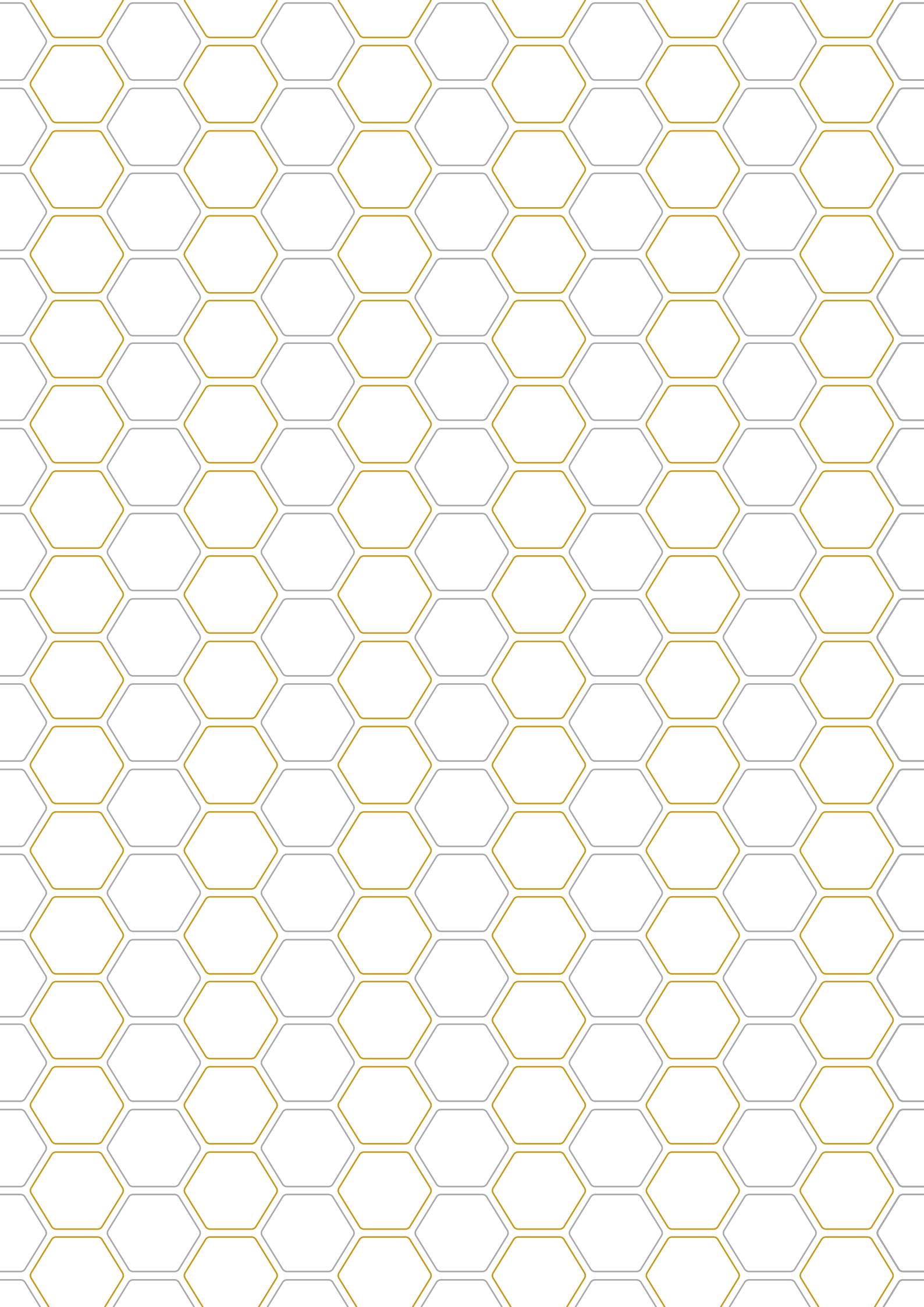


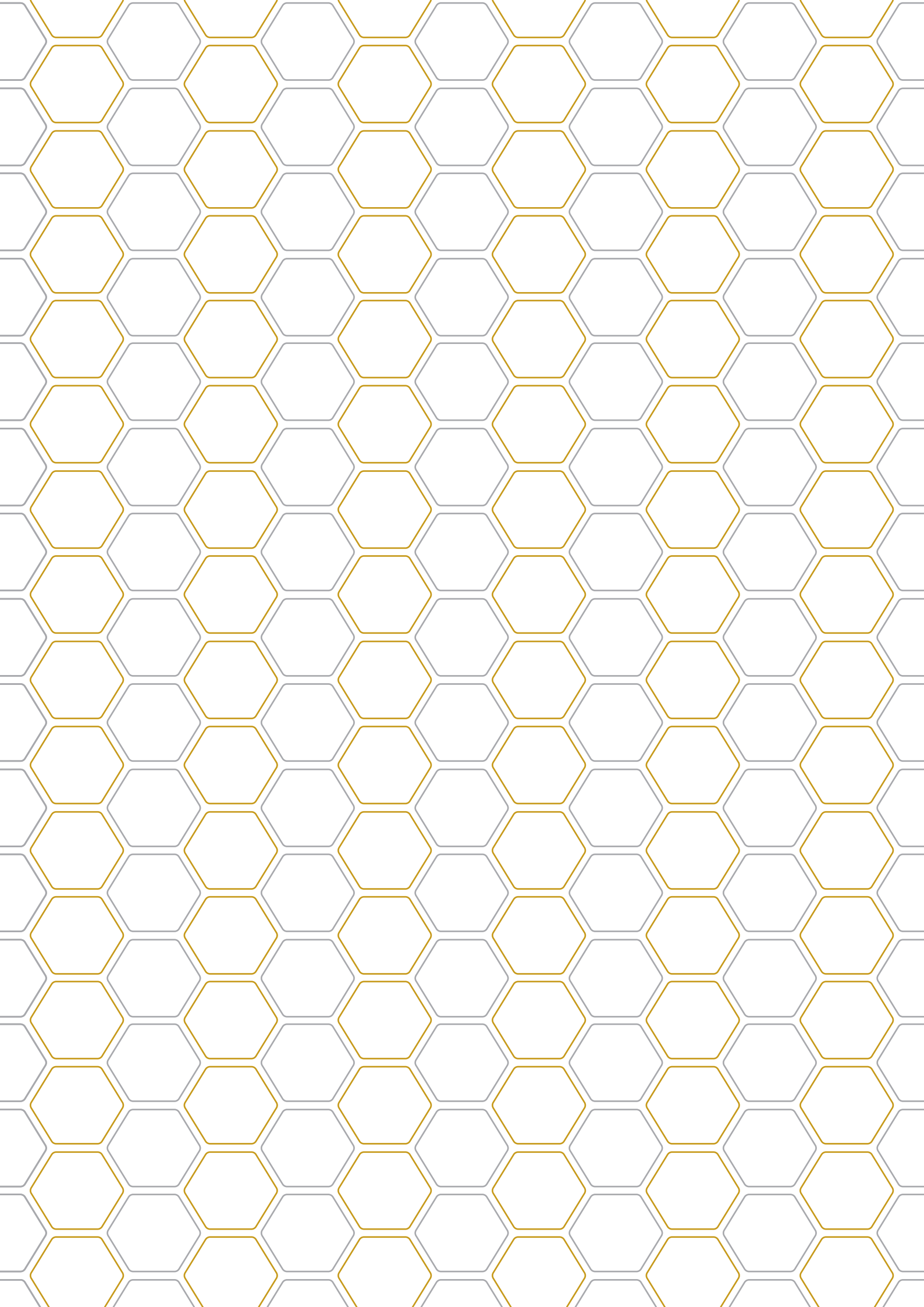


# The Hong Kong Fintech Ecosystem Report

March 2025







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# INTRODUCTION

For nearly two decades, financial technology (fintech) has revolutionized the financial services industry with agile, customer-centric innovations. The latest technologies and breakthroughs in areas such as artificial intelligence and quantum computing are further propelling transformative shifts in the finance industry, positioning fintech for sustained growth and new opportunities. Recognizing the critical importance of fintech, Hong Kong has committed substantial resources to fostering local development, ensuring the city maintains its competitive edge and solidifying its status as a leading global financial center and a dynamic fintech hub.

## The Growing Importance of Fintech across the World

The remarkable expansion of fintech in recent years has been facilitated by robust growth in the banking sector, accelerated digitization, evolving customer demands, and enhanced support from regulators and investors.<sup>1</sup> Notably, more than half of the profitable challenger banks are located in Asia.<sup>2</sup>

As of the end of 2023, the market capitalization of publicly traded fintech companies<sup>3</sup> reached US\$573 billion.<sup>4</sup> As fintech continues to grow and scale, the financial services ecosystem will uncover new opportunities.<sup>5</sup> For instance, billions of individuals worldwide remain underbanked or unbanked. In response, fintech is increasingly providing tailored services to these segments, particularly the underbanked. Mobile connectivity in emerging markets and developing economies (EMDEs) has enabled these markets to overcome barriers posed by traditional banking infrastructure, significantly reducing service costs. Additionally, Generative Artificial Intelligence (Gen AI) presents substantial potential for fintech, with its market size projected to grow fivefold, reaching approximately US\$1.5 trillion in revenue by 2030, up from US\$320 billion in June 2024.<sup>6</sup>

Over the past decade, fintech funding has surged. According to estimates from the Bank of International Settlements in 2021, over US\$1 trillion has been raised globally since 2010.<sup>7</sup> Although there was a notable decline in fintech investment of US\$89.6 billion from 2021 to 2023, investments across various regions from 2011 to 2021 remained quite robust.<sup>8,9</sup>

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<sup>1</sup> <https://www.mckinsey.com/industries/financial-services/our-insights/fintechs-a-new-paradigm-of-growth/>

<sup>2</sup> <https://web-assets.bcg.com/a9/4e/eeb7ae814bfb98d918fac0fcc4ce/2024-fintech-report-june-2024-edit-03.pdf>

<sup>3</sup> "Fintech companies" are defined as companies with financial technology products and services pertaining to the financial industry.

<sup>4</sup> <https://fintechindex.fprimecapital.com/wp-content/uploads/2024/03/2024-F-Prime-Capital-State-of-Fintech-Report.pdf>

<sup>5</sup> <https://www.jbs.cam.ac.uk/wp-content/uploads/2024/01/2024-01-ccaf-future-of-global-fintech-report.pdf>

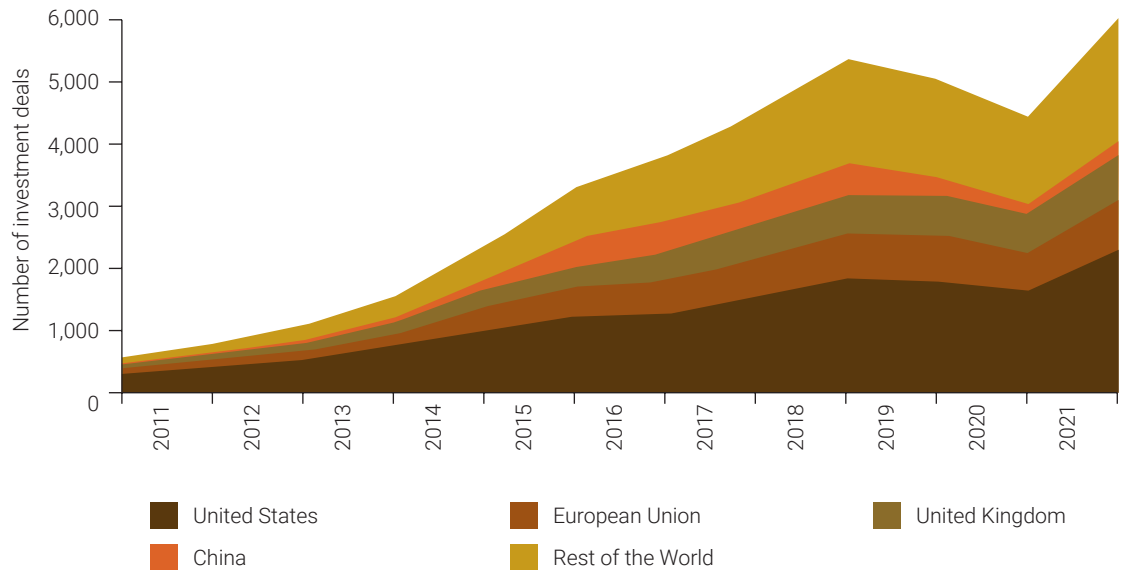
<sup>6</sup> <https://web-assets.bcg.com/a9/4e/eeb7ae814bfb98d918fac0fcc4ce/2024-fintech-report-june-2024-edit-03.pdf>

<sup>7</sup> Bank for International Settlements (BIS), Funding for fintechs: patterns and drivers, BIS Quarterly Review, 2021.

