

Hong Kong FAST-TRACK YOUR NEXT SUCCESS



SCALE UP WITH ASIA'S PREMIER FINTECH HUB

Combining enormous market opportunities with progressive policies and deep funding pools, Hong Kong is an international fintech hub which offers the perfect platform for companies to rapidly scale-up their business.

A sizeable financial industry with huge demand for B2B fintech innovation

	<i>Market Stats (USD)</i>	<i>No. of Firms</i>
 Asset & Wealth Management	\$3.96tn AUM ¹	2,000+ ¹
 Banking	\$3.55tn Total Asset ²	150+ Licenced Banks ² 8 Licensed Digital Banks
 Digital Payment	\$578.58bn Turnover of Fast Payment System Value ³	100+ Digital payment companies ⁴
 Insurance	\$71.46bn Total Gross Premium ⁵	160 Insurers ⁵ 4 Virtual Insurers ⁶
 Securities	\$172.2bn Total Assets ⁷	1,400+ Securities Dealers and Securities Margin Financiers ⁸
 Trading	\$1.13tn Total Trade ⁹	Out of 360,000+ Total SMEs ¹⁰ 100,000+ engaged in import/export trade and wholesale ¹¹

Exceptional potential for virtual assets (VA) and Web3 in Hong Kong

As an international financial centre, Hong Kong is open and inclusive towards the global community of innovators engaging in VA businesses by initiatives such as:

- The Government announced to allocate US\$6.4 million to boost the development of the Web3 industry
- The Task Force on Promoting Web3 Development has been established to provide recommendations on its sustainable and responsible development
- The mBridge project, a collaboration between global central banks, including the HKMA and PBoC, aims to enhance cross-border payments using central bank digital currency which has reached the Minimum Viable Product stage
- The consultation on legislative proposal to implement regulatory regime for stablecoin issuers completed. The HKMA will roll out a "sandbox" to facilitate the communication of our supervisory expectations with entities that are interested in issuing stablecoins in Hong Kong
- The Government conducted a public consultation on legislative proposals to introduce a licensing regime for providers of over-the-counter trading services of virtual assets

ENORMOUS OPPORTUNITIES IN WEALTH AND CAPITAL MARKETS IN HONG KONG AND MAINLAND CHINA

- Hong Kong has **5,600+** ultra-high-net-worth individuals¹²
- Hong Kong is the top cross-border wealth booking center in Asia by assets under management and is poised to claim the world's number one position by 2027¹³
- The Government issued the Policy Statement on Developing Family Office Businesses in Hong Kong, which will promote the sustainable development of Hong Kong's financial and professional services and innovation and technology. Market study reveals more than 2,700 single-family offices are operating in Hong Kong¹⁴
- Mainland China with **over 24%** of high net worth individuals situated in the Greater Bay Areas¹⁵ and has the **second largest** billionaire population among global centres¹⁶
- Greater Bay Area Wealth Management Connect Scheme will facilitate growth of wealth management market in a region with over 86 million people and a combined **GDP of US\$1.95 trillion**
- China's capital market is expected to grow to **US\$100 trillion** by 2030¹⁷

FAVOURABLE POLICIES & GOVERNMENT SUPPORT

- ✓ Hong Kong Monetary Authority's (HKMA) Fintech 2025 Strategy's focus areas are:
 - **All banks go fintech**
 - Future-proofing Hong Kong for Central Bank Digital Currencies
 - Creating the next-generation data infrastructure
 - Expanding the fintech-savvy workforce
 - Nurturing the ecosystem with funding and policies
- ✓ HKMA also published a new Fintech Promotion Roadmap, focusing on Wealthtech, Insurtech, Greentech, Artificial Intelligence and Distributed Ledger Technology, and outlining the key initiatives to give further impetus to fintech adoption
- ✓ Simple and low tax regime with the first US\$255,000 of profits taxed at 8.25% and 16.5% afterward
- ✓ InvestHK's Global Fast Track programme connects fintech with corporate clients, investors and local partners
- ✓ The Government offered twice the tokenised green bond under the Government Green Bond Programme. The first offer was the first tokenised green bond issued by the government globally
- ✓ Introduction of the revamped Capital Investment Entrant Scheme whereby a designated amount of applicant's investment portfolio is required to invest in companies and projects with a Hong Kong nexus, with a view to supporting the innovation and technology industries and other strategic industries that are beneficial to the long term development of Hong Kong's economy

DEEP & DIVERSE FUNDING



One of the most **vibrant and active capital markets**, with a total market capitalization of about US\$5tr¹⁸



2nd largest private capital pool in Asia Pacific totalling at **US\$ 228 billion**¹⁹

- *Asia's largest cross-boundary private wealth management centre and the hub of choice for family offices*
- *HKSAR Government established The Hong Kong Investment Corporation Limited (HKIC) to further optimise the use of financial reserves for promoting the development of the economy and industries of Hong Kong*²⁰

HKIC manages a total of US\$8.06 billion in funding, which includes:

- 1. Hong Kong Growth Portfolio (US\$2.86 billion)*
- 2. Greater Bay Area Investment Fund (US\$0.65 billion)*
- 3. Strategic Technology Fund (US\$0.65 billion)*
- 4. Co-Investment Fund (US\$3.9 billion)*

Get in Touch with InvestHK to Fast-track Your Next Success

Global Edition

* Calculated based on the exchange rate on the day of writing (HKD 1 - USD 0.13)

1. Asset and Wealth Management Activities Survey 2022, Securities and Futures Commission 2. 2023 Annual Report, Hong Kong Monetary Authority 3. HKICL, 2023 4. PayDollar, 2020 5. Insurance Authority 2023 6. Insurance Authority, 2020 7. Financial Review of the Securities Industry 2023, Securities and Futures Commission 8. Financial Review of the Securities Industry 2023, Securities and Futures Commission 9. Hong Kong Trade Development Council 2023 10. Trade and Industry Department 2023 11. Hong Kong Trade Development Council 2022 12. SCMP, 2023 13. The BCG Global Wealth Report, 2023 14. InvestHK Financial Statistics, 2024 15. Hurun Report, 2023 16. Forbes, 2024 17. HKEX, 2021 18. HKEX, 2024 19. SFST Speech (Partners Group), 2024 20. HKIC, 2023



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