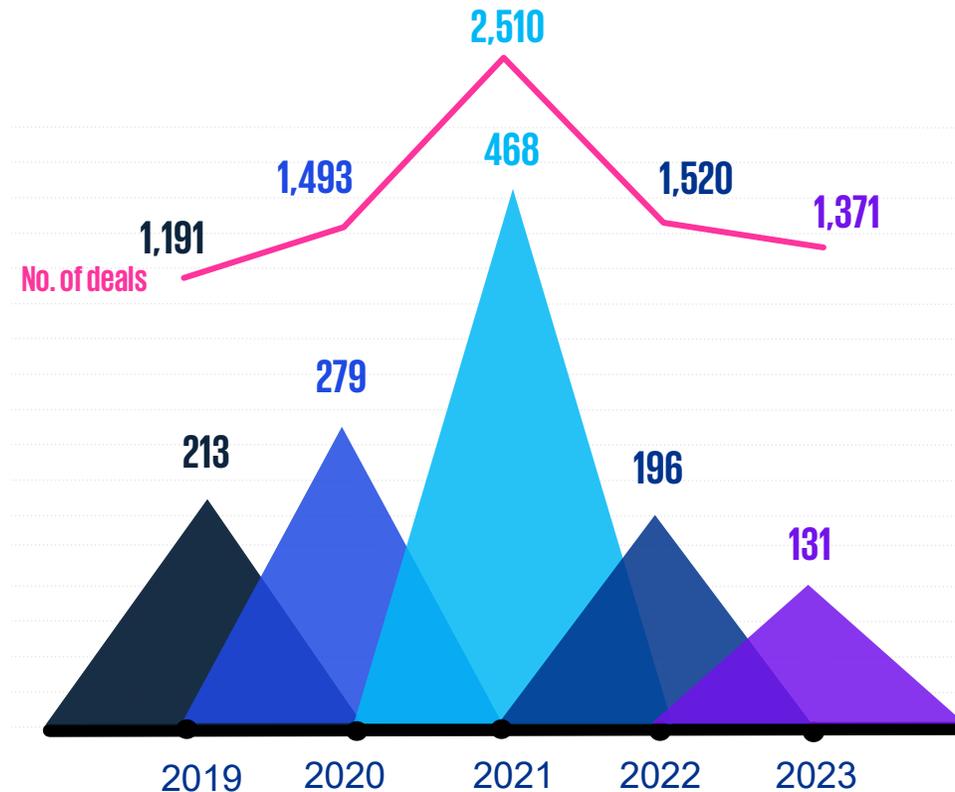
## 2023 Global IPO funds raised (by quarter) (USD'B)



(1) Analysis based on actual data as at 31 December 2023.

(2) Sources: Bloomberg and KPMG analysis, included REIT deals and excluded special purpose acquisition company ("SPAC" or "blank check") deals.

## Global IPO funds raised (2019 - 2023) (USD'B)



## USD131.1B

Total Funds Raised  
Decrease of ~35% compared to 2022



## 1,371

Completed IPOs  
Decrease of ~10% compared to 2022



## 14

Deals with fund raised >USD 1B  
Decrease of ~45% compared to 2022



## USD95.6M

Average Deal Size  
Decrease of ~25% compared to 2022

# 2023 Global IPO Rankings

	FY2023	FY2022	
<b>1st</b>	<b>Shanghai Stock Exchange</b> USD 31.3B	<b>Shanghai Stock Exchange</b> USD 56.5B	<p>U.S. stock exchanges: <b>~20%</b></p> <p>A-share stock exchanges: <b>~40%</b></p> <p><b>Global proceeds</b></p> <p>Other stock exchanges</p>
<b>2nd</b>	<b>Shenzhen Stock Exchange</b> USD 22.0B	<b>Shenzhen Stock Exchange</b> USD 31.1B	
<b>3rd</b>	<b>NASDAQ Stock Exchange</b> USD 12.5B	<b>Hong Kong Stock Exchange</b> USD 12.8B	
<b>4th</b>	<b>New York Stock Exchange</b> USD 9.8B	<b>Korea Stock Exchange</b> USD 11.3B	
<b>5th</b>	<b>National Stock Exchange of India</b> USD 6.9B	<b>Frankfurt Stock Exchange</b> USD 9.1B	

**Hong Kong Stock Exchange** ranks **6th** raising **USD6.0B** among global stock exchanges in 2023

(1) Analysis based on actual data as at 31 December 2023.  
 (2) The exchange rate for USD/HKD is 7.75.  
 (3) Sources: Bloomberg and KPMG analysis, included REIT deals and excluded special purpose acquisition company ("SPAC" or "blank check") deals.