<sup>8</sup> [https://www.cbinsights.com/reports/CB-Insights\\_Fintech-Report-Q3-2023.pdf](https://www.cbinsights.com/reports/CB-Insights_Fintech-Report-Q3-2023.pdf)

<sup>9</sup> <https://www.innovatefinance.com/capital/fintech-investment-landscape-2023/>

**Fintech Investment Growth by Region (2011-2021)**



Source: The World Bank Group

As of January 2024, there are approximately 13,100 fintech companies in the Americas (North America, South America, Central America and the Caribbean), nearly 11,000 in the EMEA region (Europe, the Middle East and Africa), and close to 5,900 fintech companies operating in the Asia Pacific region.<sup>10</sup>

## Hong Kong’s Stance on Fintech as a Global Financial Center

The financial services sector is one of the most critical economic pillars of Hong Kong. Ranked first in Asia Pacific and third globally in the latest Global Financial Centers Index (GFCI) 36 Report,<sup>11</sup> Hong Kong’s status as a leading global financial center is reaffirmed. Advancements in cutting-edge technologies have propelled the fintech sector from the periphery to the forefront of the financial services industry, making fintech integral to Hong Kong’s efforts to maintain its competitive edge as a global financial center.

Since 2015, the Hong Kong government has committed substantial resources and implemented a range of measures to facilitate the growth of the local fintech sector. By July 2024, there were more than 1,100 fintech companies in Hong Kong.<sup>12</sup> The revenue for the Hong Kong fintech market is projected to reach US\$606 billion by 2032,<sup>13</sup> with an anticipated annual growth rate of 28.5% from 2024 to 2032.<sup>14</sup> As global and local conditions continue to evolve, the Hong Kong fintech sector is expected to continue surpassing its current maturity and vibrancy.

<sup>10</sup> <https://www.statista.com/statistics/893954/number-fintech-startups-by-region/#:~:text=There%20were%20approximately%2013%2C100%20fintechs,in%20the%20Asia%20Pacific%20region.>

<sup>11</sup> <https://www.longfinance.net/programmes/financial-centre-futures/global-financial-centres-index/>

<sup>12</sup> The figure includes only the fintech-related startups, companies, corporations and organizations served/ tracked by InvestHK, fintech companies registered/ located at Cyberport, and fintech companies registered/ located at Hong Kong Science and Technology Parks Corporation (HKSTP). It is not guaranteed that the figure covers all Hong Kong fintech companies. New entrants often start in stealth mode and might not be publicly visible in their first year. Therefore, the actual number of Fintech companies in Hong Kong may be higher.

<sup>13</sup> <https://www.datacube.research.com/hong-kong-fintech-market>

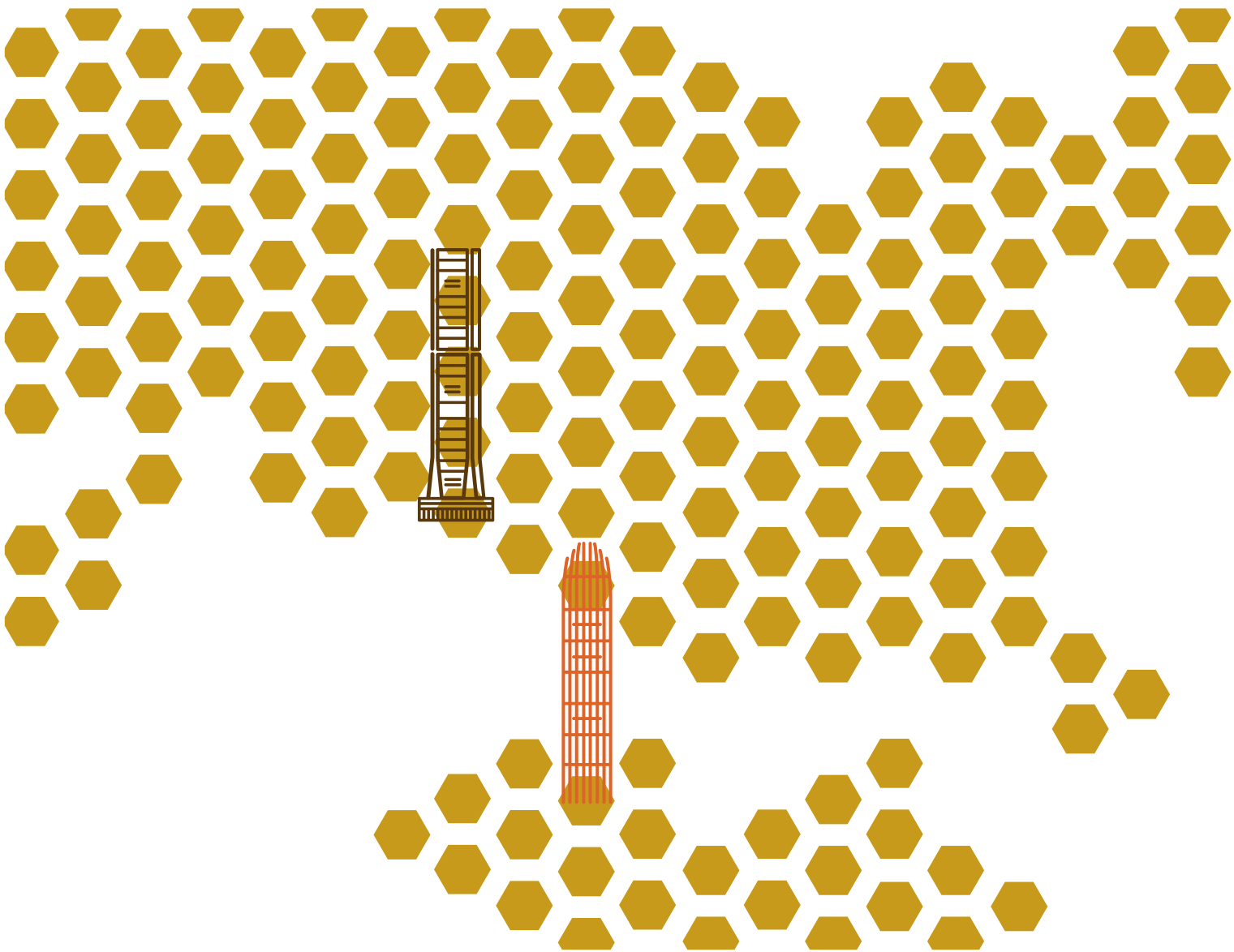
<sup>14</sup> Ibid

The growth of fintech is contingent upon innovation. The substantial funding reflected in the latest budget underscores Hong Kong's commitment to supporting technological advancement and research and development (R&D) as Asia's hub for innovation and technology. Focusing on key areas within fintech, including green fintech, wealthtech, investtech, insurtech and regtech, as well as emerging technologies such as artificial intelligence and distributed ledger technology, will be crucial in the coming year.

## **About Hong Kong Fintech Ecosystem Report**

Serving as a quick guide to the Hong Kong fintech sector, this report presents the latest statistics and the most relevant insights gathered through on-going research and engagement with key participants in the Hong Kong fintech ecosystem, including industry representatives and regulators. Whether you are contemplating participation in Hong Kong's fintech ecosystem, already familiar with the Hong Kong fintech landscape, or a general reader seeking to learn more, this report is a valuable resource for gaining a comprehensive understanding of the fintech sector in Hong Kong and staying informed of the city's latest fintech development. In the next sections, you will find all the essential information about the ecosystem, with the latest figures and access points to further reading and resources, and the key findings from the 2024 Hong Kong Fintech Ecosystem Survey conducted by Invest Hong Kong (InvestHK).





# PART I: HONG KONG FINTECH AT A GLANCE

As a longstanding principal financial center in the Asia Pacific region, Hong Kong has experienced substantial fintech growth.<sup>15</sup> Over the past two decades, the city has strategically leveraged advancements in technology to establish itself as a leading global financial hub while gaining a reputation as an innovative city.<sup>16</sup>

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<sup>15</sup> <https://www.adb.org/sites/default/files/publication/532751/adbi-wp1013.pdf>

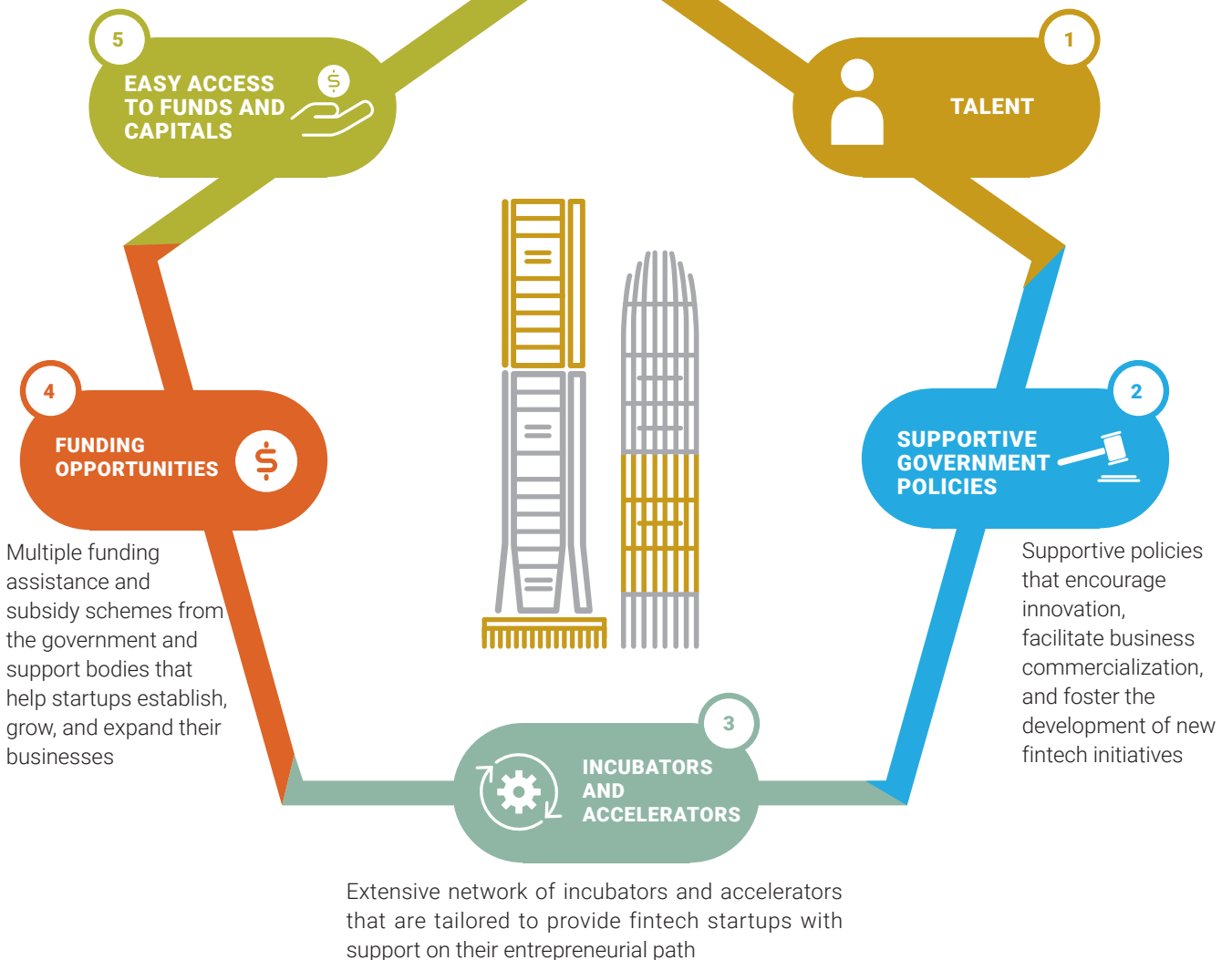
<sup>16</sup> <https://www.fsrc.org.hk/media/pvtlwf2x/eng-embracing-digital-id-accelerating-digital-transformation-in-hks-financial-services-industry.pdf>

# ◆ THE HONG KONG FINTECH ECOSYSTEM

The Hong Kong fintech ecosystem is a dynamic and diverse network, encompassing participants from various sectors such as retail banking, investment management, insurance, fundraising, government, nonprofit organizations, and education. This vibrant ecosystem is driven by three major groups: government, market, and education, each contributing to its robust growth. The city actively encourages collaborations among government entities, educational institutions, and business organizations, fostering a vibrant landscape characterized by strong collaborative efforts in research, talent development, and the promotion of Hong Kong on a global scale, positioning Hong Kong as a premier destination for fintech investment.

