

HONG KONG'S ENTREPRENEURIAL LANDSCAPE

Peter Mok

Head of Incubation and Acceleration Programmes

September 2019

HONG KONG

GDP

USD
365B
(2018)

2017 GDP | USD 341B

+3.0% in 2018 in real terms

2017 vs 2018 GROSS DOMESTIC PRODUCT

As of Aug 2019, USD 180.9\$ **+ 0.5%**

Credit ratings

Moody: Aa2; S&P: AA+; Fitch: AA+

- Prudent fiscal policy
- sizable fiscal reserves and external asset position
- sound regulatory framework
- market confident in the credit quality of corporate bond issuers ; and
- flexible economy

Hong Kong's Economic outlook



TOTAL EXPORTS OF GOODS
declined 4.1% year-on-year in
real terms in the first
quarter of 2019



HONG KONG ECONOMY
The nearterm economic outlook
is subject to a high level of
uncertainty

Where's Hong Kong? World rankings

IPO funds raised [World's No.1]

World's No.1 for IPO funds raised in 2018 (HK ranked first for six out of the past 10 years since 2009 in terms of IPO funds raised)

Business-friendly taxes [World's No.1]

World's No.1 most business-friendly tax system (PwC LLP and the World Bank Group: Paying Taxes 2019)

Economic openness [World's No.1]

World's No.1 (Legatum Institute: Global Index of Economic Openness 2019)

and more...

No. 1 Freest economy for 25 consecutive years (Heritage Foundation, USA)

No. 1 Economic freedom since 1996 (Fraser Institute, Canada)

No.2 Competitiveness (IMD World Competitiveness Ranking 2019)








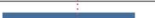




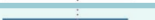







No.2 Financial system (World Economic Forum's Global Competitiveness Report 2018)

No.3 Global Financial Centres Index (Asia's No.1)

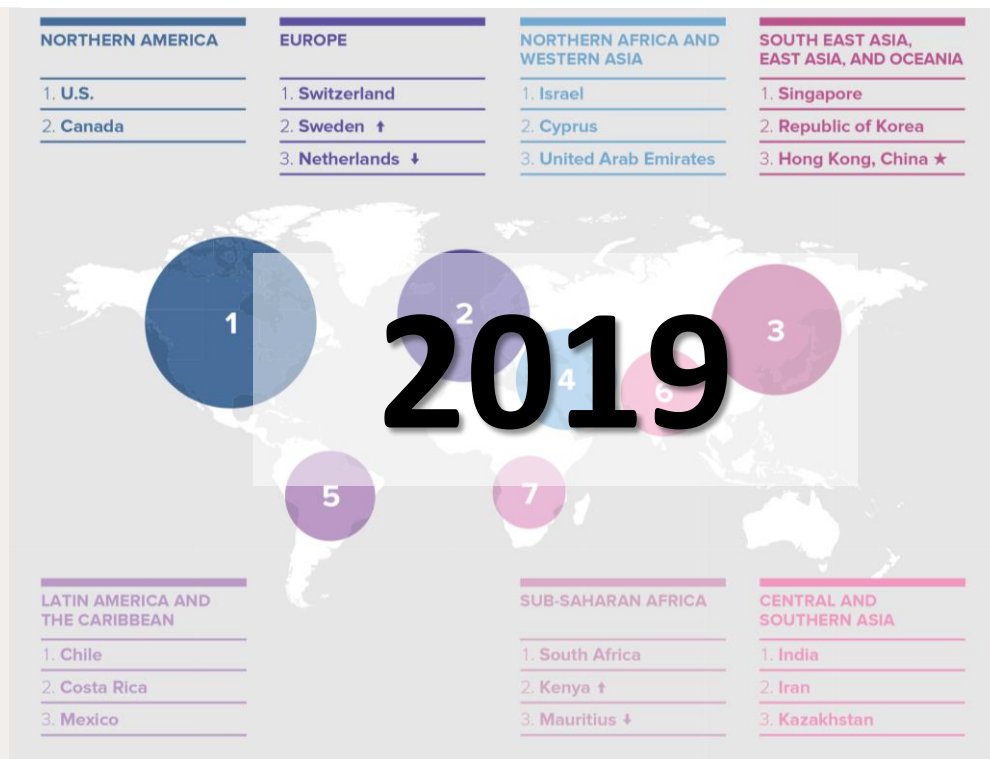
No.6 Stock market (Asia's No.3 by market capitalisation (end-May 2019))

No.4 Easiest place to do business (World Bank Doing Business Report 2019)



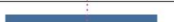
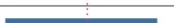