# 2024 Global IPO market outlook

“ In 2023, global IPO activities encountered notable challenges due to a combination of factors, including geopolitical uncertainties, high interest rates, and a slower-than-expected economic recovery. While the effects of these challenges might endure into 2024, there is reason to believe that the worst is over, presenting an opportunity for IPO markets to stabilise soon.

In 2024, IPO candidates looking to restart their IPO plans will need to be adaptable and resilient in the face of changing economic conditions to increase their chances of success.

”

**Paul Lau**  
Partner  
Head of Capital Markets and  
Professional Practice  
KPMG China



## Factors affecting global IPO market



**Geopolitical uncertainties**



**High interest rates**



**Economic recovery**



# A-share IPO market

# A-share IPO market: 2023 highlights

The A-share IPO market noticeably slowed down in 2023, yet it continued to top the ranking in global exchanges

 **RMB373.9B**

Total Funds Raised  
Decrease of ~40% compared to 2022



**318**

Completed IPOs  
Decrease of ~30% compared to 2022



**RMB1.18B**

Average Deal Size  
Decrease of ~20% compared to 2022

## A-share IPO stock exchange distribution

### Shanghai Stock Exchange

2023:	RMB 66.9B	41 deals
2022:	RMB 145.1B	40 deals

### STAR Market

2023:	RMB 143.9B	67 deals
2022:	RMB 252.7B	123 deals



### Shenzhen Stock Exchange

2023:	RMB 25.8B	23 deals
2022:	RMB 39.6B	43 deals

### ChiNext

2023:	RMB 122.3B	110 deals
2022:	RMB 179.6B	148 deals



### Beijing Stock Exchange

2023:	RMB 15.0B	77 deals
2022:	RMB 16.9B	83 deals

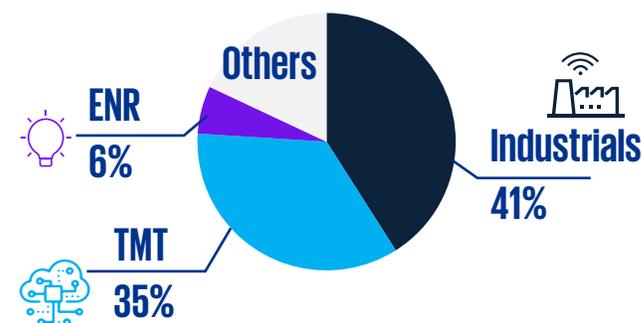


## A-share IPO funds raised by quarter (RMB'B)



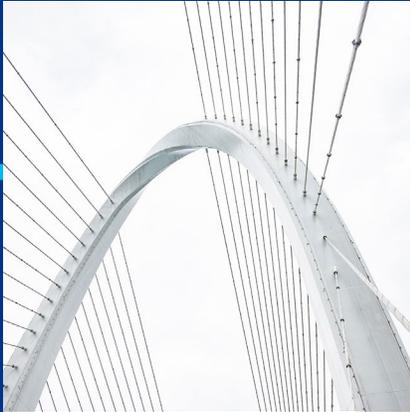
Slowdown in listings starting from the 3<sup>rd</sup> quarter

## A-share IPO sector distribution by funds raised



Sources : All analysis is based on WIND data and included REIT deals as of 31 December 2023.

# Regulatory Developments for A-share Capital Market



## February 2023

Expansion of the registration-based system across all A-share IPO markets



## September 2023

China Securities Regulatory Commission (CSRC) unveiled measures to invigorate capital market

# Top 10 largest A-share IPOs

2023	Company	Exchange	Proceeds (RMB billion)	Sector
1	Hua Hong Semiconductor Limited	SSE-STAR	21.2	TMT
2	Semiconductor Manufacturing Electronics (Shaoxing) Corporation	SSE-STAR	11.1	TMT
3	Nexchip Semiconductor Corporation	SSE-STAR	10.0	TMT
4	China Fund Management SPIC New Energy REIT *	SSE	7.8	Infrastructure / Real Estate
5	Shaanxi Energy Investment Co., Ltd.	SZSE	7.2	ENR
6	Baimtec Material Co.,Ltd.	SSE-STAR	7.1	Industrials
7	CSI Solar Co., Ltd.	SSE-STAR	6.9	ENR
8	Huaqin Technology Co., Ltd.	SSE	5.9	TMT
9	Hunan Yuneng New Energy Battery Material Co.,Ltd.	SZSE-ChiNext	4.5	Industrials
10	Jiangsu Xukuang Energy Co., Ltd.	SSE	4.3	ENR