Various funding sources from the government, venture capital and private equity, and a robust stock exchange market for corporates to raise money through listings

Emerging collaborations among government, financial services and fintech industry and higher education institutions to groom fintech talent, with opportunities to upskill and reskill



## Participants of the Hong Kong Fintech Ecosystem

Government	Market		Education
<b>Policy bureaus</b> - Financial Services and the Treasury Bureau (FSTB) - Innovation, Technology and Industry Bureau (ITB)	<b>Fintech companies</b>		<b>Universities</b> - Local universities that offer fintech and related trainings
	<b>Banks and financial institutions</b>		
	<b>Technology companies</b>		
<b>Regulators</b> - Hong Kong Monetary Authority (HKMA) - Insurance Authority (IA) - Securities and Futures Commission (SFC)	<b>Investors</b> E.g., angel investors, accelerators & incubators, banks, peer-to-peer lenders, personal investors, venture capitalists, etc.		<b>Professional institution</b> E.g., Asia Pacific Financial Services Association (APFinSA), Chartered Alternative Investment Analyst (CAIA), Chartered Financial Analyst (CFA), Chartered Institute for Securities & Investment (CISI)
	<b>Corporates</b>	<b>SMEs</b>	
<b>Ecosystem partners</b> E.g., Hong Kong Applied Science and Technology Research Institute (ASTRI), Cyberport, Hong Kong Productivity Council (HKPC), Hong Kong Trade Development Council (HKTDC), Hong Kong Science and Technology Parks (HKSTP), InvestHK, Financial Services Development Council (FSDC)	<b>Industry associations</b> E.g., FinTech Association of Hong Kong (FTAHK), Hong Kong Association of Banks (HKAB)	<b>Consumers</b>	<b>Other training providers</b>

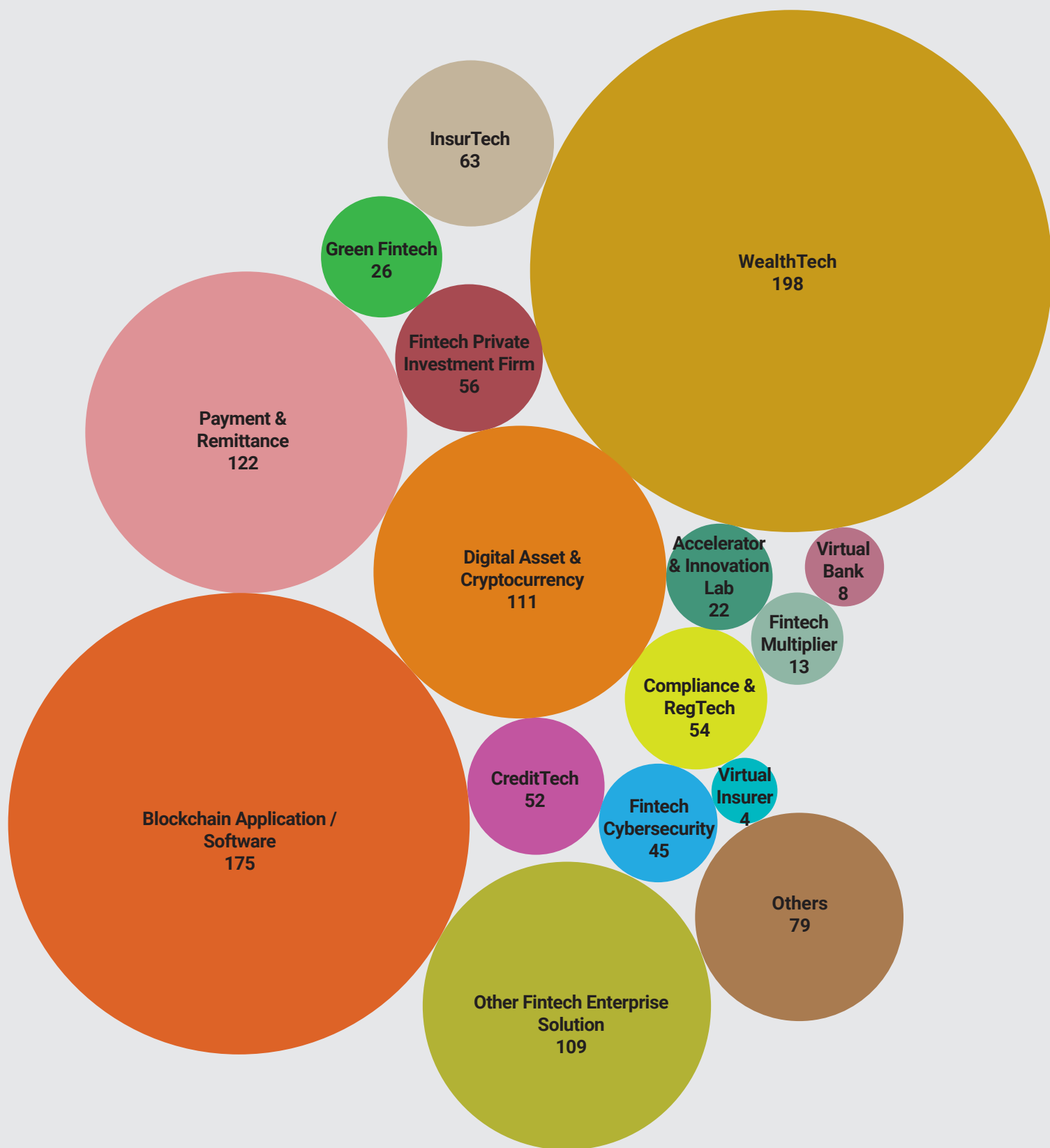
Adapted from *Hong Kong towards a Leading Global Fintech Hub – Best Practices and Recommendations through Examining Other World Hubs*. HKUST Business School.

Currently, there are over 1,100 fintech companies operating in Hong Kong. The city is home to more than ten unicorns, positioning it as one of the most productive markets for fintech startups to scale rapidly.<sup>17</sup> Notable fintech unicorns in Hong Kong include Airwallex, HashKey Group, WeLab, Micro Connect and ZA Group. Additionally, Bowtie, Qupital and Reap are among the twelve Asian fintech companies on the 2023 Forbes Asia 100 to Watch list. Airwallex and WeLab have also been recognized among the world's top 191 fintech unicorns in 2024.<sup>18</sup>

<sup>17</sup>. Ibid

<sup>18</sup>. <https://www.failory.com/startups/fintech-unicorns>

# 1100+ FINTECH COMPANIES IN HONG KONG AS OF JULY 2024

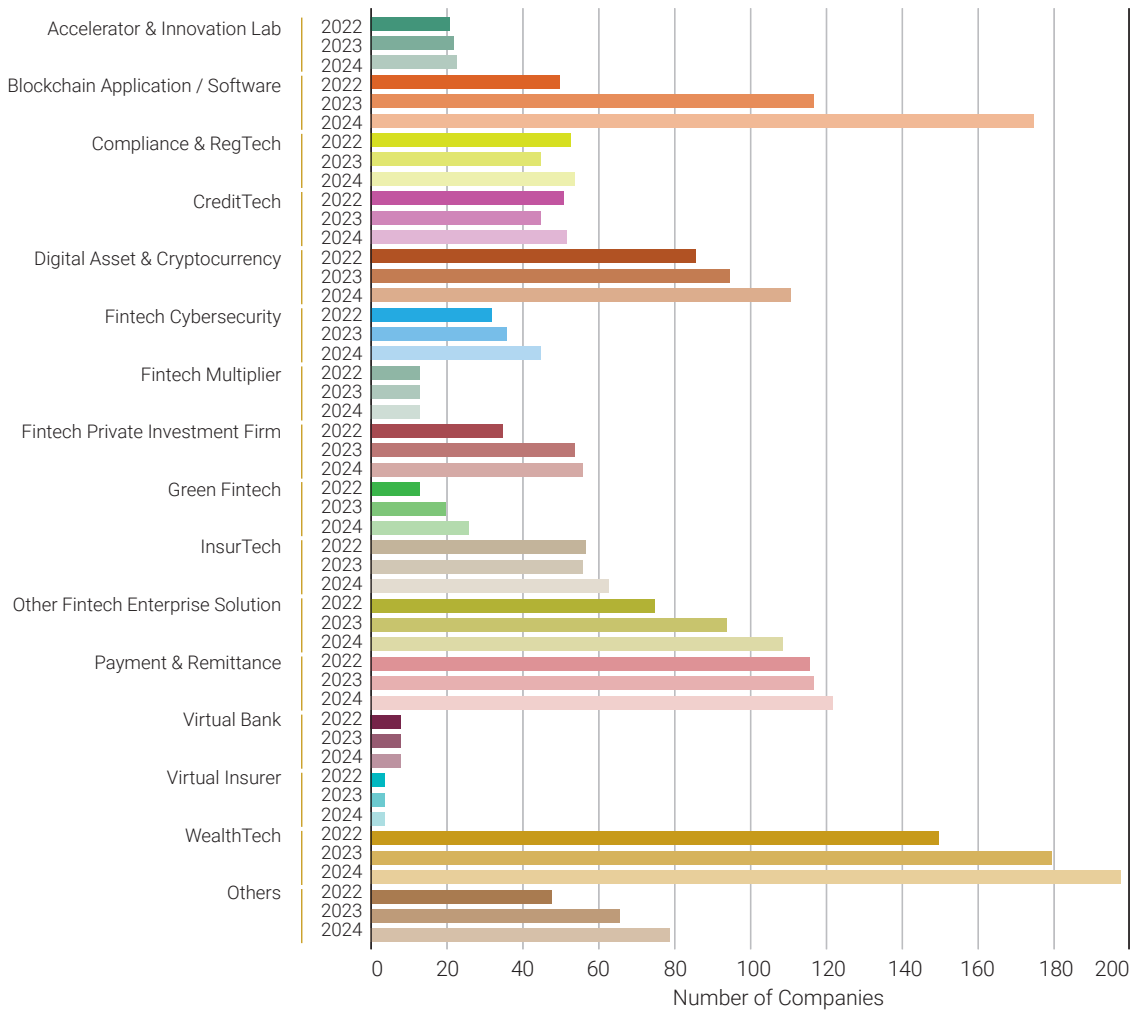


The figure includes only the fintech-related startups, companies, corporations and organizations served/ tracked by InvestHK, fintech companies registered/ located at Cyberport, and fintech companies registered/ located at Hong Kong Science and Technology Parks Corporation (HKSTP). It is not guaranteed that the figures cover all Hong Kong fintech companies. New entrants often start in stealth mode and might not be publicly visible in their first year. Therefore, the actual number of fintech companies in Hong Kong may be higher.

## Growth Opportunities for Businesses

Hong Kong's fintech ecosystem is characterized by diversity, encompassing a wide range of sectors, including wealthtech, blockchain application/software, payments and remittances, credit-tech, insurtech, regtech, digital assets and cryptocurrency, and green fintech.<sup>19</sup> The number of fintech companies in Hong Kong has grown across nearly all sub-sectors from 2022 to 2024. As of July 2024, Hong Kong boasts the highest number of fintech companies in the categories of wealthtech, blockchain, digital asset and cryptocurrency, payment and remittance, along with other fintech enterprise solution (e.g., AI enterprise solutions applicable in the financial services industry, data providers to financial institutions). The sub-sectors of blockchain application/software and digital assets and cryptocurrency have experienced significant growth over two consecutive years from 2022 to 2024. The blockchain application/software sub-sectors saw a 250% increase, while the digital asset and cryptocurrency sub-sectors grew by nearly 30%, reflecting the success of Hong Kong's progressive policies embracing digital assets and Web3, which were launched since October 2022.

**Number of Fintech Companies in Hong Kong by Sub-sectors, 2022 -2024**



Note:

The fintech companies reflected in this chart consist of:

1. Fintech-related startups, companies, corporations and organizations served/ tracked by InvestHK.
2. Fintech companies that are registered/located at Cyberport.
3. Fintech companies that are registered/located at Hong Kong Science and Technology Parks Corporation (HKSTP).

Source: InvestHK

<sup>19</sup> <https://www.hongkong-fintech.hk/en/insights/news/news-2024/fact-sheet-hong-kong-fintech-landscape/index.html>

## Job Opportunities for Talents

Fintech companies in Hong Kong employ over 25,000 individuals, representing approximately 0.66% of the city's total workforce, a figure significantly higher than Singapore's 0.29%.<sup>20</sup> Fintech unicorns in Hong Kong employ around 12,000 staff, accounting for about 50% of the total workforce in the city's fintech sector.

