

# HONG KONG – ASIA'S MOST DYNAMIC STARTUP ECOSYSTEM GROWS IN STRENGTH

## ASIA'S OPPORTUNITY HUB FUELS INNOVATION, AGILITY AND DIVERSITY

Hong Kong's startup ecosystem returned some impressive results in the past year, despite the ongoing economic challenges of the global pandemic. The growth in the overall number of startups, employees and co-working, incubator and accelerator locations across the city is testament to Hong Kong's attractiveness to startup founders. An increase in the number of startups from overseas and Mainland China, and a continued diverse mix of nationalities choosing Hong Kong as their base, further demonstrate our unique role as a bridge for innovative companies to access the Mainland and Asian markets through Hong Kong.

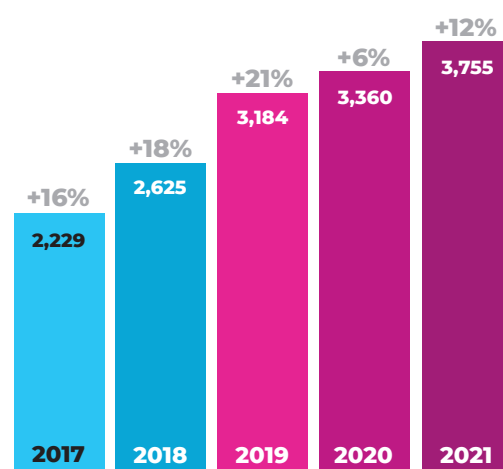
## WHY HONG KONG?

Hong Kong boasts a long list of advantages for startups. In particular, over 50% of respondents cited the following as major reasons to launch their businesses in the city: access to international/regional market, simple tax system and low tax rate, business opportunities in Mainland China, and access to funding.

**3,755 startups, +68% vs 2017**



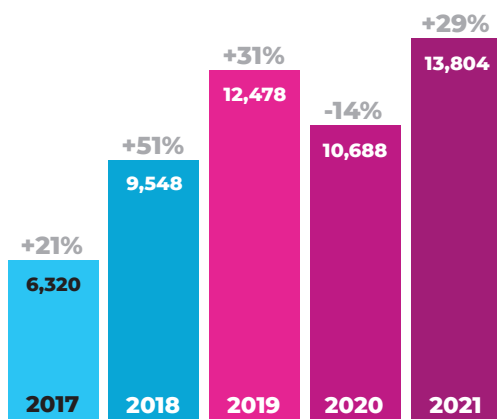
Total no. startups



**13,804 employees, +118% vs 2017**



Total no. of staff\*

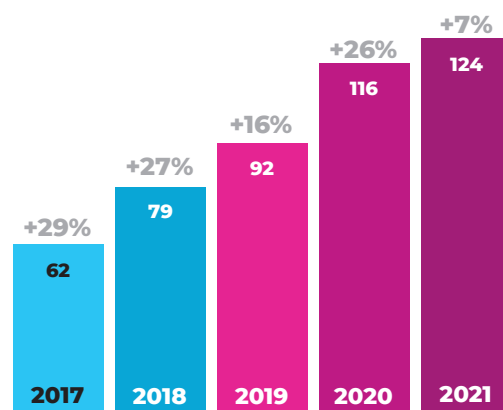


\*Employed by startups, including founders.

**124 locations of co-work spaces/ incubators/accelerators, +100% vs 2017**



Total no. of locations



*"Adversity so often drives innovation. For the second year running we've seen just how agile and innovative our startup community really is, despite the great challenges that face the business world right now. In Hong Kong, we pride ourselves on providing robust support for the startup ecosystem to grow, focusing on access to talent, market and funding."*