2022	Company	Exchange	Proceeds (RMB billion)	Sector
1	China Mobile Limited	SSE	56.0	TMT
2	CNOOC Limited	SSE	32.3	ENR
3	Shanghai United Imaging Healthcare Co., Ltd.	SSE-STAR	11.0	Healthcare / Life Sciences
4	CICC Anhui Traffic Control Expressway REIT *	SSE	10.9	Infrastructure / Real Estate
5	Hygon Information Technology Co., Ltd.	SSE-STAR	10.8	TMT
6	Jinkosolar Co., Ltd.	SSE-STAR	10.0	TMT
7	Huaxia China Jiaojian Expressway REIT *	SSE	9.4	Infrastructure / Real Estate
8	ASR Microelectronics Co., Ltd.	SSE-STAR	6.9	TMT
9	Hubei Wanrun New Energy Technology Co.,Ltd.	SSE-STAR	6.4	Industrials
10	Shenzhen Hello Tech Energy Co.,Ltd	SZSE-ChiNext	5.8	Industrials

\* Refers to real estate investment trusts listings ("REITs")

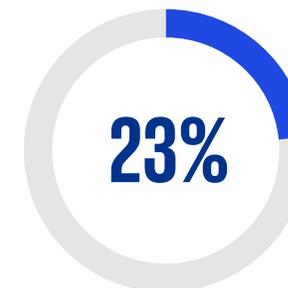
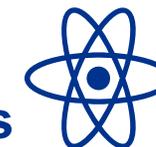
Note: All analysis is based on WIND data as of 31 December 2023.

Source: Wind and KPMG analysis

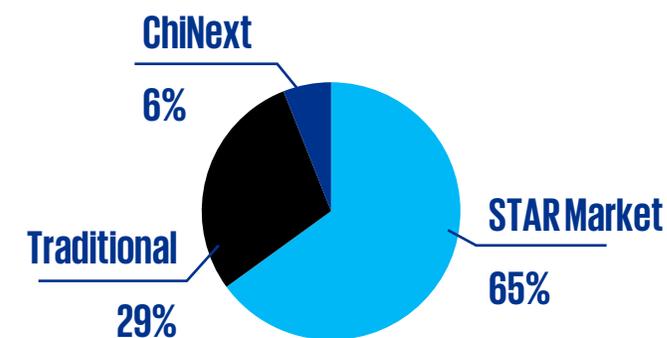


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Top 3 IPOs in terms of funds raised are **semi-conductor and software design companies**



