Hong Kong - Asia’s Hub of Financial Strength

- World’s No. 1 IPO market in seven of the last twelve years
- Global #1 offshore RMB Pool
- World’s No. 1 enterprise conditions in 2021

Your Global Launchpad

- 32% of HK FinTechs have already expanded to global markets beyond Asia
- 54% of FinTechs surveyed are focusing on international expansion now
- Access to Mainland China, Southeast Asia and international markets: Top factor for FinTechs setting up in Hong Kong

Exploding FinTech Opportunities: Mainland China (Incl. GBA) and SEA

**MAINLAND CHINA**
- Economy posts strong growth in 2021
- Leads the world in consumer FinTech adoption (87%) and world’s largest single unbanked market
- The Guangdong-HK-Macao Greater Bay Area (GBA) with over 86 million population has a combined GDP of US$1.67 trillion (2020)
- The GBA accounted for over one-fifth of the entire country’s high-net-worth (HNW) households with assets amounting to RMB10 million or more
- HK is the 5th highest density of HNWI in the world

**SOUTHEAST ASIA**
- More than 7 out of 10 adults in Southeast Asia are either “underbanked” or “unbanked” – totalling over 400 million
Hong Kong’s Thriving FinTech Ecosystem

**STRENGTH**
- **5** FinTech unicorns
- **600+** FinTech companies with 60% focused on B2B and other relevant opportunities
- **86%** traditional banks adopting FinTech
- **Top 5** ranking among world’s developed markets for consumer FinTech adoption
- **46%** of FinTechs at least three-years old

**DEPTH**
- **DEMAND**
  - Hong Kong has
  - **160+** Banks
  - **160+** Insurers with 800+ brokers
  - **800+** Wealth/asset managers
  - **700+** Securities and futures dealers

- **SUPPLY**
  - FinTech founders from overseas
  - **44%** founders from Mainland China and Hong Kong
  - Top 2 FinTech Enterprise Solutions and CreditTech the two fastest growing categories in 2021, followed by Regtech and InsurTech
  - **56%** virtual banks
  - **8** virtual insurers

**Foundations for Success**

**FUNDING AND CAPITAL**
- Total funds raised for first seven months of 2021 was **US$ 68.8 billion**
- **US$243 MILLION** private capital raised for FinTechs in 2020
- **41%** of HK FinTechs are scale-ups at Series A funding or higher

**TAX & GOVERNMENT SUPPORT**
- **8.25%** for first US$0.26 million in profit, 16.5% thereafter
- **US$37 BILLION** of anti-epidemic government funding to businesses including FinTechs
- **Up to USD 19,000** Funding per project (FinTech Proof-of-Concept Subsidy Scheme)
- **1,000 New jobs in FinTech** (FinTech Anti-epidemic Scheme for Talent Scheme – FAST)
- **HKMA: FinTech 2025 strategy** driving FinTech Development of Hong Kong

**GET IN TOUCH TO FAST-TRACK YOUR NEXT SUCCESS**

**SOURCES:**
1. HKEx - 2020
2. Financial Services and the Treasury Bureau - 2020
3. Legatum Prosperity Index - 2020
4. InvestHK - 2020
5. World Bank - 2020
6. ICT - 2020
7. Constitutional and Mainland Affairs Bureau - 2020

Disclaimer: The information contained in this publication is for general reference only. While every effort has been made to keep information current and accurate, InvestHK does not accept any responsibility whatsoever in respect of such information. There is no implied endorsement of any material or recommendation of a company or service provider over another.

Data as of Aug 2021, unless otherwise specified.