According to the 2023 global fintech survey conducted by eFinancialCareers, working in Hong Kong's fintech industry is perceived as more desirable than in London, New York, and Frankfurt.<sup>21</sup> Finance and technology professionals in Hong Kong also enjoy higher salaries compared to their counterparts in Singapore, as reported by Bloomberg Intelligence.<sup>22</sup>

As global competition for talent intensifies, there is an increasing talent shortage in the financial services sector in Hong Kong. The anticipated shortage of fintech talent, coupled with the expected scaling of fintech operations in the coming years,<sup>23</sup> presents opportunities for individuals seeking to embark on fintech careers in Hong Kong.

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<sup>20</sup> <https://fintechnews.hk/24169/hong-kong/growth-of-hong-kong-fintech-sector-stalls/>

<sup>21</sup> <https://www.efinancialcareers.my/news/2023/05/fintech-salary-and-bonus-survey>

<sup>22</sup> <https://fintechnews.hk/26433/various/hong-kongs-finance-and-tech-salaries-surpass-singapores-by-up-to-46/>

<sup>23</sup> [https://fintechacademy.cs.hku.hk/wp-content/uploads/2022/11/FinTech-Talent-Survey\\_Full-Report.pdf](https://fintechacademy.cs.hku.hk/wp-content/uploads/2022/11/FinTech-Talent-Survey_Full-Report.pdf)

## ● HONG KONG'S FINANCIAL MARKET AND ITS UNPARALLELED ADVANTAGES

Ranking third in the latest Global Financial Centers Index 2024 report,<sup>24</sup> Hong Kong is highlighted as a financial center likely to grow significantly over the next two to three years, underscoring its increasing importance as an international financial services hub.<sup>25</sup> The Global Startup Ecosystem Report 2024 ranks Hong Kong first in Asia Pacific and third globally in emerging ecosystems,<sup>26</sup> indicating the city's robust economy as a host for innovative startups, including those in the fintech sector. The 2023 Frontier Technologies Readiness Index, published by United Nations Conference on Trade and Development, places Hong Kong ninth globally,<sup>27</sup> signifying its preparedness to leverage cutting-edge technologies such as artificial intelligence and Internet of Things. These exceptional rankings attest to Hong Kong's competitiveness and attractiveness as a major global financial center.

Hong Kong possesses a diverse and rich funding landscape, enabling companies to access both government and private funding opportunities for small startups, as well as venture and private equity funding for scale-ups. In the first half of 2024, fintech companies in the Asia Pacific recorded 438 deals totaling US\$3.8 billion. Among the top ten deals, Hong Kong's HashKey Group and LongBridge Security each secured US\$100 million.<sup>28</sup> Additionally, Hong Kong ranks as one of the leading IPO markets globally, with funds raised through IPOs in 2022 amounting to HKD 105 billion, positioning the city as the fourth-largest IPO center in the world.<sup>29</sup> It also boasts the second-largest private fund pool in Asia, surpassed only by Mainland China, with private equity capital under management amounting to US\$228.1 billion as of the end of 2023.<sup>30</sup>

As a vital financial center and a premier gateway to Mainland China, Hong Kong's pivotal role in facilitating market connectivity between Mainland China and the world positions it as an ideal launchpad for local fintech companies seeking to expand globally, as well as for international companies aiming to establish operations in Mainland China and the ASEAN region. Fintech companies in Hong Kong benefit from proximity to the world's largest financial institutions in banking, insurance, asset management, and payments.<sup>31</sup> The city hosts over 70 of the world's 100 largest banks.<sup>32</sup> As one of the four designated "core cities" of the Greater Bay Area (GBA), fintech companies in Hong Kong can also easily access opportunities within the GBA, which has a population of 86 million and a GDP of US\$1,958 billion.<sup>33</sup> Notable fintech trends and opportunities in the GBA include cross-border trade finance, cross-border investment and wealthtech, digital payments, and cross-border payment technologies.

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<sup>24</sup> [https://www.longfinance.net/documents/3907/GFCL\\_36\\_Report\\_2024.09.24\\_v1.0.pdf](https://www.longfinance.net/documents/3907/GFCL_36_Report_2024.09.24_v1.0.pdf)

<sup>25</sup> [https://www.longfinance.net/media/documents/GFCL\\_35\\_Report\\_2024.03.21\\_v1.0.pdf](https://www.longfinance.net/media/documents/GFCL_35_Report_2024.03.21_v1.0.pdf)

<sup>26</sup> <https://startupgenome.com/reports/gser2024>

<sup>27</sup> <https://unctad.org/tir2023>

<sup>28</sup> <https://assets.kpmg.com/content/dam/kpmgsites/xx/pdf/2024/08/pof-h1-2024.pdf>

<sup>29</sup> [https://www.hkexgroup.com/-/media/HKEX-Group-Site/ssd/Investor-Relations/Regulatory-Reports/documents/2023/230313ar\\_e.pdf](https://www.hkexgroup.com/-/media/HKEX-Group-Site/ssd/Investor-Relations/Regulatory-Reports/documents/2023/230313ar_e.pdf)

<sup>30</sup> <https://www.info.gov.hk/gia/general/202405/20/P2024052000236.htm>

<sup>31</sup> Ibid

<sup>32</sup> <https://www.hkma.gov.hk/eng/key-functions/banking/>

<sup>33</sup> <https://gba.investhk.gov.hk/en.html>

# Hong Kong's Financial Market

## A Sizeable Financial Industry with Huge Demand for B2B Fintech Innovation

	Market Stats (US\$)	No. of Firms
Asset & Wealth Management	\$3.99T AUM <sup>i</sup>	2,000+ <sup>i</sup>
Banking	\$3.55T Total Asset <sup>ii</sup>	150+ Licenced Banks <sup>ii</sup> 8 Virtual Banks
Digital Payment	\$578.58B Turnover of Fast Payment System Value <sup>iii</sup>	120+ Digital payment companies <sup>iv</sup>
Insurance	\$70.47B Total Gross Premium <sup>v</sup>	158 Insurers <sup>v</sup> 4 Virtual Insurers
Securities	\$184.9B Total Assets <sup>vi</sup>	1,380+ Securities Dealers and Securities Margin Financiers <sup>vii</sup>
Trading	\$1.13T Total Trade <sup>viii</sup>	Out of 360,000+ Total SMEs <sup>ix</sup> 100,000+ engaged in import/export trade and wholesale <sup>x</sup>

## A Financial Center with Deep and Diverse Funding Experience and Opportunities



One of the most **vibrant and active capital markets**, with a total market capitalization of about US\$4.6 trillion<sup>xi</sup>



**2<sup>nd</sup> largest private capital pool** in Asia Pacific totalling at US\$228 billion<sup>xii</sup>

HKSAR Government established The Hong Kong Investment Corporation Limited (HKIC) to further optimize the use of financial reserves for promoting the development of the economy and industries of Hong Kong<sup>xiii</sup>

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)

\*Calculated based on the exchange rate on the day of writing (HK\$1 = US\$0.13)

Sources:

- i. Asset and Wealth Management Activities Survey 2023, Securities and Futures Commission
- ii. 2023 Annual Report, Hong Kong Monetary Authority
- iii. HKICL, 2023
- iv. InvestHK, 2024
- v. Insurance Authority 2025
- vi. Financial Review of the Securities Industry 2023, Securities and Futures Commission
- vii. Financial Review of the Securities Industry 2023, Securities and Futures Commission
- viii. Hong Kong Trade Development Council 2023
- ix. Trade and Industry Department 2023
- x. Hong Kong Trade Development Council 2022
- xi. HKEX, 2024
- xii. SFST Speech (Partners Group), 2024
- xiii. HKIC, 2023



## Hong Kong's Unparalleled Advantages

### Distinctive Status and Advantages of Hong Kong under “One Country, Two Systems”

- Simple and low tax system

- Two-tiered corporate tax rate -  
First HK\$2M of profits: **8.25%**  
Profits above HK\$2M: **16.5%**
- Standardized salary and property taxes of 15%, and **NO** extra tax

Profits Above HK\$2M

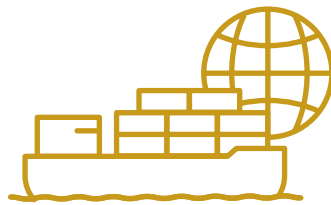
**16.5%**

First HK\$2M of Profits

**8.25%**

- An international financial, shipping and trading center

- Stable currency
- Free flow of capital and goods
- No tariff on import or export of goods



- Free, open, and regulated business environment

- A gateway to Mainland China and the world



### Excellent Access to Markets

- Extensive global networks

- **114** Consulates General / Honorary Consulates
- Participation in **8 international organizations** including (*in alphabetical order*) Asia-Pacific Economic Cooperation (APEC), the European Union (EU), International Monetary Fund (IMF), Organizations for Economic Co-operation and Development (OECD), Pacific Economic Cooperation Council (PECC), World Trade Organization (WTO)
- **9 Free Trade Agreements** with 21 economies<sup>i</sup> including (*in alphabetical order*) ASEAN, Australia, Chile, EFTA (the Member States of the European Free Trade Association), Georgia, Macau SAR, Mainland China, New Zealand and Peru
- **24 Investment Agreements** with 33 economies<sup>ii</sup> (*in alphabetical order*)
 

ASEAN	Australia	Austria	Belgo-Luxembourg Economic Union
Canada	Chile	Denmark	Finland
France	Germany	Italy	Japan
South Korea	Kuwait	Mexico	Netherlands
New Zealand	Sweden	Switzerland	Thailand
U.A.E.	U.K.		

*Pending entry into force:*  
Bahrain                      Turkey

- Unique access to the Greater Bay Area and Mainland China

Sources:

i. Hong Kong's Free Trade Agreements, Trade and Industry Department

ii. Hong Kong's Investment Promotion and Protection Agreements, Trade and Industry Department

### Easy Access to Funds

- Various funding opportunities from the government, venture capital, private equity firms for investors
- Strong stock exchange market for corporates to raise money through listings



**Asia's #1 City** with 12,545 UHNWIs<sup>i</sup> and 2,700+ Single Family Offices<sup>ii</sup>



**Asia's Biggest** global offshore wealth management center<sup>iii</sup>, #2 in the world behind Switzerland



**Asia's #1 World's #2** Cross-border AUM of US\$2.2T<sup>iv</sup>



**Largest** offshore Renminbi Center, with the **world's deepest RMB liquidity pool** outside Mainland China of around RMB 1T<sup>v</sup>



One of the most **vibrant and liquid capital markets**, with a total market capitalization of about US\$4.6T<sup>vi</sup>



**Largest** number of **hedge funds** and **biggest private equity market** outside of Mainland China in Asia<sup>vii</sup>



**APAC's Largest, World's #2** fundraising hub for biotech companies<sup>viii</sup>



**Over 70** of World's Top 100 Banks operate in Hong Kong<sup>ix</sup>

Sources:

- World Ultra Wealth Report 2024
- Deloitte, December 2023
- SCMP
- BCG Global Wealth Report 2023
- Hong Kong Monetary Authority
- HKEX, 2024
- HKTDC Research
- HKTDC Research
- Hong Kong Monetary Authority

### A Hub of Innovation and Technology

- Academic excellence and institutes
  - Global top-ranking universities (5 universities in World Top 100<sup>i</sup>)
  - World-class research institutes



**No.2 Science and Technology Clusters**  
(Shenzhen-Hong Kong-Guangzhou) Global Innovation Index 2023<sup>ii</sup>

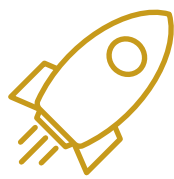
**APAC's No.2**  
Hub for development of New Technology<sup>iii</sup>

**APAC's No.3**  
World Digital Competitiveness 2023<sup>iv</sup>

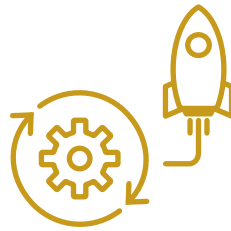
- R&D facilities and infrastructure at HKSTP and Cyberport
- Incubation programs and venture fund supports

### Dynamic Startup Ecosystem

- Vibrant startup community



**4,694** startups



**137** incubators/  
accelerators/  
co-work spaces



**17,651** employees



Extensive networks with universities, startup clubs/ associations

- Top 5 industries of startups<sup>v</sup>
  - **Fintech**
  - E-commerce
  - Information, computer and technology
  - Education and learning
  - Data analytics

- Fintech Unicorns in Hong Kong  
(in alphabetical order)
  - Airwallex
  - HashKey Group
  - Micro Connect
  - WeLab
  - ZA Group

### Supportive Government Policies

- Comprehensive government funding schemes (tax incentive, grant, matching fund)
- Proof-of-concept facilities
- Regulatory sandboxes
- Commercialization platforms
- Pro-innovation procurement policy

Sources:

i. QS World University Rankings 2025

ii. Global Innovation Index 2023

iii. Smart Centres Index by UK-based Z/Yen released in November 2023

iv. Lausanne-based International Institute for Management Development

v. 2023 Startup Survey

# Access to Global Markets

## Hong Kong — The World's Super Connector

### 1. Mainland China

#### CEPA

- Preferential treatment for Hong Kong-made products and Hong Kong-based services companies accessing the mainland market

#### The Greater Bay Area

- An important economic cluster comprises of 9 Cities + 2 Special Administrative Regions, with over 86 million people and a combined **GDP of US\$2 trillion**
- **Over 20%** of high-net-worth individuals in Mainland China are located in the Greater Bay Area<sup>i</sup>
- **16 policy measures** to benefit Hong Kong ranging from livelihood to business

### 2. Japan, Korea, Australia, SE Asia

Hong Kong is pursuing accession to the **Regional Comprehensive Economic Partnership (RCEP)**, the world's largest free trade area and the first Free Trade Agreement to include Mainland China, Japan and Korea.