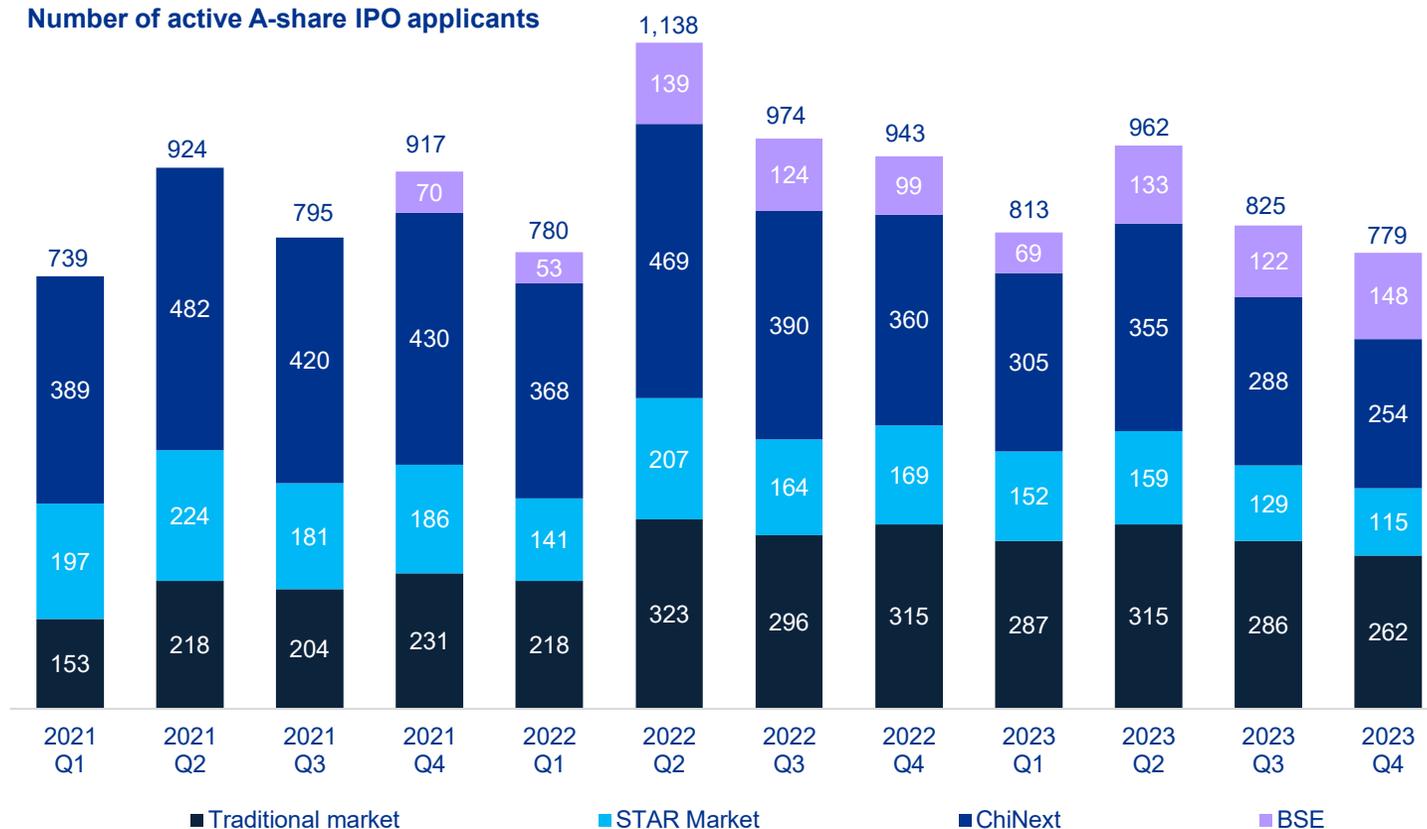
of total IPO proceeds raised by top 10 IPOs in 2023



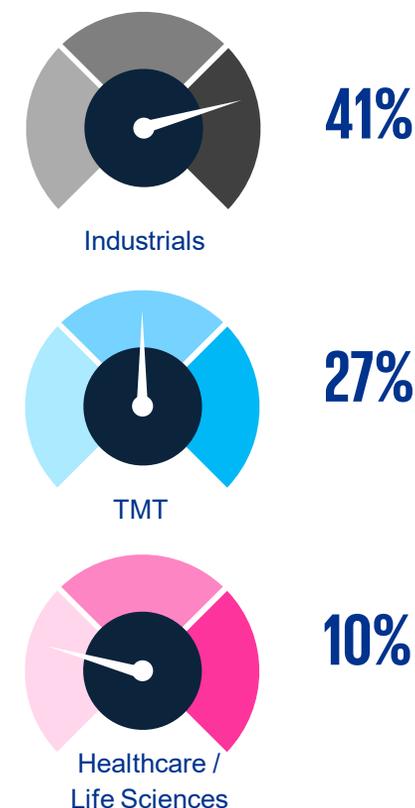
2023 Top 10 largest IPOs distribution by stock exchange