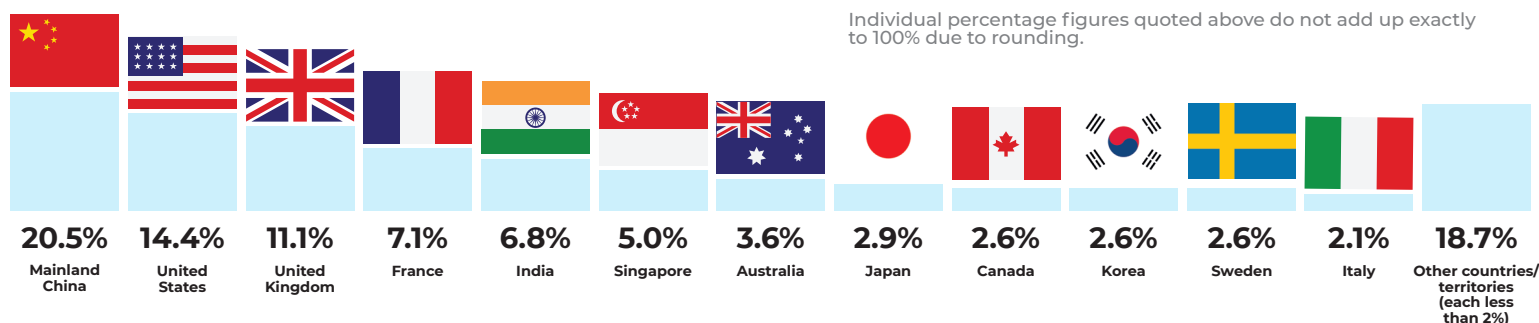
**Jayne Chan**

Head of StartmeupHK, InvestHK



# HONG KONG CONTINUES TO ATTRACT THE WORLD

## MAJOR ORIGIN COUNTRIES/TERRITORIES OF NON-LOCAL FOUNDERS



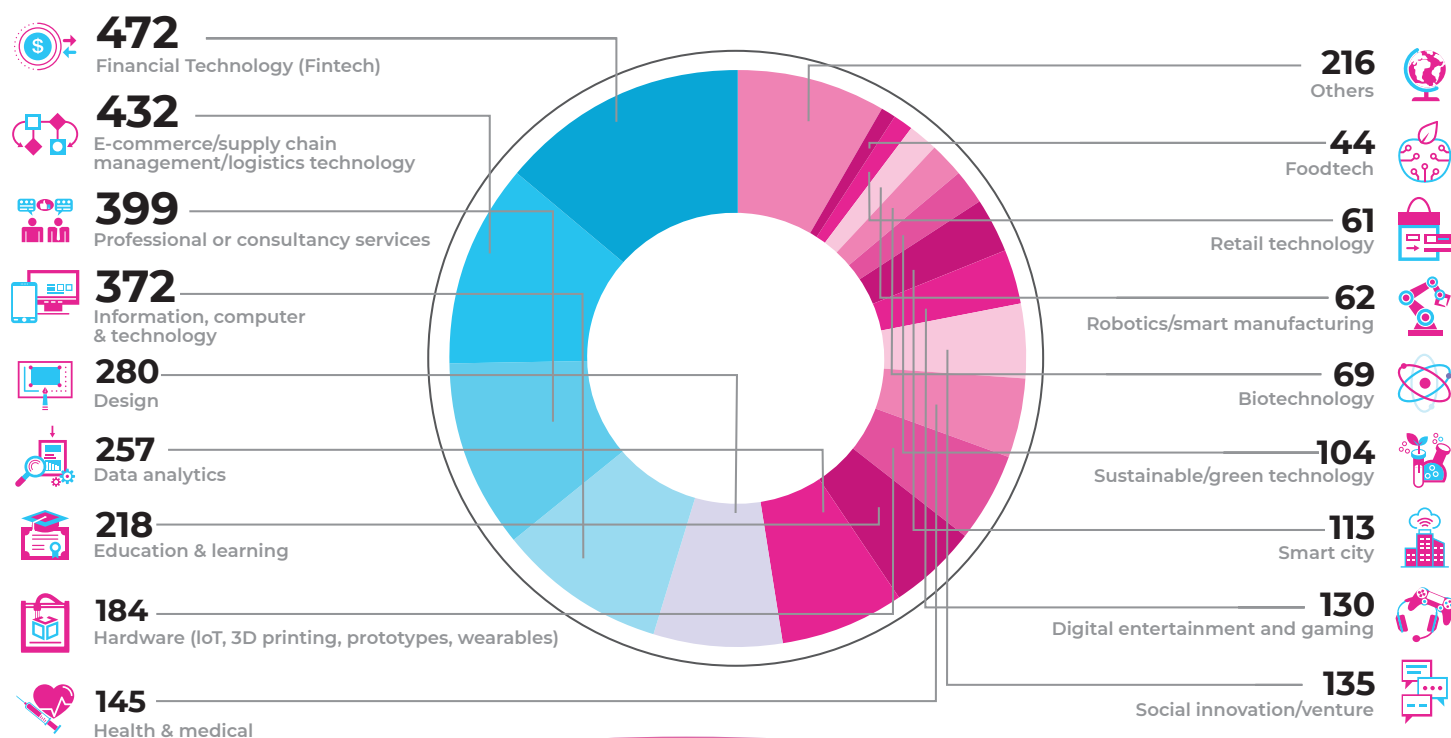
The past year has seen a rebound in the number of startups from overseas and the Mainland fuelled in part by the growth of affordable co-work spaces, incubator and accelerator programmes, and companies turning to technology to mitigate the impact of the pandemic. While 66% of the startup founders who provided origin information were Hong Kong locals and 7% were Hong Kong returnees, 28% of the startup founders were non-locals, from countries/territories as diverse as Mainland China, United States, United Kingdom, France and India, among others.

Individual percentage figures quoted above do not add up exactly to 100% due to rounding.

Percentage based on number of non-local founders with origin country/territory information provided

## STARTUPS ACROSS A WIDE RANGE OF INDUSTRIES

Hong Kong remains attractive to a diverse range of industries. But the continued rise of digital behaviour in businesses and consumers alike has fuelled specific startup growth in sectors such as e-commerce and supply chain & logistics, while remote learning is driving exciting developments in edtech.



The above information is based on an online survey conducted by InvestHK with results finalised in September 2021. The survey was conducted in collaboration with a total of 69 operators of co-work spaces, incubators and accelerators covering 124 locations. Information is based on answers from respondents who provided data for the questions.

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