### 3. South East Asia

Enjoys highly favourable access under the Free Trade Agreement with **ASEAN**

### 4. Countries in Belt & Road Initiatives

National development strategy that promotes cooperation among countries/regions on policy coordination, facilities connectivity, trade and financial integration. Hong Kong is positioned to capitalize on its unique advantages to **connect the mainland with other B&R countries.**

Source:

i. FSDC, KPMG

## Key Sectors with Great Opportunities in the GBA by Leveraging Hong Kong

### Innovation & Technology



#### Hong Kong as the R&D Hub and Capital Raising Center for I&T companies

##### Shenzhen—China's Silicon Valley

- Headquarters to China's tech giants such as Tencent, Huawei, ZTE, BYD
- **Shenzhen-Hong Kong I&T Cooperation Zone**—including a 87 hectares **Hong Kong - Shenzhen Innovation and Technology Park (HSITP)**, with 67 buildings including dry-lab, wet-lab, office, with a focus on life & health technology

##### Northern Metropolis

- A second growth engine in Hong Kong driven mainly by I&T development leveraging the proximity with Shenzhen

##### Dongguan—The World's Factory

- Dongguan is a center of global manufacturing especially for advanced manufacturing, where 90% of parts & accessories for IT products are produced

### Financial Services



#### Financial Integration

- Cross-boundary Wealth Management Connect
- Bond Connect
- Stock Connect
- Insurance Connect
- Swap Connect
- Mutual Recognition of Funds

#### Lucrative Market in Greater China

- China's capital market is expected to grow to **US\$100 trillion** by 2030<sup>i</sup>

#### Green Finance

- Achieve the carbon neutrality target by 2050 for HKSAR, and by 2060 for the Central Government
- Hong Kong — One of the **world's leading green bond markets**
- Strong presence of large global financial institutions and internationally recognized agencies for green certification

Source:

i. HKEX

## ◆ GROWTH AND STABILITY THROUGH GOVERNMENT SUPPORT

Government support serves as a crucial enabler of growth and stability within a healthy fintech ecosystem. The Hong Kong government recognizes its pivotal role and adopts a proactive approach to enhance the overall environment conducive to the flourishing of the fintech sector. Through various agencies, it provides fintech-specific grants and funding opportunities to stimulate innovation, actively engages industry practitioners to understand their needs, and responds with appropriate plans and measures.

### Favorable Policies and Financial Assistance

#### A Supportive Regime and Ecosystem for Fintech and Web3 Development

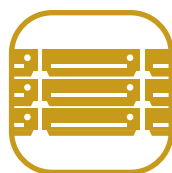
June 2021 The Hong Kong Monetary Authority (HKMA) announced the “**FinTech 2025**” **strategy** to encourage the financial sector to adopt technology by 2025. The focus areas include:



All banks go fintech



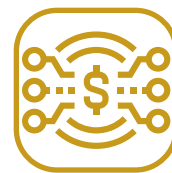
Future-proofing for CBDCs



Creating next-gen data infrastructure



Expanding the fintech-savvy workforce



Nurturing ecosystem with funding and policies

October 2022 The Financial Services and the Treasury Bureau (FSTB) issued a **policy statement on the development of virtual assets** in Hong Kong, recognizing the growing importance of virtual assets and the potential of distributed ledger technologies (DLT) and Web 3.0 to become the future of finance and commerce. Under the “same activity, same risks, same regulation” principle, a new licensing regime for virtual assets trading platforms (VATPs) took effect on June 1, 2023. As at February 2025, Hong Kong has 10 SFC-licensed VATPs, with 8 more applications being processed.

December 2022 The **first Bitcoin futures ETF and Ether futures ETF was listed in Hong Kong**, marking an important milestone for the virtual asset ecosystem in Asia.

February 2023 Hong Kong issued **world’s first government tokenized green bonds**. The **second digital bond issuance** was conducted in February 2024.

June 2023 The **Task Force on Promoting Web3 Development** has been established to provide recommendations on its sustainable and responsible development.

March 2024 The HKMA launched the **stablecoin issuer sandbox** to allow institutions with plans to issue stablecoins in Hong Kong to conduct testing on their operational plans. In July 2024, the HKMA announced the **list of sandbox participants**.

April 2024 Hong Kong launched **the first spot Bitcoin (BTC) and Ether (ETH) exchange traded funds (ETFs)** in Asia.

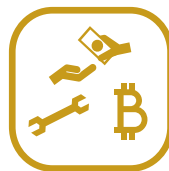
- June 2024      The HKMA announced that **Project mBridge has reached the Minimum Viable Product stage**. Project mBridge is a collaboration between global central banks, including the HKMA and the People's Bank of China (PBoC), aiming to enhance cross-border payments using central bank digital currency (CBDC).
- August 2024      The HKMA unveiled **Project Ensemble Sandbox** to drive tokenization adoption, focusing on four main themes. This milestone marked a significant step forward in the advancement of tokenization in real-world application within the financial sector.
- August 2024      The HKMA collaborated with Cyberport to introduce the **GenA.I. Sandbox**, emphasizing the transformative power of artificial intelligence in finance.
- October 2024      The FSTB issued a **policy statement on responsible application of artificial intelligence (AI)** in the financial market.
- November 2024      The HKMA launched the **Digital Bond Grant Scheme**, which was announced in the 2024 Policy Address.
- November 2024      Hong Kong Exchanges and Clearing (HKEX) launched the **HKEX Virtual Asset Index Series**, offering a reliable benchmark for cryptocurrencies to support Hong Kong's development as Asia's leading digital assets hub.
- January 2025      The Securities and Futures Commission (SFC) announced the **swift licensing process and revamped second-phase assessment** for virtual asset trading platforms.
- February 2025      The SFC sets out new roadmap to develop Hong Kong as a global virtual asset hub with 12 major initiatives outlined to enhance the security, innovation and growth of the market under a **five-pillar "ASPIRe" roadmap**. Under the roadmap, new frameworks for regulating virtual asset over-the-counter and virtual asset custodian services will be developed, while virtual asset product and service offerings will be expanded. Other measures encompass optimization of operational requirements for virtual asset trading platforms, combating illicit activities, investor education and proactive stakeholder engagement.



**Access:**  
Streamline Market Entry through Regulatory Clarity



**Safeguards:**  
Optimize Compliance Burdens without Compromising Security



**Products:**  
Expand Product Offerings and Services Based on Investor Categorization



**Infrastructure:**  
Modernize Reporting, Surveillance and Cross-Agency Collaboration



**Relationships:**  
Empower Investors and Industry through Education, Engagement and Transparency

## Schemes for Quality Talent and Professionals<sup>i</sup>

<p><b>Top Talent Pass Scheme (TTPS)</b></p> <p><b>3 Years' Stay</b> for</p> <ol style="list-style-type: none"> <li>1. Persons with annual income reaching US\$0.32M (HK\$2.5M)</li> <li>2. Graduates from 198 designated universities globally</li> </ol>	<p><b>Research Talent Hub (RTH)<sup>ii</sup></b></p> <p>Wage subsidy for a maximum of <b>4</b> research staff for up to <b>3</b> years</p> <p>Ph.D. US\$4,481 (HK\$35,000)/month            Master US\$2,945 (HK\$23,000)/month            Bachelor US\$2,560 (HK\$20,000)/month</p>
<p><b>General Employment Policy (GEP)</b></p> <p><b>3 Years' Stay</b></p> <p>For admitted professionals from overseas, Taiwan and Macao</p>	<p><b>Admission Scheme for Mainland Talents and Professionals (ASMTP)</b></p> <p><b>3 Years' Stay</b></p> <p>For admitted professionals from the Mainland</p>
<p><b>Living Allowance</b></p> <p><b>US\$15,363</b> (HK\$120,000) / year</p> <p>For PhD holders subsidized under Research Talent Hub</p>	<p><b>Relaxed Visa Requirement</b></p> <p>For entries of Vietnamese, Laotian and Nepalese talents</p>
<p><b>Quality Migrant Admission Scheme (QMAS)</b></p> <p><b>3 Years' Stay</b> for</p> <ol style="list-style-type: none"> <li>1. Highly skilled/ talented persons regardless of sector</li> <li>2. Talent with outstanding achievement (e.g. Nobel prize, international awards)</li> </ol>	<p><b>Technology Talent Admission Scheme (TechTAS)</b></p> <p><b>3 Years' Stay</b></p> <p>Fast-track arrangement to admit overseas/ mainland technology talent undertake R&amp;D work in HK</p>

The amounts in US\$ are shown for reference only. Please refer to the amounts in Hong Kong dollars.

Sources:

- i. Hong Kong Talent Engage
- ii. Innovation and Technology Commission



**Funding Support from the Hong Kong Science and Technology Park (HKSTP)<sup>i</sup>**

Journey	Ideation	Incubation	Acceleration	Elite
Description	Advisory to help startups to turn idea into business	Incubation Programs: a) Key technology clusters b) Incu-Bio	Acceleration program to facilitate market penetration  Launchpad to global expansion (soft-landing program, solution matching day, co-creation accelerators)	Global reach expansion to become a unicorn (financial, fundraising, business development, professional services)
Funding & Support	US\$12,812 (HK\$100,000)	US\$0.17M (HK\$1.3M) Incu-Tech US\$0.77M (HK\$6M) Incu-Bio	US\$0.61M (HK\$4.8M)	US\$2.75M (HK\$21.5M)
Program Duration	1 Year	3 Years Incu-Tech 4 Years Incu-Bio	2 Years	3 Years
Services	Financial Support (Grant, Targeted Fund, Rental Subsidy, Sponsorship)	Business Support (Mentorship, Investment Matching, GTM & Business Matching)	Working Premises (Office, Co-working Space, Tech Incubation Center)	Technical Support (Training & Consultation, Productization, Manufacturing)
Key Technology Clusters	Biomedical		Electronics	ICT
	New Materials		Robotics	Green Tech

The amounts in US\$ are shown for reference only. Please refer to the amounts in Hong Kong dollars.

Sources:  
i. HKSTP

## Funding Support from Cyberport

	<b>Cyberport University Partnership Programme</b>	
<b>Incubation</b>	<b>Cyberport Creative Mirco Fund</b>	Seed funding <b>HK\$100,000 (approx. US\$12,000)</b>
	<b>Cyberport Incubation Programme</b>	Financial assistance <b>HK\$500,000 (approx. US\$64,000)</b>
<b>Commercialization</b>	<b>Cyberport Accelerator Support Programme</b>	Financial assistance <b>HK\$300,000 (approx. US\$38,000)</b>
	<b>Overseas/Mainland Market Development Support Scheme</b>	Financial assistance <b>Up to HK\$200,000 (approx. US\$25,600)</b>
<b>Funding</b>	<b>Cyberport Macro Fund</b>	Co-investment fund <b>Total HK\$400M (approx. US\$51M)</b>

<b>Key Technology Clusters</b>	<b>AI and Big Data</b>	<b>Blockchain</b>	<b>Cybersecurity</b>
<b>Application Clusters</b>	<b>Web3</b>	<b>Fintech</b>	<b>Smart Living</b>
	<b>Esports and Digital Entertainment</b>		

The amounts in US\$ are shown for reference only. Please refer to the amounts in Hong Kong dollars.

