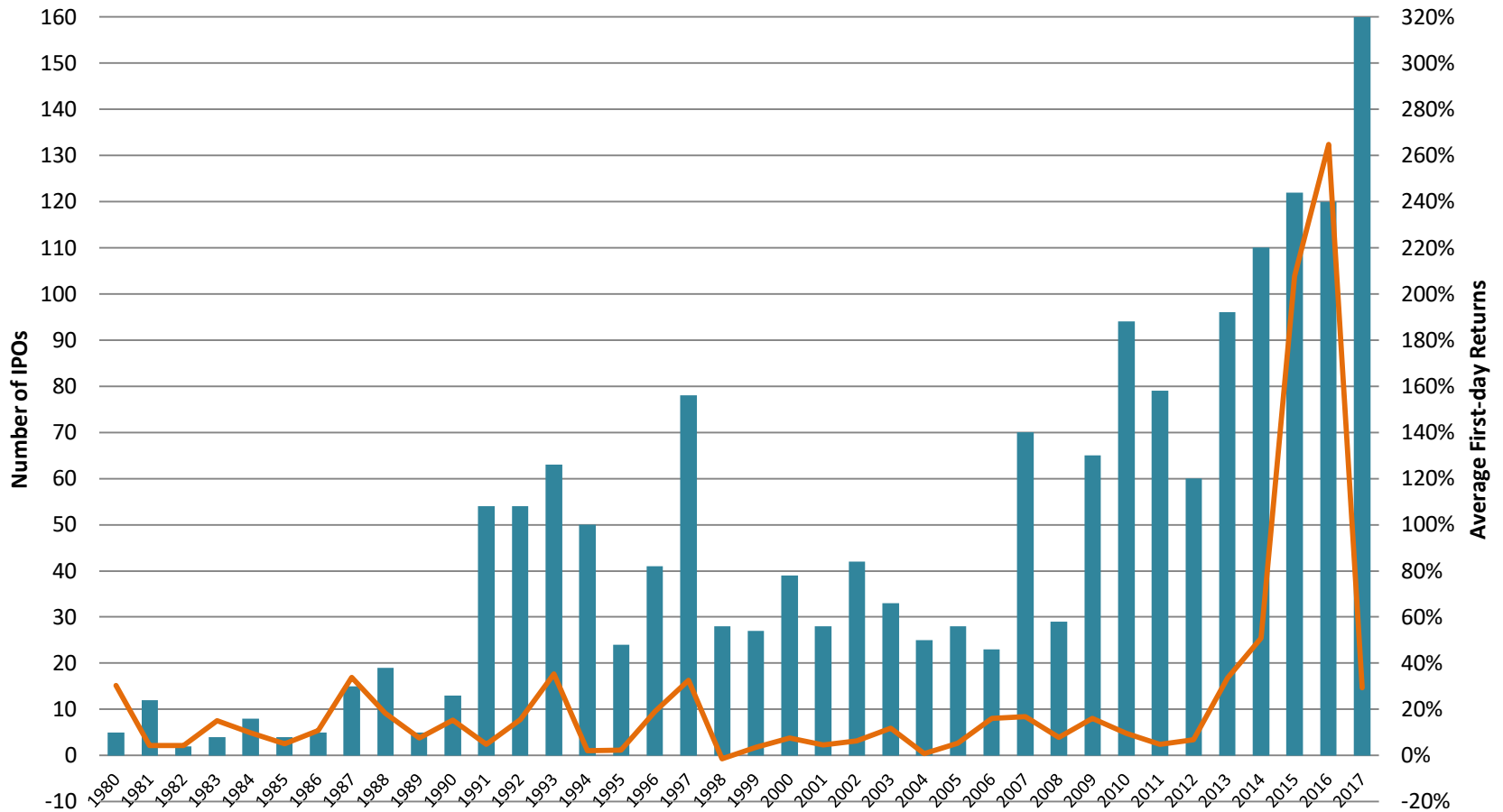


Number of IPOs and Mean First-day Returns on Hong Kong IPOs, 1980-2017



Hong Kong IPOs include both Main Board and GEM markets, and include red chips

The Hong Kong Exchange has a Main Board and the GEM

2009-2017 IPOs, Averages

	N	First-day Returns	Proceeds, HK\$, millions
Main Board	665	7.7%	\$3,150
GEM	241	282.3%	\$92

GEM is Growth Enterprise Board

Main Board IPOs include Agriculture Bank of China, AIA Group, Glencore, Postal Savings Bank of China, Dalian Wanda, and Huatai Securities

Source: Dealogic

Zhao and Wu's Hong Kong numbers are from a City University of Hong Kong working paper. For 1997-2001, the Hong Kong numbers are from Alexander Ljungqvist and Xiaoyun Yu's 2003 working paper "Stock market development, liquidity, and corporate governance." For 2002-2003, the Hong Kong numbers are from Simon Yu Kit Fung, Ferdinand A. Gul, and Suresh Radhakrishnan's "Investment Banks' Repeated IPO Business Opportunities and IPO Underpricing." For 2004-2017, the Hong Kong numbers are from Dealogic, and include GEM IPOs. The average first-day return on GEM IPOs is much higher than on Main Board IPOs. For 241 GEM IPOs from 2009-2017, the average proceeds were US\$11.9 million with an average first day return of 282.3%, with approximately 10% of GEM IPOs having a first-day return of over 1,000%. The average first-day return on 665 Main Board IPOs was 7.7%. Steve Dawson of the University of Hawaii has confirmed the Hong Kong numbers for the early years.

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