# A-share IPO Pipeline

Number of active A-share IPO applicants

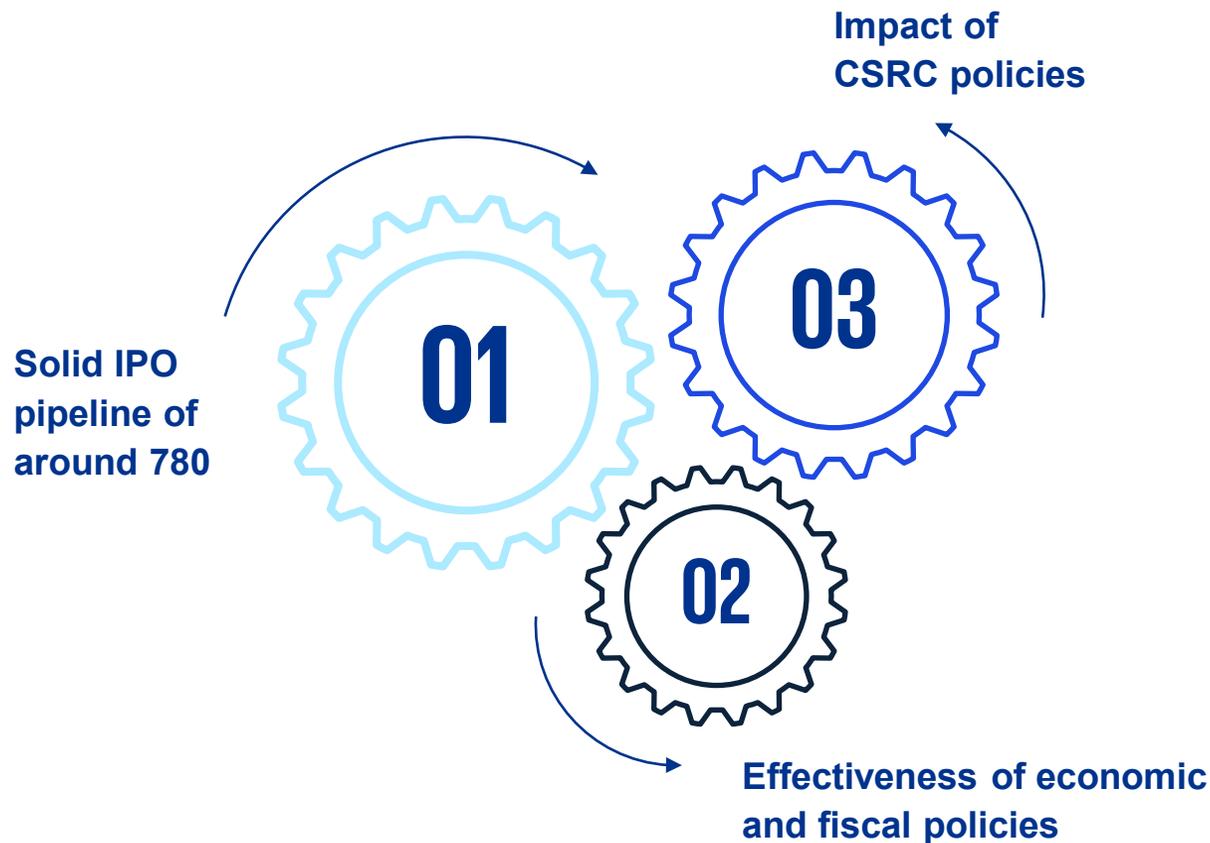


Top 3 active A-share IPO applicant sectors



Note: All analysis is based on WIND data and included REIT deals as of 31 December 2023. Active applicants included applications suspended due to the expiry of their financial information (中止審查). Historically these applications have been reactivated promptly with updated financial information submitted by the listing applicant.

# 2024 A-share IPO market Outlook



“ The Chinese Mainland's post-Covid-19 economic recovery has fallen short of expectations. It is imperative for the Chinese government to support the positive development of its capital markets to effectively serve the real economy.

Looking ahead to 2024, A-share IPO activities are expected to remain steady as regulators continue to support areas related to technology, innovation and sustainability. These measures will foster long-term and sustained growth of the A-share capital market.

”