Source: Cyberport

## Funding Support for Marketing and Promotion

SME Export Marketing Fund (EMF)	Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund)
<p><b>US\$0.13M (HK\$1M)</b> cumulative limit</p> <p>Financial assistance to SMEs for participation in export promotion activities (including the GBA)</p> <p><i>Provide up to <b>50%</b> of total approved expenditure or <b>US\$12,762</b> (HK\$100,000) (whichever is lower)</i></p>	<p><b>US\$0.89M (HK\$7M)</b> cumulative limit</p> <p>Financial assistance to Hong Kong enterprises to implement projects that explore and develop the Mainland, FTA or IPPA markets through developing brands, upgrading and restructuring operations and promoting sales</p> <p><i>Government (maximum 50% of project cost) and Enterprise (no less than 50%) matching basis, cap at <b>US\$0.13M</b> (HK\$1M)</i></p>

## Other Channels of Financial Support

Corporate Venture Capital	Innovation and Technology Venture Fund (ITVF)
<p><b>HKSTP Ventures</b> Setup by Hong Kong Science &amp; Technology Park with AUM of <b>US\$0.13B (HK\$1B)</b></p> <p><b>Cyberport Macro Fund</b> Setup by Cyberport with AUM of <b>US\$51M (HK\$400M)</b></p>	<p>A <b>US\$0.26B (HK\$2B)</b> ITVF set up by the Government</p> <p>Co-investment scheme with matching ratio of 1 (ITVF) : 2 (Co-investment Partner)</p>
SME Financing Guarantee Scheme	University-backed Venture Fund
<p>Up to <b>100% Loan Guarantee</b></p> <p><i>Maximum 8 years of repayment period with max. facility amount of <b>US\$0.77M (HK\$6M)</b> per borrower</i></p>	<p><i>University-backed venture fund set up to support startup incubation programs</i></p> <p>For example: HK Tech 300 with <b>US\$63.8M (HK\$500M)</b> was set up by City University to support 300 startups in 3 years</p>

The amounts in US\$ are shown for reference only. Please refer to the amounts in Hong Kong dollars.

## Financing Options from Private Investors

### Family Offices (FO)

Raising trend as FO from traditional businesses are exploring innovation for their own family business transformation as well as for investment

### Venture Capitalists

Private VC funds set up to look for high return investment opportunities.

For example:

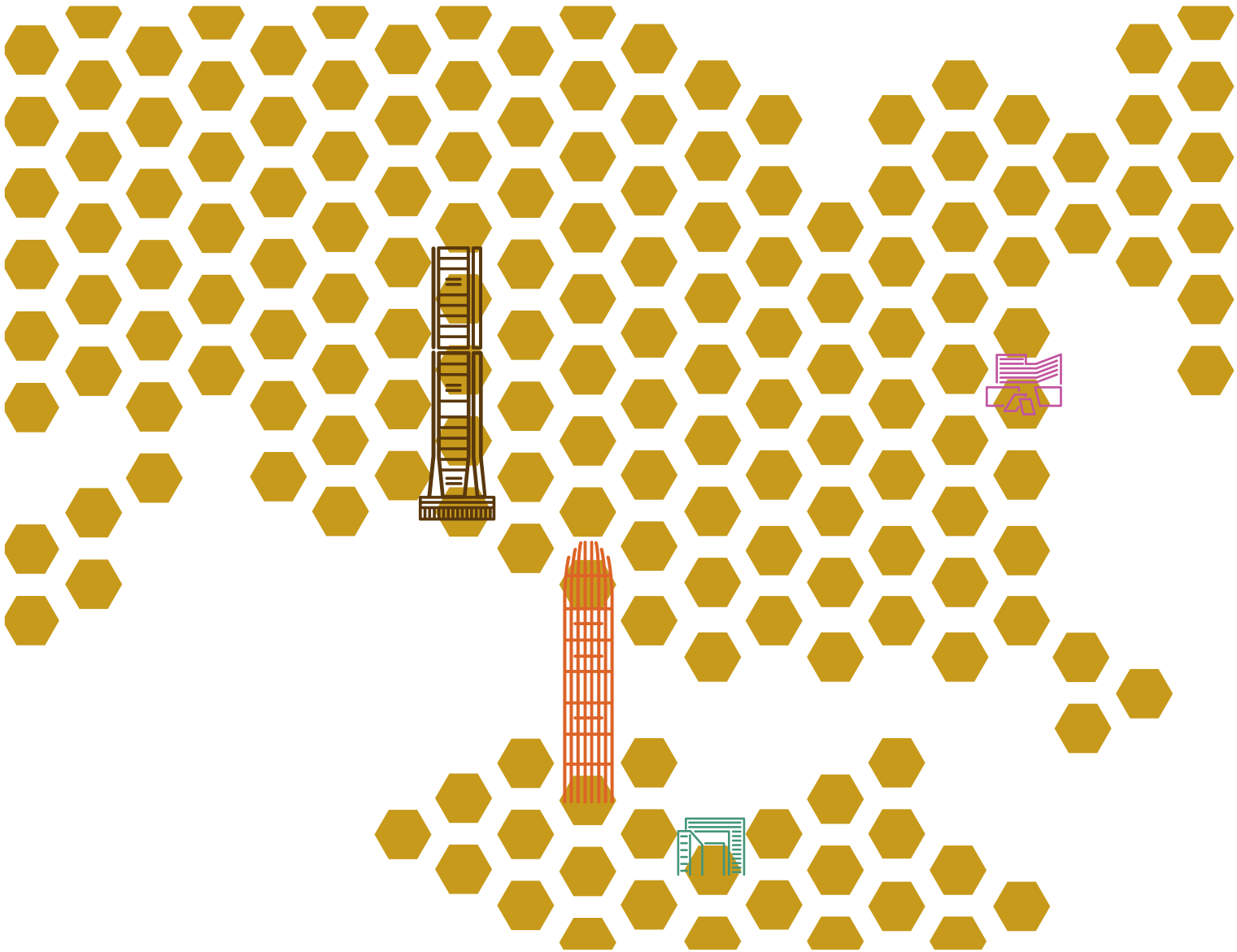
- Radiant Tech Ventures
- Gobi Partners
- Alibaba Entrepreneurs Fund
- VECTR Ventures
- MindWorks Capital

### Investor Network

Organization set up to build a vibrant investment community in Hong Kong. For example:

- Hong Kong Business Angel Network
- Hong Kong Venture Capital & Private Equity Association

The amounts in US\$ are shown for reference only. Please refer to the amounts in Hong Kong dollars.

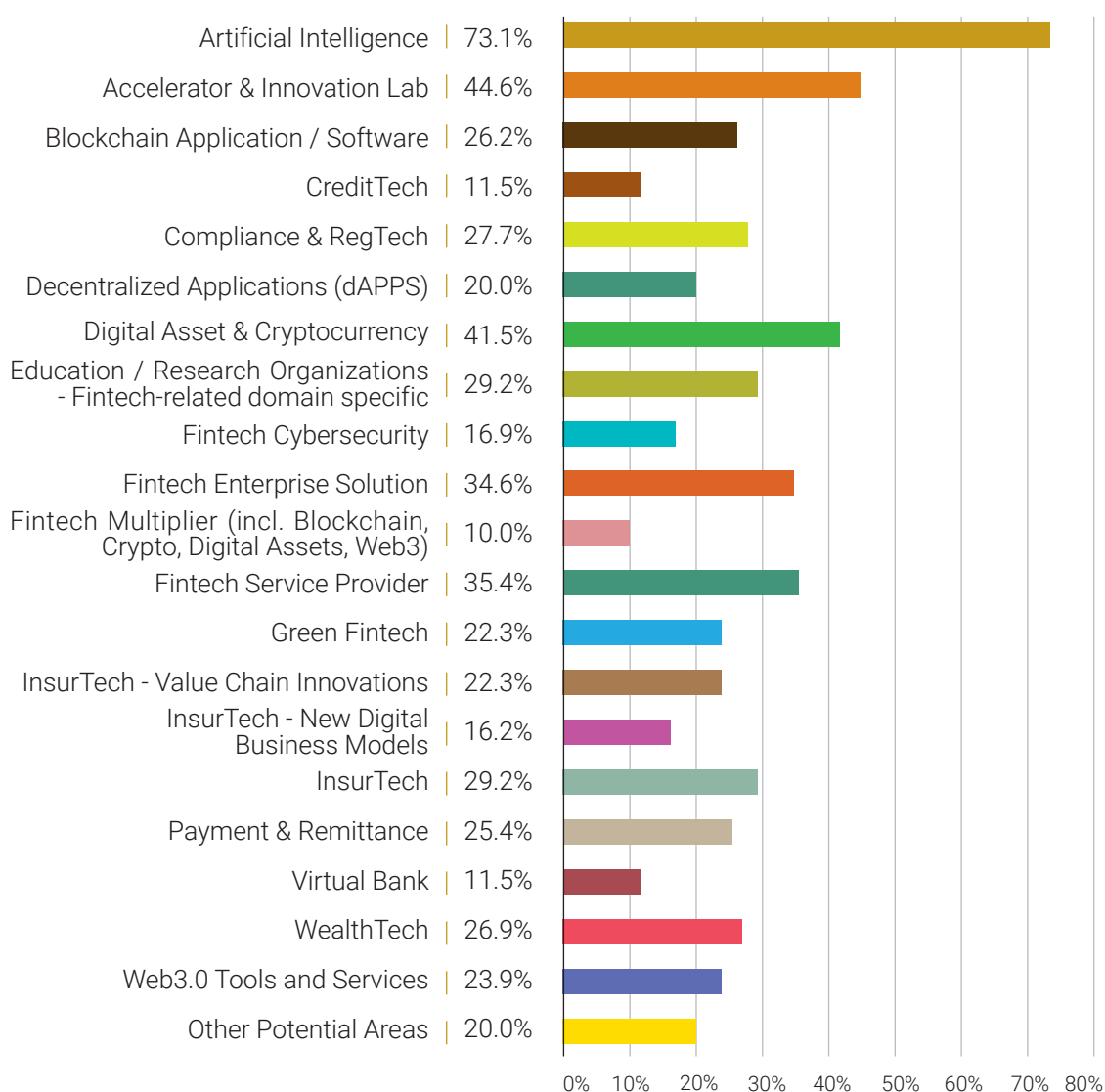


**PART II:  
FINDINGS FROM  
2024 HONG  
KONG FINTECH  
ECOSYSTEM  
SURVEY**

In July 2024, InvestHK, with support from Cyberport, Hong Kong Science and Technology Parks, the FinTech Association of Hong Kong and The Hong Kong University of Science and Technology, surveyed 130 fintech companies operating in Hong Kong to gather the latest data about the local fintech ecosystem.

Among the 130 fintech companies that participated in the survey, 73.1% belong to the *Artificial Intelligence* sub-sector, 44.6% to the *Accelerator & Innovation Lab* sub-sector, and 41.5% to the *Digital Asset & Cryptocurrency* sub-sector. The companies engage in a diverse array of sub-sectors, reflecting the multifaceted nature of Hong Kong’s fintech sector. Exhibit 1 presents the categorization of the surveyed companies by their respective sub-sectors.

**Exhibit 1: Fintech Sub-sector of Surveyed Fintech Companies**



Note: A company can belong to more than one sub-sector

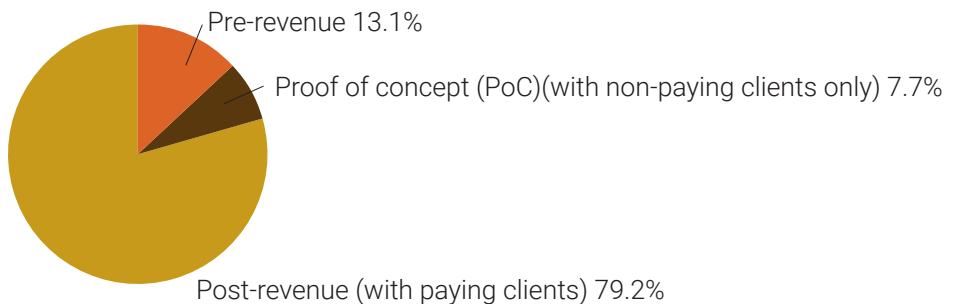
Approximately half (50.1%) of the surveyed companies have established their international headquarters in Hong Kong, while one-third (30.1%) have set up their Asian headquarters here. Exhibit 2 illustrates the headquarter locations of the surveyed fintech companies. Some notable headquarter locations in addition to Hong Kong include Singapore, Mainland China, and the United States.

**Exhibit 2: Headquarter Locations of Surveyed Fintech Companies**

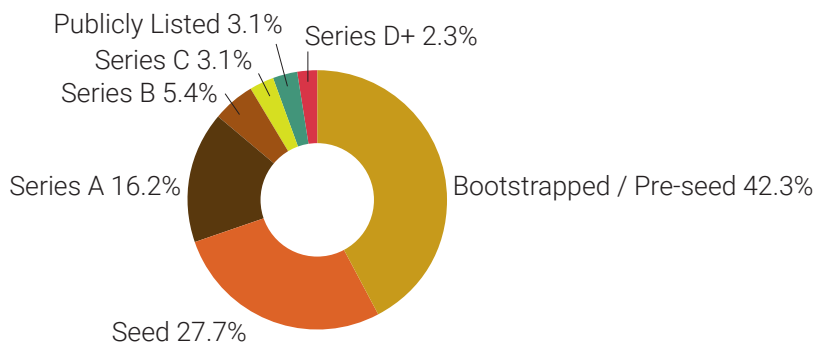


A majority of the surveyed fintech companies (79.2%) are in the post-revenue stage, while 7.7% are in the proof-of-concept phase (i.e., with only non-paying clients) and 13.1% are in the pre-revenue stage. Although these companies vary in their latest fundraising stages, most (42.3%) are in the bootstrapped/pre-seed fundraising stage and about 3% being publicly listed. Exhibits 3.1 and 3.2 illustrate the distributions of the revenue stage and the latest fundraising stage achieved by these companies.