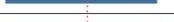







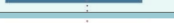

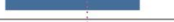


Where's Hong Kong? Global Innovation Index 2019 rankings

Country/Economy	Score (0–100)	Rank	Income	Rank	Region	Rank	Median 33.86
Switzerland	67.24	1	HI	1	EUR	1	
Sweden	63.65	2	HI	2	EUR	2	
United States of America	61.73	3	HI	3	NAC	1	
Netherlands	61.44	4	HI	4	EUR	3	
United Kingdom	61.30	5	HI	5	EUR	4	
Finland	59.83	6	HI	6	EUR	5	
Denmark	58.44	7	HI	7	EUR	6	
Singapore	58.37	8	HI	8	SEAO	1	
Germany	58.19	9	HI	9	EUR	7	
Israel	57.43	10	HI	10	NAWA	1	
Republic of Korea	56.55	11	HI	11	SEAO	2	
Ireland	56.10	12	HI	12	EUR	8	
Hong Kong, China	55.54	13	HI	13	SEAO	3	
China	54.82	14	UM	1	SEAO	4	
Japan	54.68	15	HI	14	SEAO	5	
France	54.25	16	HI	15	EUR	9	
Canada	53.88	17	HI	16	NAC	2	
Luxembourg	53.47	18	HI	17	EUR	10	
Norway	51.87	19	HI	18	EUR	11	
Iceland	51.53	20	HI	19	EUR	12	

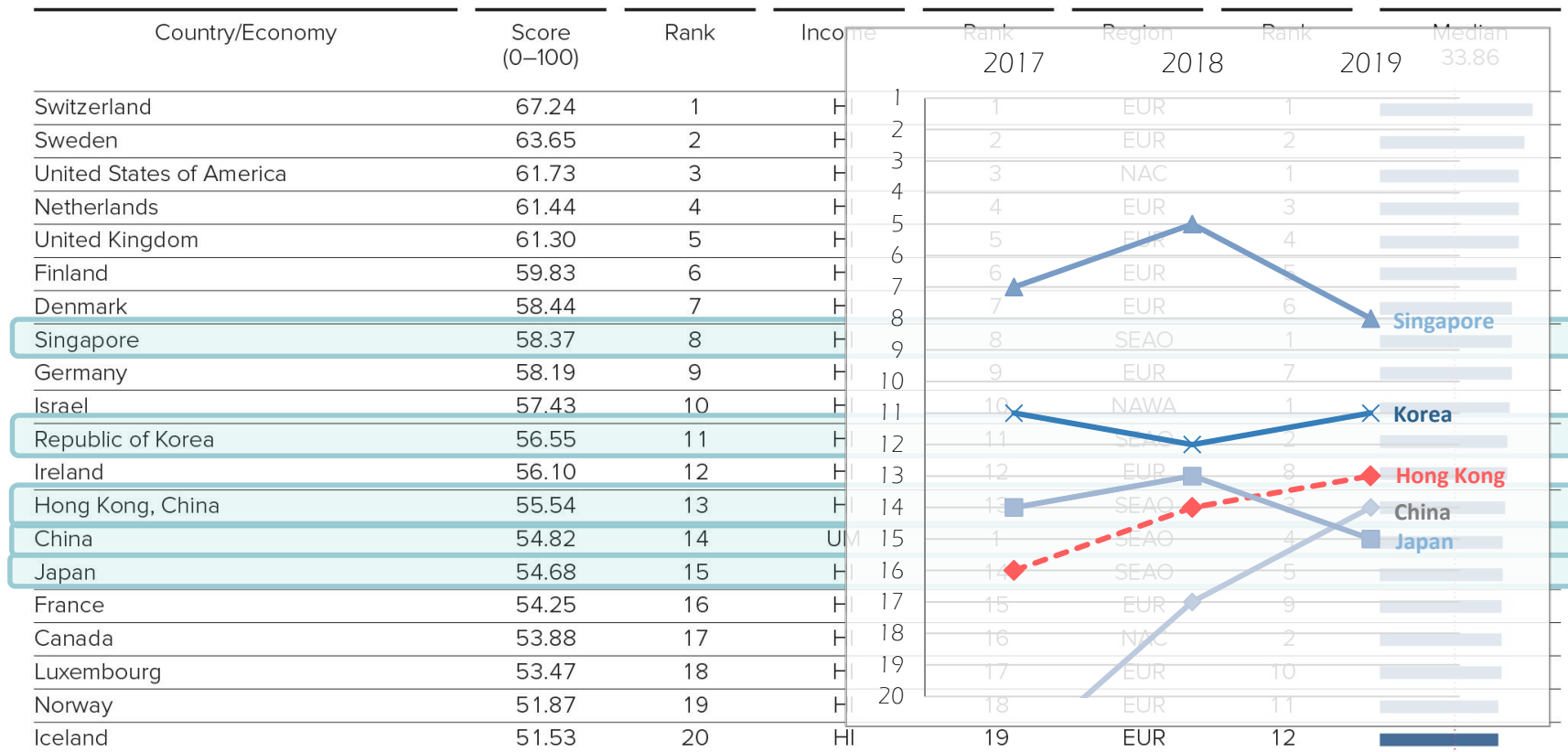
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Where's Hong Kong? Global Innovation Index 2019 rankings