**Louis Lau**  
Partner  
Capital Markets  
KPMG China



# Hong Kong IPO market

# Hong Kong IPO market: 2023 highlights

Hong Kong IPO market was sluggish in 2023, but is expected to rebound in 2024



## HKD46.3B

Total Funds Raised  
Decrease of ~55% compared to 2022



## 70

Completed IPOs  
Decrease of ~20% compared to 2022



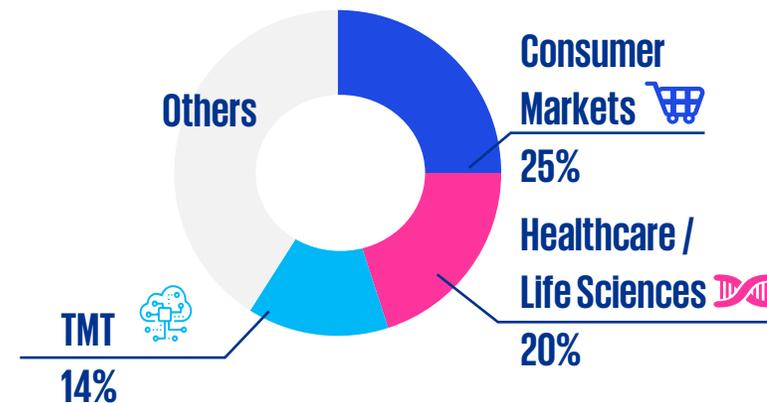
## HKD0.66B

Average Deal Size  
Decrease of ~45% compared to 2022

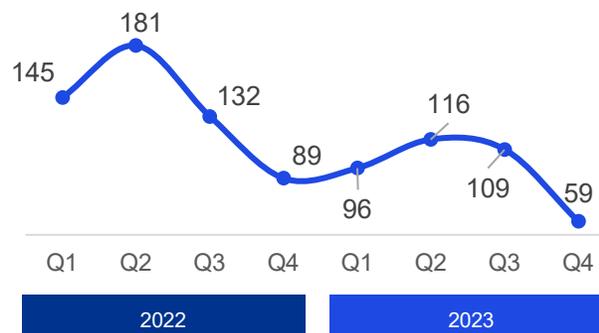
HK IPO funds raised by quarter (HKD'B)



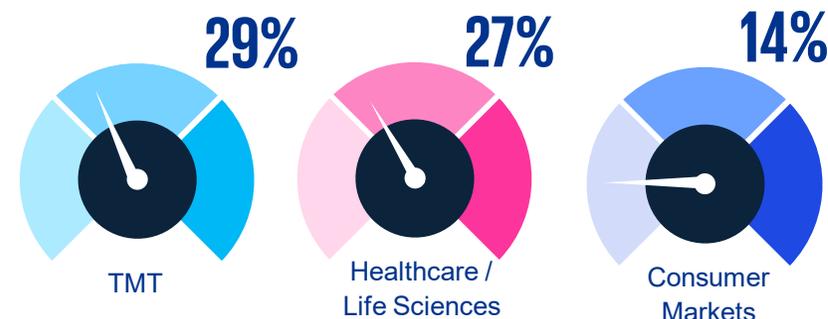
HK IPO sector distribution by funds raised



Number of active HK IPO applicants



Top 3 active HK IPO applicant sectors



Note: All figures are as of 31 December 2023, included listing by introduction, and excluded SPAC deals, De-SPAC deals and GEM transfer, unless otherwise stated  
Source: HKEx and KPMG analysis

# Regulatory Developments for HK Capital Market

## March 2023

Consultation Conclusion  
on Listing Regime for  
Specialist Technology  
Companies



## February 2023

New Regulations for Overseas  
Listings of Chinese Enterprises  
Announced



## December 2023

Consultation Conclusion  
on GEM Listing Reform

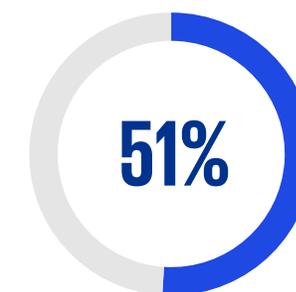
# Top 10 largest HK IPOs

2023	Company	Proceeds (HKD billion)	Sector
1	ZJLD Group Inc	5.3	Consumer Markets
2	WuXi XDC Cayman Inc.	4.1	Healthcare / Life Sciences
3	J&T Global Express Limited – W	3.9	Transport and Logistics
4	REPT BATTERO Energy Co., Ltd	2.1	Industrials
5	Horizon Construction Development Limited	1.6	Infrastructure / Real Estate
6	Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd. – B	1.6	Healthcare / Life Sciences
7	Sino-Synergy Hydrogen Energy Technology (Jiaxing) Co., Ltd.	1.6	ENR
8	TUHU Car Inc. – W	1.3	TMT
9	Tian Tu Capital Co., Ltd.	1.1	Financial Services
10	Beijing Fourth Paradigm Technology Co., Ltd.	1.1	TMT

2022	Company	Proceeds (HKD billion)	Sector
1	China Tourism Group Duty Free Corporation Limited	18.4	Consumer Markets
2	Tianqi Lithium Corporation	13.5	ENR
3	CALB Co., Ltd.	10.1	Industrials
4	Sunshine Insurance Group Company Limited	6.7	Financial services
5	Onewo Inc.	6.3	Infrastructure / Real Estate
6	Zhejiang Leapmotor Technology Co., Ltd.	6.3	Industrials
7	JL Mag Rare-Earth Co., Ltd.	4.2	Industrials
8	Lygend Resources & Technology Co., Ltd.	3.8	Industrials
9	Huitongda Network Co., Ltd.	2.3	TMT
10	Ferretti S.p.A.	2.0	Industrials