**Exhibit 3.1: Revenue Stage of Surveyed Fintech Companies**

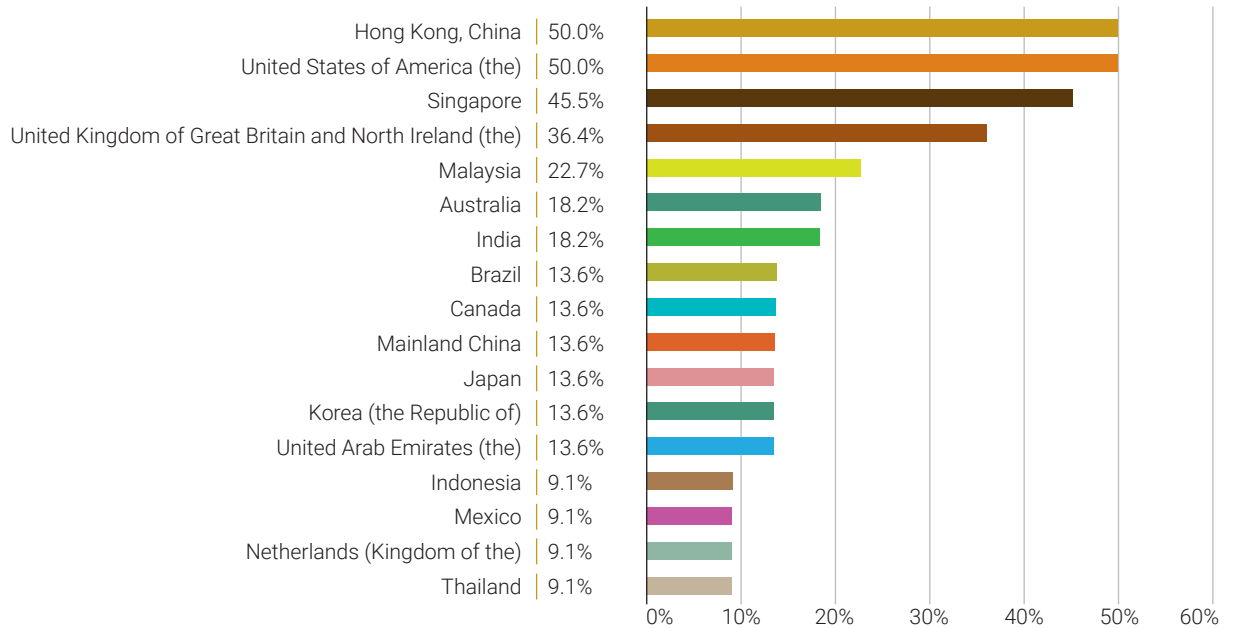


**Exhibit 3.2: Latest Fundraising Stage Achieved by Surveyed Fintech Companies**

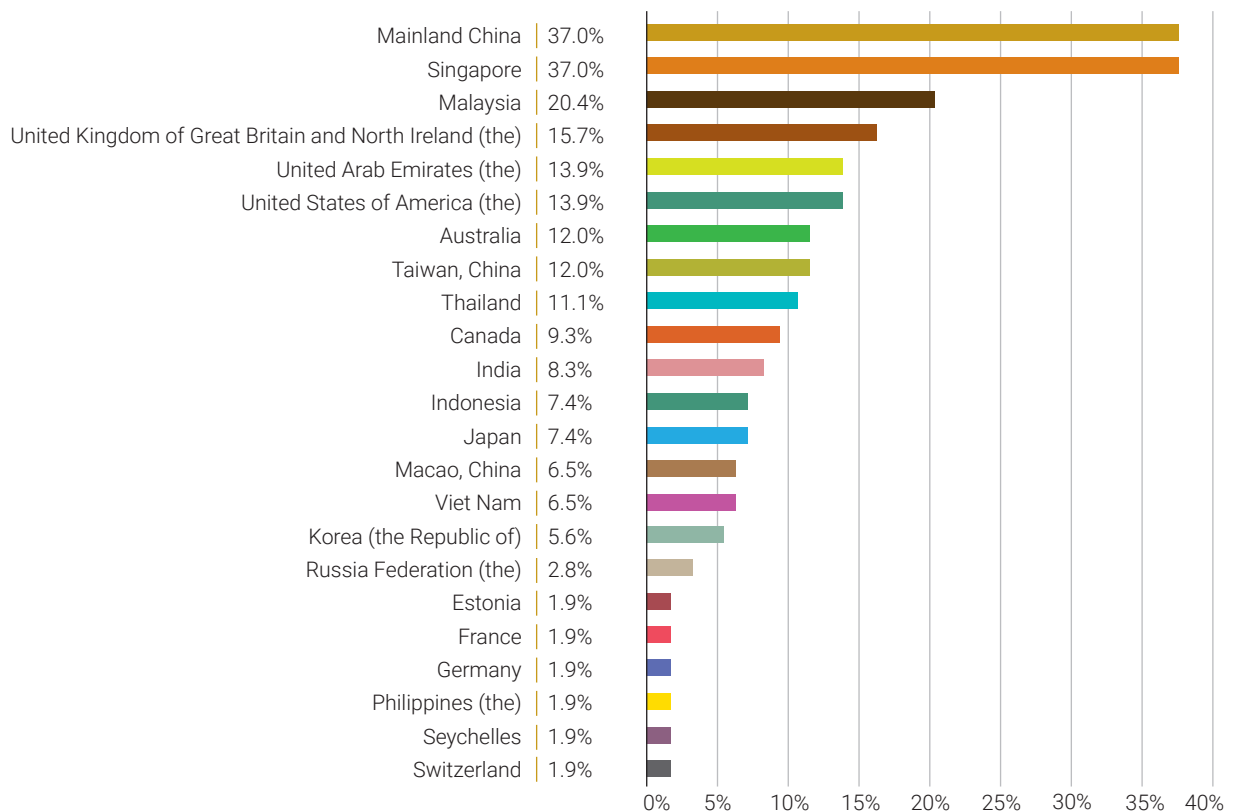


16.9% of the surveyed fintech companies are registered outside Hong Kong. Among them, Hong Kong and the USA are the most popular markets for business operations, followed by Singapore and the UK. For the surveyed fintech companies registered in Hong Kong, China and Singapore are the top choices for business operations, followed by Malaysia and the UK. Exhibits 4.1 and 4.2 detail the markets of operations of the surveyed fintech companies, registered in Hong Kong and outside Hong Kong, according to their revenue sizes.

**Exhibit 4.1: Markets of Operations of Surveyed Fintech Companies Not Registered in Hong Kong**



**Exhibit 4.2: Markets of Operations of Surveyed Fintech Companies Registered in Hong Kong**

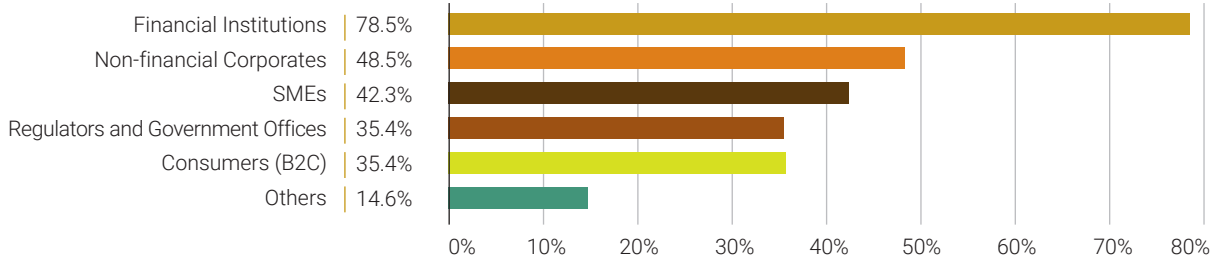


Note: The region where the companies are registered are excluded in Exhibits 4.1 and 4.2.

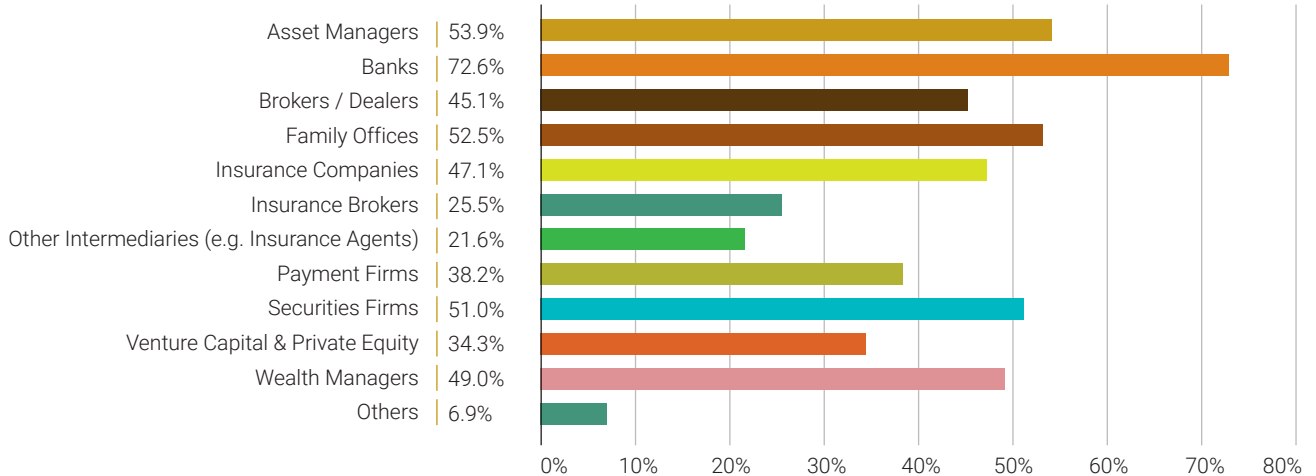


A significant majority of the surveyed companies (78.5%) identified financial institutions as their target customer segment. Within this segment, the top three target sub-segments are banks (72.6%), asset managers (53.9%), and securities firms (51.0%). Other top target customer segments include non-financial corporates (48.5%) and SMEs (42.3%). Detailed breakdowns of the companies' target customer segments and sub-segments within the financial institutions segment are displayed in Exhibits 5 and 6.

**Exhibit 5: Target Customer Segments of Surveyed Fintech Companies**

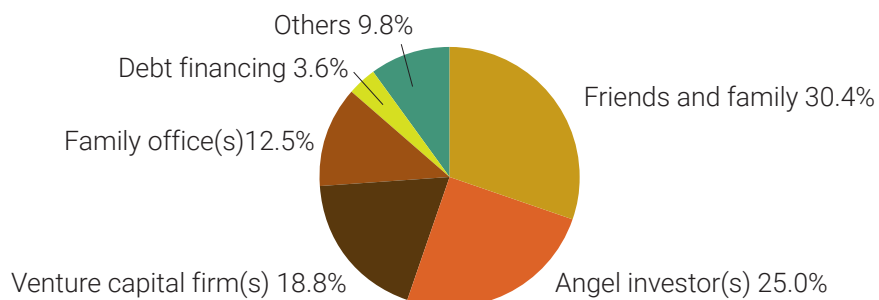


**Exhibit 6: Target Customer Sub-segments (within the Financial Institutions Segment) of Surveyed Fintech Companies**

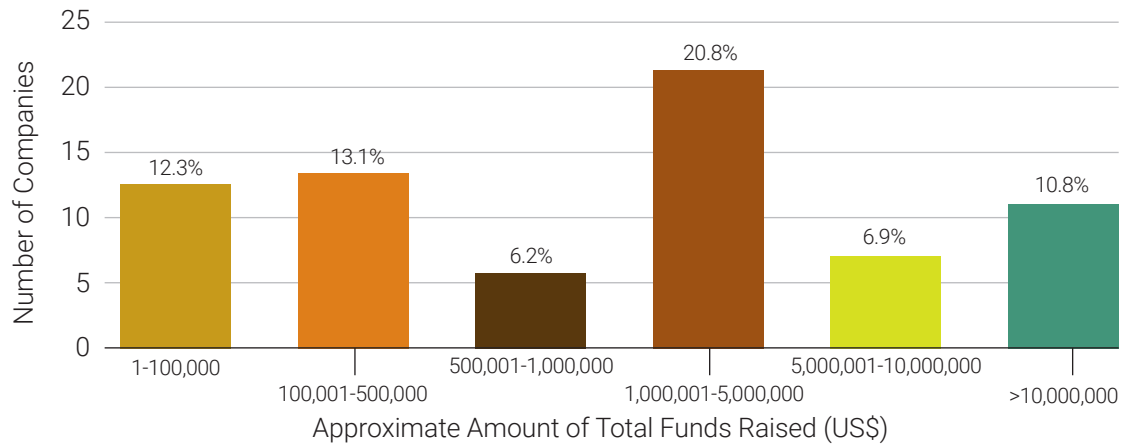


More than half of the surveyed companies (55.4%) reported successfully raising funds in Hong Kong. As depicted in Exhibit 7, their funding sources include friends and family (30.4%), angel investors (25.0%), venture capital firms (18.8%) and family offices (12.5%). The maximum raised by a surveyed company to date is US\$630 million. Exhibit 8 presents the approximate total amounts raised to date by the surveyed companies. Additionally, 44.6% of the surveyed companies reported receiving subsidies or funding schemes from the government entities in Hong Kong, including Cyberport (34.6%), Hong Kong Science and Technology Parks (HKSTP) (26.9%) and the Innovation and Technology Commission (ITC) (16.2%).

