

# FintechHK

## FAST-TRACK YOUR NEXT SUCCESS

### Hong Kong - Asia's Hub of Resilience and Financial Strength



No. **1** HK ranks as  
Asia's most resilient economy<sup>1</sup>



**25** YRS as the  
world's freest economy<sup>2</sup>

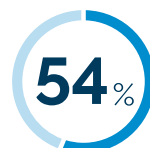


World's No. **1** IPO location in 2018  
and 2019, top 3 for 11 years in a row<sup>3</sup>

### Your Global Launchpad



of HK fintechs have already expanded  
to global markets beyond Asia<sup>4</sup>



of fintechs surveyed are focusing on  
international expansion now<sup>4</sup>



### Access to Mainland China, Southeast Asia and international markets

Top factor for fintechs setting up in Hong Kong<sup>4</sup>

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



#### MAINLAND CHINA

- Only major economy projected to grow in 2020<sup>5</sup>
- Leads the world in consumer fintech adoption and world's largest single unbanked market<sup>6</sup>
- The Guangdong-HK-Macao Greater Bay Area (GBA) with over 70 million population has a combined GDP of **US\$1.7 trillion** (2019) (12% of China's GDP)<sup>7</sup>

#### SOUTHEAST ASIA

- **More than 7 out of 10 adults** in Southeast Asia are either "underbanked" or "unbanked" -- totalling over 400 million<sup>8</sup>

## STRENGTH



**3** fintech unicorns  
out of HK's **8** unicorns



**600+** fintech companies  
with 66% focused on B2B  
opportunities<sup>4</sup>



**86%** traditional banks  
adopting fintech<sup>9</sup>



**Top 5** ranking among  
world's developed markets for  
consumer fintech adoption<sup>6</sup>



**46%** of fintechs at least  
three-years old<sup>4</sup>

## DEPTH

### DEMAND



Hong Kong has  
**160+** Banks  
**160+** Insurers  
**800+** Wealth/asset  
managers



**8** Virtual  
banks  
**4** Virtual  
Insurers

### SUPPLY



**RegTech** and  
**Blockchain** the  
two fastest  
growing categories  
in 2019, followed  
by InsurTech,  
WealthTech and  
Digital Assets<sup>4</sup>



**44%** fintech founders  
from overseas<sup>4</sup>



**56%** founders from  
Mainland China  
and Hong Kong<sup>4</sup>

## Foundations for Success

## FUNDING AND CAPITAL



growth in total funds raised by  
HKEx at **US\$ 61.1 billion**  
(Sept 2020)<sup>3</sup>



private capital raised  
for fintechs in 2019  
(2x previous year)<sup>10</sup>



of HK fintechs are scale-ups  
at Series A funding or higher<sup>4</sup>

## TAX & GOVERNMENT SUPPORT



**LOW AND  
SIMPLE TAX**

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



Total anti-epidemic  
government funding to  
businesses including fintechs<sup>11</sup>

- **US \$770 Million**  
earmarked to drive talent development  
focused on new skills
- **1,000 New jobs in fintech**  
(Fintech Anti-epidemic Scheme  
for Talent Scheme – FAST)

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



### SOURCES:

1. FM Global Resilience Index (2020) 2. Heritage Foundation (2019) 3. Refinitiv (2020) 4. InvestHK (2020) 5. World Bank (2020) 6. EY (2019) 7. Constitutional Mainland Affairs Bureau (2019) 8. World Bank & Center for Financial Inclusion (2019) 9. HKMA (2020) 10. Accenture (2019) 11. HKSAR Government (2020)

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Data as of Oct 2020,  
unless otherwise  
specified.