Note: All figures are as of 31 December 2023, included listing by introduction, and excluded SPAC deals, De-SPAC deals and GEM transfer, unless otherwise stated  
Source: HKEx and KPMG analysis

Two out of Top 10 are  
**Life Sciences Companies**  
in 2023



of total IPO proceeds raised by top 10 IPOs in 2023

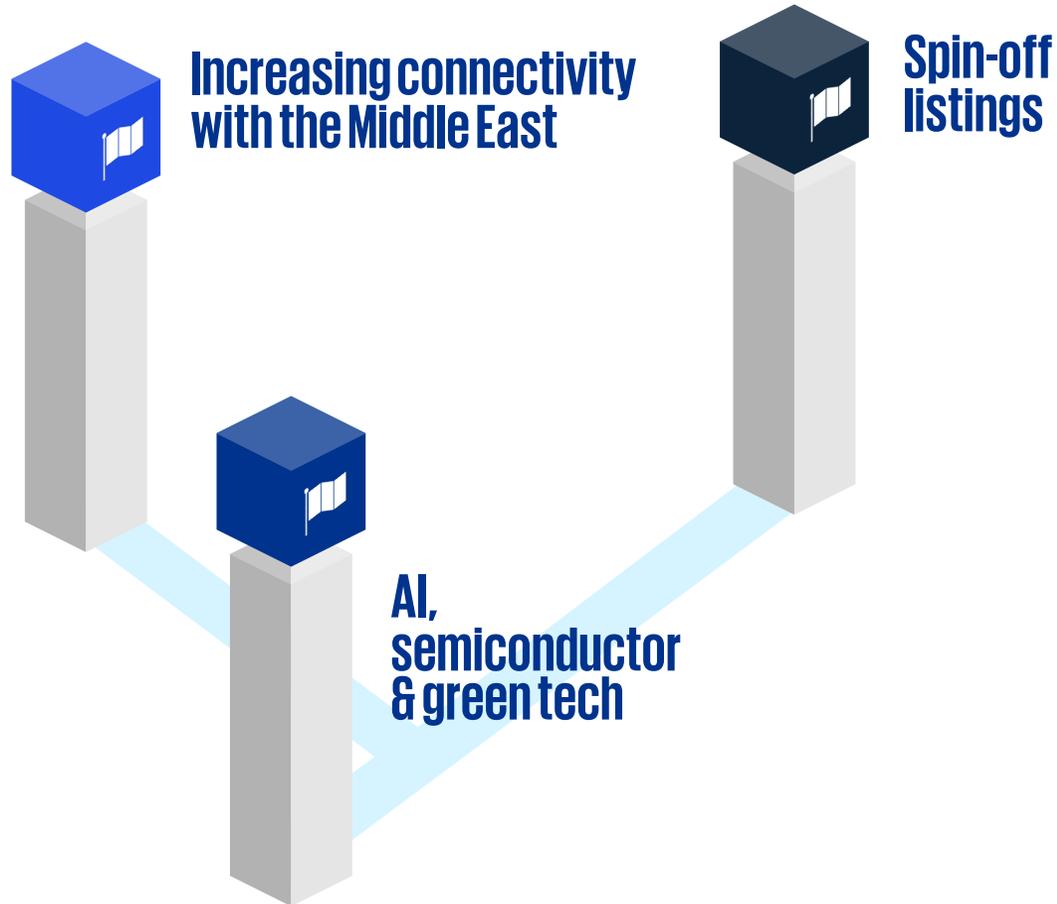
Largest IPO in terms of funds raised:

**Consumer Markets Sector**



for both 2022 and 2023

# 2024 HK IPO Market Outlook



“ 2023 marked a slow year for the Hong Kong IPO markets, as both corporates and investors exhibited caution amidst global market uncertainties. Despite the prevailing subdued market sentiments, the fundamentals of Hong Kong’s capital market remain robust and resilient.

With investors shifting their attention towards technologies such as artificial intelligence, semiconductors and green technology, Hong Kong is well positioned to spark a recovery in its IPO activity by embracing these growing trends.

”



**Irene Chu**  
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