Where's Hong Kong? Global Innovation Index 2019 rankings

Country/Economy	Score (0–100)	Rank
Singapore	72.15	1
Switzerland	71.02	2
United States of America	70.85	3
Sweden	70.43	4
Denmark	69.33	5
United Kingdom	69.12	6
Finland	68.04	7
Hong Kong, China	66.69	8
Canada	66.40	9
Republic of Korea	65.95	10
Netherlands	65.40	11
Germany	65.28	12
Norway	65.27	13
Japan	65.03	14
Australia	64.35	15
France	63.50	16
Israel	63.28	17
New Zealand	63.09	18
Austria	62.82	19
Ireland	62.13	20

Innovation input

8th

VS

Country/Economy	Score (0–100)	Rank
Switzerland	63.45	1
Netherlands	57.49	2
Sweden	56.87	3
United Kingdom	54.38	4
China	52.75	5
United States of America	51.82	6
Finland	51.62	7
Israel	51.59	8
Germany	51.10	9
Ireland	50.08	10
Luxembourg	49.20	11
Denmark	47.55	12
Republic of Korea	47.15	13
France	45.00	14
Singapore	44.59	15
Hong Kong, China	44.40	16
Japan	44.32	17
Iceland	43.99	18
Estonia	43.83	19
Malta	43.44	20

Innovation output

16th

How's I&T?

The Government has committed over \$100 billion to
promote innovation and technology (I&T) development

including developing I&T infrastructure, promoting R&D, nurturing local talent and attracting international expertise, supporting technology enterprises and promoting re-industrialisation, etc.

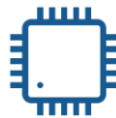
from
The Government Budget

《2018/2019 Government Budget》

Promote and Reinforce the Development of I&T



Healthcare
Technology



Artificial Intelligence
& Robotics



Smart City



FinTech

20B

HK SZ
I&T Park

- First phase of the HK-SZ Innovation and Technology Park in the Lok Ma Chau Loop

10B

ITF

- Innovation and Technology Fund (ITF)