**Exhibit 7: Funding Sources of Surveyed Companies who have Successfully Raised Funds in Hong Kong**



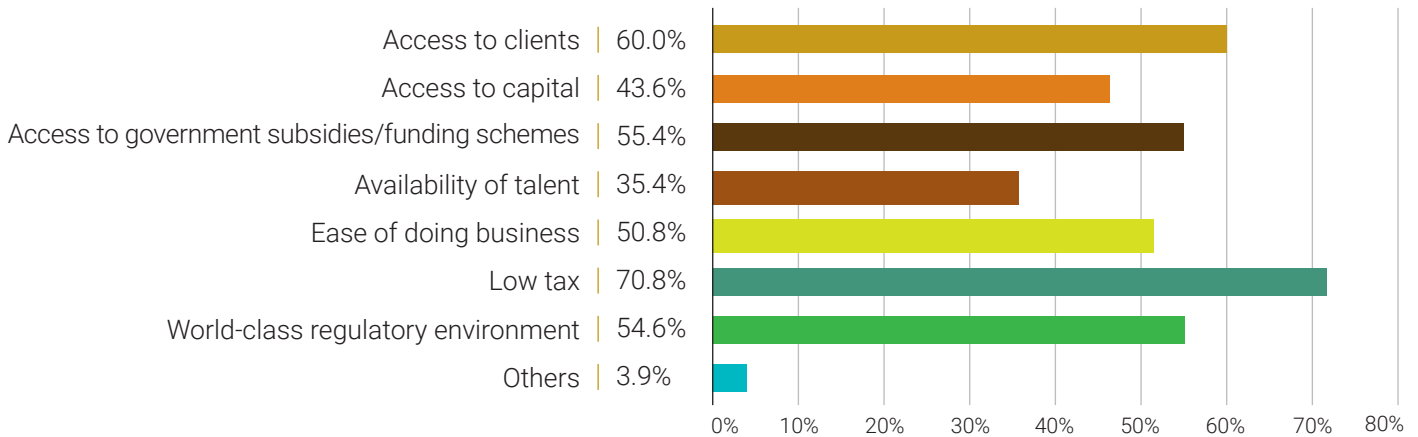
**Exhibit 8: Approximate Total Amounts Raised To-date by Surveyed Fintech Companies (in US\$)**



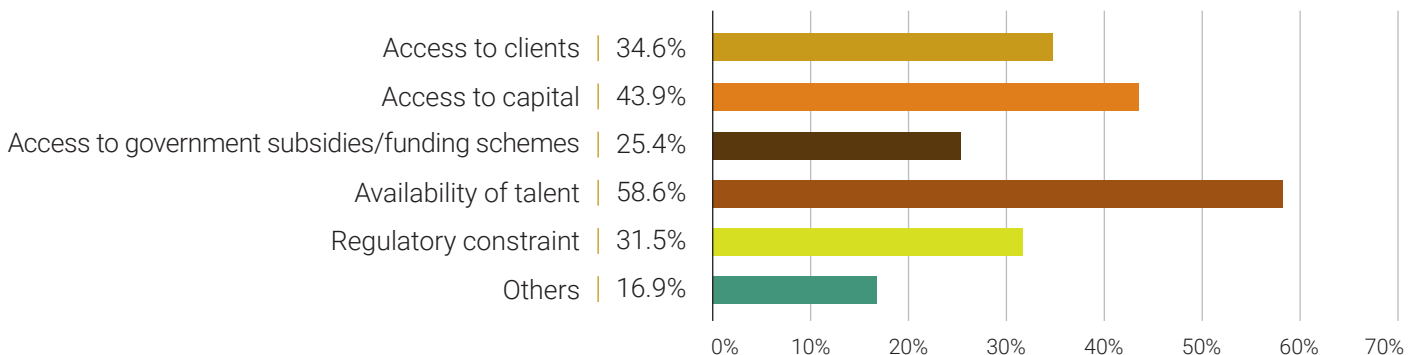
Note: 30% of the companies had not raised any money, and are omitted from the exhibit.

There are numerous advantages to operating a business in Hong Kong. *Low tax*, *access to clients*, and *access to government subsidies/funding schemes* were identified by the most surveyed companies (70.8%, 60.0% and 55.4% of respondents, respectively). Other notable advantages include *world-class regulatory environment* (54.6%) and *ease of doing business* (50.8%). On the other hand, the companies also identified with *availability of talent* (58.8%), *access to capital* (43.9%), and *access to clients* (34.6%) as the top challenges in operating a business in Hong Kong.

**Exhibit 9: Advantages of Running a Business in Hong Kong**



**Exhibit 10: Challenges of Running a Business in Hong Kong**



## ● LOOKING AHEAD

As Asia's World City, Hong Kong stands as one of the premier international financial centers and a leading hub for asset management, banking, insurance and fundraising in the region. The city's concerted efforts to enhance its fintech capabilities – through the establishment of regulatory frameworks, government support, public and private funding, talent development, and the encouragement of innovation – have successfully fostered an environment conducive to the growth of fintech companies and practitioners. This has resulted in one of the most vibrant fintech ecosystems globally.

Boasting a large, digital savvy population with a high propensity to utilize fintech services, 74% of respondents in Hong Kong reported using at least two fintech services, while over 90% had adopted digital payments.<sup>34</sup> Business-to-business (B2B) adoption rates of fintech are also notably high, with 66% of the fintech companies focusing their efforts on this market segment.<sup>35</sup> A recent survey revealed that 92% of trading businesses in Hong Kong are embracing fintech solutions, expressing satisfaction with fintech-powered services.<sup>36</sup> A 2023 survey revealed that the adoption rate of Generative AI among financial institutions in Hong Kong reached 38%, significantly exceeding the global average of 26%,<sup>37</sup> reflecting Hong Kong's financial services industry's robust commitment to integrating AI technologies into its operations.

In response to the growing utilization of AI technologies within the sector, the Financial Services and Treasury Bureau of the Government of Hong Kong released the "Policy Statement on Responsible Application of Artificial Intelligence in the Financial Market" on October 28, 2024. This policy statement emphasizes the government's dedication to fostering responsible AI applications in Hong Kong's financial services sector. It highlights the availability of AI models and infrastructure for industry stakeholders, encouraging financial institutions, accounting firms, and solution providers to utilize these resources for the collective benefit of all. A notable example cited in the statement is InvestLM, developed by The Hong Kong University of Science and Technology. InvestLM will facilitate inference and training through advanced AI models, enhancing decision-making and enabling the development of task-specific AI models using relevant data. The platform will be accessible to the industry, accompanied by training for on-premises deployment, as well as Application Programming Interface (API) and Web Interface options through HKUST's computing resources. A key feature of InvestLM's services will be its fine-tuning capabilities, tailored to meet the contextual requirements of Hong Kong's industry, including compliance with local rules, regulations, and linguistic nuances.

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<sup>34</sup> <https://www.trade.gov/country-commercial-guides/hong-kong-financial-services-fintech>

<sup>35</sup> <https://www.trade.gov/country-commercial-guides/hong-kong-financial-services-fintech>

<sup>36</sup> <https://www.chinadailyhk.com/hk/article/592269>

<sup>37</sup> <https://www.finastra.com/financial-services-state-nation-survey-2023#:~:text=Our%20annual%20research%20shows%20that,experiences%20that%20customers%20increasingly%20demand.>

The latest trends in fintech innovation are characterized by the emergence of startups<sup>38</sup> and the involvement of large incumbent technology companies.<sup>39</sup> Looking ahead, nations worldwide will continue to embrace the vast opportunities presented by fintech and implement public policies to facilitate safe and secure financial innovation and adoption. They must remain vigilant regarding the most significant fintech trends anticipated over the next decade: autonomous financial ecosystems where AI may manage entire financial systems, the adoption of digital financial currencies, the rise of virtual economies, quantum-safe finance, and the emergence of bio-fintech and neuro-fintech.<sup>40</sup>

From 2022 to 2025, investments in Hong Kong by banks of all sizes – small, medium and large – are expected to grow by approximately 40%.<sup>41</sup> Key business pillars for fintech in Hong Kong include product innovation, sales and marketing, and management and operations, with product innovation identified as the most critical pillar by late-stage fintech companies.<sup>42</sup> To achieve product-market fit and drive innovation, several fintech companies are leveraging cloud computing, data analytics, visualization tools, and AI/ML technologies to shorten their time to market and enhance product scalability. From a sales and marketing perspective, customer acquisition, brand awareness, and sales conversion are the primary priorities for fintech companies in Hong Kong, which drives interest in content marketing, search engine optimization, and social media marketing. In terms of management and operations, IT is recognized as a strategic priority. As these companies scale, greater attention will be devoted to management and operations, particularly concerning cybersecurity.

With a robust capital market and an expansive funding landscape, Hong Kong is an attractive destination for businesses worldwide. The city presents numerous opportunities for fintech market participants to thrive. Businesses can leverage Hong Kong's well-established banking industry, which actively embraces fintech, as well as benefit from a dynamic fintech community characterized by partnership platforms and global networking opportunities. As technological advancements continue to influence the delivery of financial services and products, Hong Kong is poised to play an essential role in the overall development of fintech development and the global fintech market.

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<sup>38</sup> Startups are referred to as newly established business ventures created to develop a unique product or service. These companies aim to introduce their innovations to the market, often with the goal of solving a specific problem or meeting a particular need, and strive to grow rapidly by attracting customers and investors.

<sup>39</sup> [https://documents1.worldbank.org/curated/en/099450005162250110/pdf/P17300600228b70070914b0b5edf26e2f9f.pdf?\\_gl=1\\*5wqt74\\*\\_gcl\\_au\\*OTY10TMzMjg4LjE3MjM2MjM2MjU](https://documents1.worldbank.org/curated/en/099450005162250110/pdf/P17300600228b70070914b0b5edf26e2f9f.pdf?_gl=1*5wqt74*_gcl_au*OTY10TMzMjg4LjE3MjM2MjM2MjU).

<sup>40</sup> <https://www.forbes.com/sites/bernardmarr/2024/06/03/the-biggest-fintech-trends-in-the-next-10-years/>

<sup>41</sup> [https://services.google.com/fh/files/misc/sdc\\_fintech\\_report\\_2022.pdf](https://services.google.com/fh/files/misc/sdc_fintech_report_2022.pdf)

<sup>42</sup> Ibid

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The research report *FINTECH IN HONG KONG* by The Fintech Association of Hong Kong (FTAHK), Asia's leading independent fintech association, provides comprehensive and balanced insights into Hong Kong's rapidly evolving fintech landscape. Building on its first version issued in October 2023, which garnered attention in over 20 countries, this edition moves from introduction to delving deeper into the latest trends, innovations, regulatory changes as well as highlights both opportunities and improvements required to further enhance the city's fintech industry. The publication of the report is a testament to the association's core values of Advocacy, Collaboration, and Education (ACE). Find out more here [www.ftahk.org](http://www.ftahk.org).

**If you are interested in exploring the opportunities and competitive advantages of setting up a business in the fintech industry in Hong Kong, please reach out to Invest Hong Kong, the Hong Kong Special Administrative Region (HKSAR) Government Department responsible for Foreign Direct Investment, at [fintech@investhk.gov.hk](mailto:fintech@investhk.gov.hk).**

