Riding on a Tech-Led China/HK IPO Rebound

9 January 2026

Overview

- Hong Kong is leading the global IPO cycle, driven by surging demand for China tech, semiconductor & AI listings.
- Mainland tech and chipmakers are increasingly using Hong Kong to raise offshore capital which is not unusual.
- Offshore investor appetite is strong, with cornerstone investors backing major upcoming tech IPOs.
- We see opportunities in China's domestic semiconductor beneficiaries as well as core exchange and brokerage platforms that monetise higher IPO volumes. We also advocate diversified China tech exposure through ETFs.

Executive summary

Hong Kong (HK) is entering 2026 with renewed strength as a key venue for Chinese technology listings. The city ranked first globally for initial public offering (IPO) proceeds with HKD 280-286 bn raised across >100 listings in 2025; this figure is projected to reach HKD 320-350 bn in 2026.

The IPO resurgence is driven by (i) China's priority to fund innovation-led sectors offshore, (ii) the rising number of mainland tech and semiconductor firms seeking international capital, and (iii) strong participation from global cornerstone investors, reinforcing HK's role as China's gateway for offshore equity financing.

Key themes shaping the 2026 China/HK IPO cycle

1. China tech is central to HK listing momentum

- Chinese AI and semiconductor firms delivered some of the strongest IPO debuts in years. Shanghai Biren Technology's debut saw shares surge ~76-120%, reflecting exceptional retail and institutional appetite.
- HK hosted six major tech IPOs in December 2025 alone, raising HKD 6.99 bn, underscoring sustained demand and a "funding Supercycle" for innovation-led issuers.
- Sectors aligned with the 15th Five-Year Plan — AI, semiconductor, biotech, high-end manufacturing — remain the dominant pipeline drivers.

2. Mainland firms tapping offshore capital via HK

- China's push for technological self-reliance and diversifying funding channels is prompting more onshore firms to do HK listing for global investor access and valuation flexibility.
- Major chipmakers such as Baidu's Kunlunxin, Shanghai Iluvatar CoreX, and Biren Technology have either filed or launched listings in HK, directly targeting offshore investors to fund capex-heavy R&D and fabrication expansion.
- This trend builds on a longer arc set by mainland semiconductor leaders like SMIC and Hua Hong — both historically dual-listed and known for using HK to access foreign institutional pools.

3. Cornerstone investor participation signals strong offshore demand

- Cornerstone structures remain a critical channel for credibility and demand signalling, especially in large-tech IPOs targeting global sovereign funds, regional pension funds and cross-border asset managers.
- For example, MiniMax, a Chinese AI startup scheduled to list on HK Exchange (HKEX) on 9 Jan 2026, has lined up Alibaba and the Abu Dhabi Investment Authority (ADIA) as cornerstone investors. Visible anchor demand points to robust offshore confidence which supports liquidity, price stability and post-listing performance.

4. Policy environment and market infrastructure favour tech IPOs

- Market reforms such as HKEX's TECH channel and streamlined Chapter 18A/18C processes continue to accelerate listings for deep tech and pre revenue biotech companies.

- Deloitte projects at least 160 listings in 2026, with new-economy enterprise focus, supported by falling global interest rates and accommodative policy direction.

Investment implications

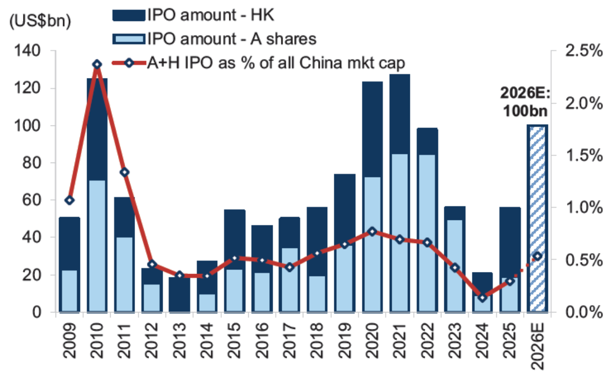
There are three broader investment implications against the backdrop of a China/HK IPO rebound.

First, we expect core exchange and brokerage platforms that monetise higher IPO volumes to be the main beneficiaries. This means that investors should consider owning some of these service providers that can make good money out of the elevated IPO activity. Specifically, they include exchange operators which gain from higher listing fees and Chinese brokers that dominate the HK IPO underwriting.

Second, China's policy tailwinds are structurally redirecting capital to domestic semiconductor suppliers. China's local-equipment mandate (i.e., >=50% domestic tools for new fabs) and tightening access to foreign chips are boosting long-term visibility for equipment makers and local GPU/memory/image-sensor ecosystems. To this end, secular support for China's self-reliant semiconductor supply chain can create durable growth beneficiaries.

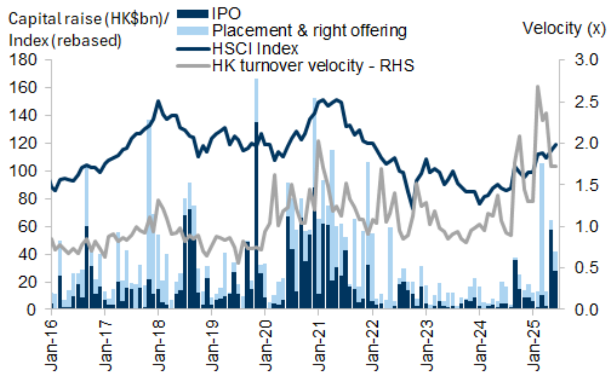
Finally, investors could consider gaining diversified China tech exposure via the exchange-traded funds (ETFs). Qualified new HK tech listings could enter the index quickly, providing liquid exposure without single-name risks. With a tech-led IPO rebound spurring investor confidence, the broad Chinese equity markets should benefit from capital inflows.

Figure 1: HK IPO volumes have bottomed in 2024



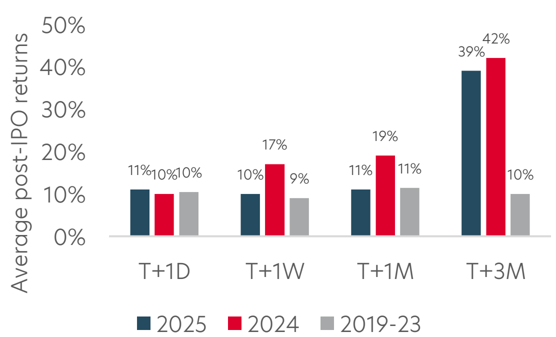
Source: Wind, Goldman Sachs Global Investment Research

Figure 2: Capital raising activity is positively correlated to market performance concurrently



Source: Wind, Goldman Sachs Global Investment Research

Figure 3: IPO investors in the past two years could have achieved ~10% returns on first trading day and ~40% in three months on average



Source: Wind, FactSet, Goldman Sachs Global Investment Research
Note: Post-IPO returns are calculated relative to offering prices and reflected in absolute term for all HK Main Board IPOs.

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