10B

Science
Park

- 3B for infrastructure and facilities
- 7B for talents and incubatees

10B

Two
Research
Clusters

- Healthcare Technologies
- A.I. & Robotics

0.5B

Talents

- Technology Talent Scheme
- Postdoctoral Hub

0.3B

Cyberport

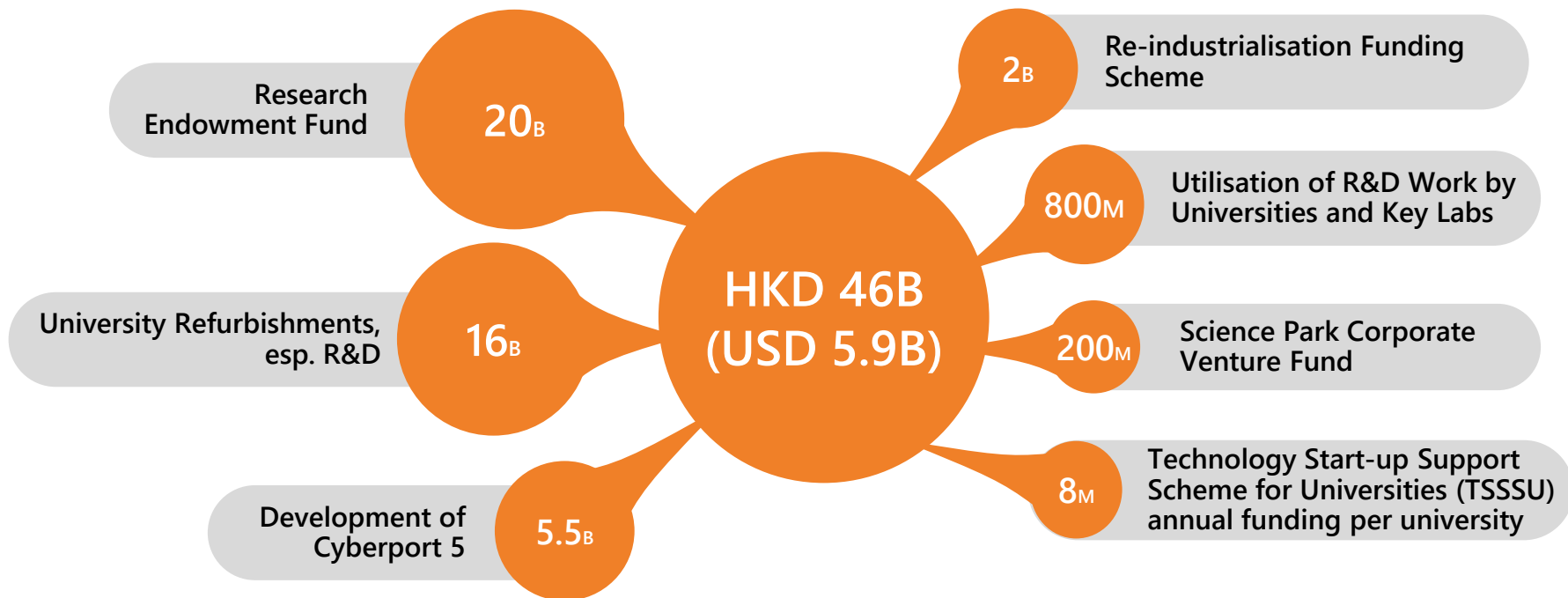
- Cyberport

HKD 50.8B (USD 6.5B)



The 2019-2020 Budget

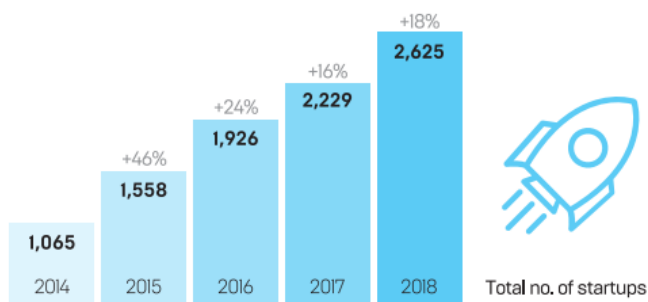
Innovation & Technology



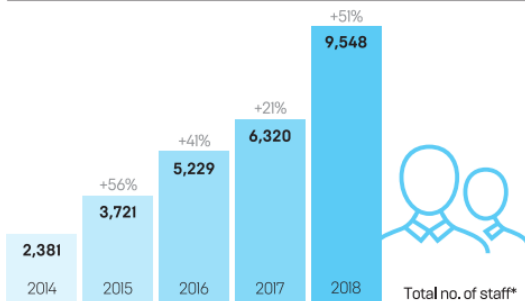
- Two innovation clusters – Health@InnoHK and AIR@InnoHK
- Increased monthly allowance for researchers under the Researcher Programme
- Extended funding period for the Researcher Programme and Postdoctoral Hub Programme

GROWING STARTUP ECOSYSTEM

2,625 startups, **+146%** in 5 years

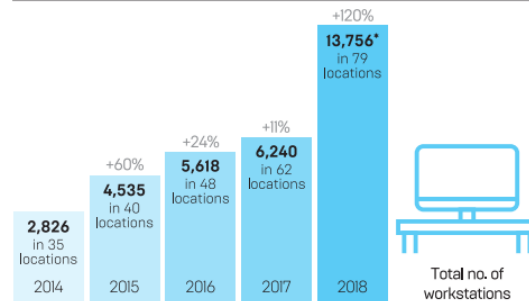


9,548 employees, **+301%** in 5 years



*Employed by startups, including founders.

13,756* workstations, **+387%** in 5 years



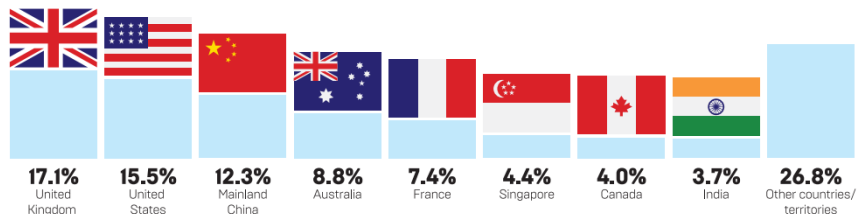
*Some respondents reported that they had no designated desks for use by startup members only and they could only provide the total number of workstations for all their company tenants.

