

## LCQ8: A dedicated “technology enterprises channel”

Following is a question by Dr the Hon Tan Yueheng and a written reply by the Acting Secretary for Financial Services and the Treasury, Mr Joseph Chan, in the Legislative Council today (May 28):

Question:

The Securities and Futures Commission and the Hong Kong Exchanges and Clearing Limited (HKEX) jointly established a dedicated "technology enterprises channel" (TECH) to facilitate the listing application of specialist technology companies and biotechnology companies, as well as allowing them to submit listing applications on a confidential basis. There are views that the establishment of TECH is a key measure for Hong Kong to consolidate its position as a global hub for capital of technology and innovation, effectively highlighting the advantages of listing in Hong Kong. In this connection, will the Government inform this Council:

- (1) whether it knows the expected outcomes of TECH;
- (2) whether it knows the differences between TECH and the original listing mechanism for technology enterprises, and how HKEX will strengthen the co-ordinated operation of the two;
- (3) whether it knows how HKEX will optimise the structure and vetting procedures of its Listing Division to cope with the large number of service applications upon establishment of TECH, thereby enhancing the attractiveness of the relevant policies; and
- (4) as TECH allows submission of listing applications by technology enterprises on a confidential basis so as to reduce the risks associated with premature disclosure of their specialist technology, whether the Government knows how HKEX will strike a balance between protecting the intellectual property rights of technology companies and maintaining market transparency?

Reply:

President,

Hong Kong has always been committed to attracting high-quality companies from around the world to list in Hong Kong. To further assist specialist technology (Note) and biotechnology companies in raising funds and developing their businesses, the 2025-26 Budget announced that the Hong Kong Exchanges and Clearing Limited (HKEX) will take forward the establishment of a dedicated "technology enterprises channel" (TECH) to facilitate relevant enterprises to prepare for listing applications. The Securities and Futures Commission (SFC) will also facilitate for a smoother application process. In

consultation with HKEX and the SFC, the reply to the four parts of the question is as follows:

(1) to (3) The main purpose of launching TECH is to provide tailored guidance to specialist technology companies and biotechnology companies before they submit their listing applications, thereby providing support to these prospective issuers in their listing preparation process. HKEX and the SFC formally launched TECH on May 6, 2025. The market response has been enthusiastic, with HKEX receiving a large number of enquiries, achieving the anticipated result.

Compared to general applications, TECH can address key matters of these companies at the initial stage of listing preparation and help them better understand the applicable Listing Rules, enabling them to prepare listing materials more effectively. Specifically, TECH includes the following measures:

(a) a specialised team of HKEX to provide concrete guidance on the eligibility and suitability for listing, such as acceptable sectors for specialist technology industries, requirements for core products, criteria for acceptance of other biotech products or clinical trials conducted under the regulation of different authorities, as well as considerations for accepting new sectors or industries outside the current scope as specialist technology industries;

(b) to proactively approach prospective applicants to gain a better understanding of the company's business and facilitate their comprehension of the Listing Rules' requirements; and

(c) to discuss with applicants on other Listing Rules-related questions and provide preliminary guidance.

Depending on the number of applications, HKEX and the SFC will flexibly deploy their manpower to meet the demand for vetting applications and other services, ensuring that other applications are not affected.

At the same time, HKEX and the SFC are taking forward enhancements to the listing regime, including reviewing specific requirements for primary listing, secondary listing and dual primary listing as well as post-listing regulatory mechanism, improving the overall vetting regulation for enterprises seeking to list in Hong Kong, with a view to enhancing the vitality, competitiveness and resilience of Hong Kong's listing platform. The relevant measures will be announced with market consultation to be conducted as appropriate once they are ready.

(4) Compared to other industries, specialist technology companies and biotechnology companies are typically companies that are in their early stage of development or have yet to commercially launch their products. Premature and prolonged disclosure of information on these companies' operational strategies, proprietary technologies, and listing plans may pose substantial commercial risks to these companies. To assist these companies in mitigating

relevant risks, HKEX allows applicants seeking a listing under Chapters 18C (i.e. specialist technology companies) and 18A (i.e. biotechnology companies) of the Listing Rules to submit their applications confidentially.

To maintain transparency and assist investors in considering the subscription of relevant shares, the applicants concerned are still required to publish relevant information of the company after the hearing of the Listing Committee, which includes post-hearing information packs and overall co-ordinator announcement, covering the company's organisation, business operations, directors and senior management, major shareholders, share capital, financial reports, etc. The measure aims to promote market development, respond to the practical needs of issuers, and adapt to global market changes, while ensuring that the listing regime safeguards the interests of investors.

Note: The specialist technology industries includes next-generation information technology, advanced hardware and software, advance materials, new energy and environmental protection, and new food and agriculture technologies.