

FintechHK

FAST-TRACK YOUR NEXT SUCCESS

Hong Kong - Asia's Hub of Financial Strength



World's No. **1** IPO market
in seven of the last twelve years¹



Global # **1**
offshore RMB Pool²



World's No. **1** enterprise
conditions in 2021³

Your Global Launchpad



of HK FinTechs have already expanded
to global markets beyond Asia⁴



of FinTechs surveyed are focusing on
international expansion now⁴



Access to Mainland China, Southeast Asia and international markets

Top factor for FinTechs setting up in Hong Kong⁴

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

MAINLAND CHINA

- Economy posts strong growth in 2021⁵
- Leads the world in consumer FinTech adoption (87%) and world's largest single unbanked market⁶
- **The Guangdong-HK-Macao Greater Bay Area (GBA)** with over 86 million population has a combined GDP of **US\$1.67 trillion** (2020)⁷
- The GBA accounted for over one-fifth of the entire country's high-net-worth (HNW) households with assets amounting to RMB10 million or more⁸
- HK is the 5th highest density of HNWI in the world⁹

SOUTHEAST ASIA

- **More than 7 out of 10 adults** in Southeast Asia are either "underbanked" or "unbanked" – totalling over 400 million¹⁰

STRENGTH



5 FinTech unicorns



600+ FinTech companies with 60% focused on B2B and other relevant opportunities⁴



86% traditional banks adopting FinTech⁸



Top 5 ranking among world's developed markets for consumer FinTech adoption⁶



46% of FinTechs at least three-years old⁴

DEPTH

DEMAND



Hong Kong has

160+ Banks

160+ Insurers with 800+ brokers

800+ Wealth/asset managers

700+ Securities and futures dealers



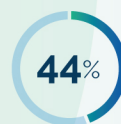
8 Virtual banks

4 Virtual Insurers

SUPPLY



FinTech Enterprise Solutions and **CreditTech** the two fastest growing categories in 2021, followed by Regtech and InsurTech⁴



44% FinTech founders from overseas⁴



56% founders from Mainland China and Hong Kong⁴

Foundations for Success

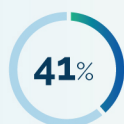
FUNDING AND CAPITAL



Total funds raised for first seven months of 2021 was **US\$ 68.8 billion**¹

US\$ 243 MILLION

private capital raised for FinTechs in 2020¹¹



of HK FinTechs are scale-ups at Series A funding or higher⁴

TAX & GOVERNMENT SUPPORT



LOW AND SIMPLE TAX

8.25% for first US\$0.26 million in profit, 16.5% thereafter

US\$ 37 BILLION

Total anti-epidemic government funding to businesses including FinTechs¹²

- **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 (2021) 2. Financial Services and the Treasury Bureau (2021) 3. Legatum Prosperity Index (2021) 4. InvestHK (2020/21) 5. World Bank (2021) 6. EY (2019) 7. Constitutional Mainland Affairs Bureau (2020)
8. HKMA (2020) 9. Citibank (2020) 10. World Bank & Center for Financial Inclusion (2019) 11. Accenture (2020) 12. HKSAR Government (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.