THE GROWTH STORY CONTINUES

Hong Kong's startup ecosystem is thriving, and the number of startups continues to show strong growth. InvestHK's 2018 startup survey reports a significant increase over 2017 on all key parameters, with a total of 2,625 startups (+18%) employing 9,548 employees (+51%) across 13,756 workstations (+120%). Enabling this trend are a number of factors including a strong network of incubators, accelerators and co-work spaces, deep and diverse community partner support, pro-innovation policies and a multicultural ecosystem.

A DIVERSE GROUP OF FOUNDERS

MAJOR ORIGIN COUNTRIES / TERRITORIES OF NON-LOCAL FOUNDERS



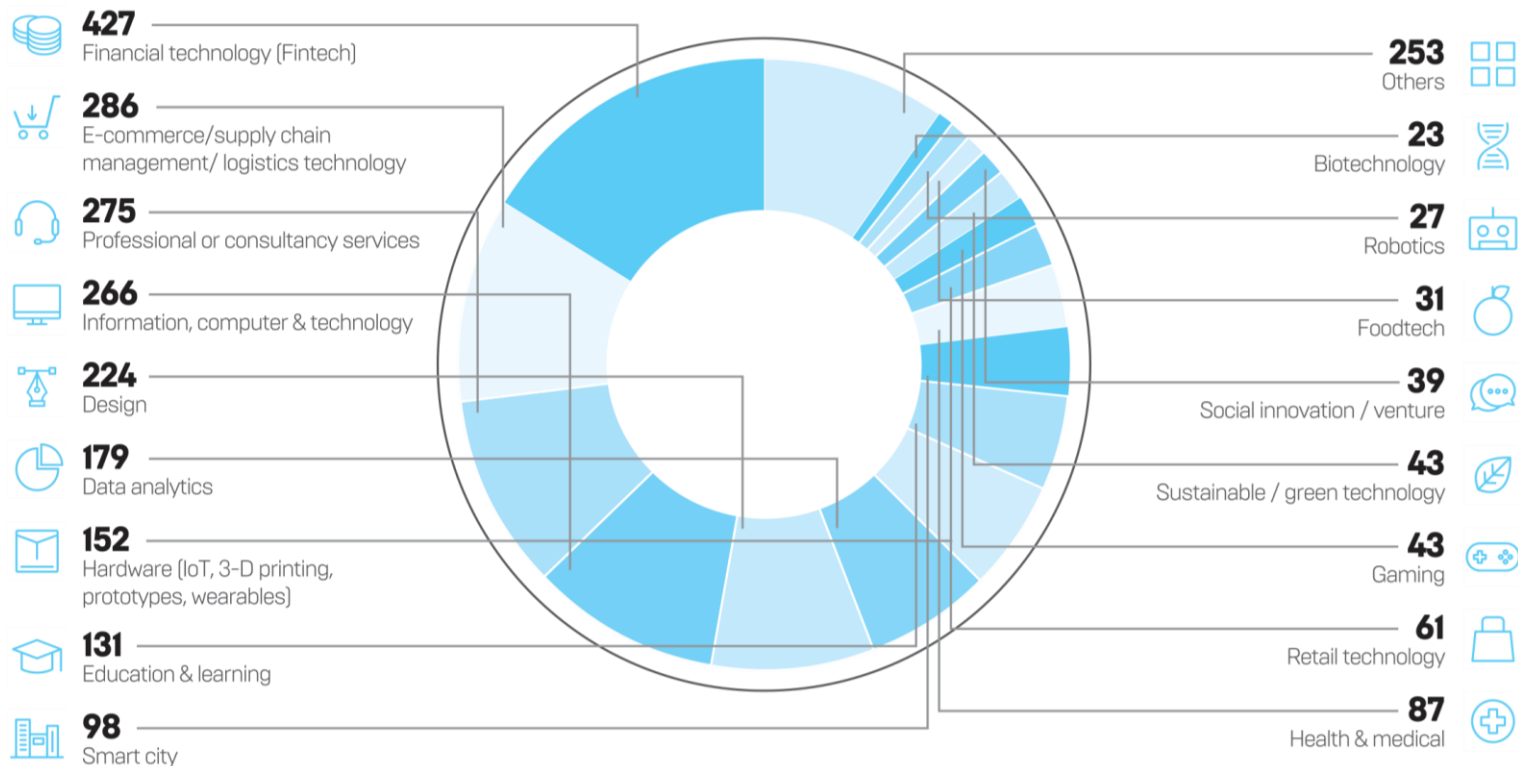
While 62% of the startup founders who provided origin information were Hong Kong locals, and 3% were Hong Kong returnees, 35% of the startup founders were non-locals, from countries/territories as diverse as the UK, USA, Mainland China, Australia and France, among others.

(Data Sources: 2018 StartupSurvey, StartmeupHK)

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

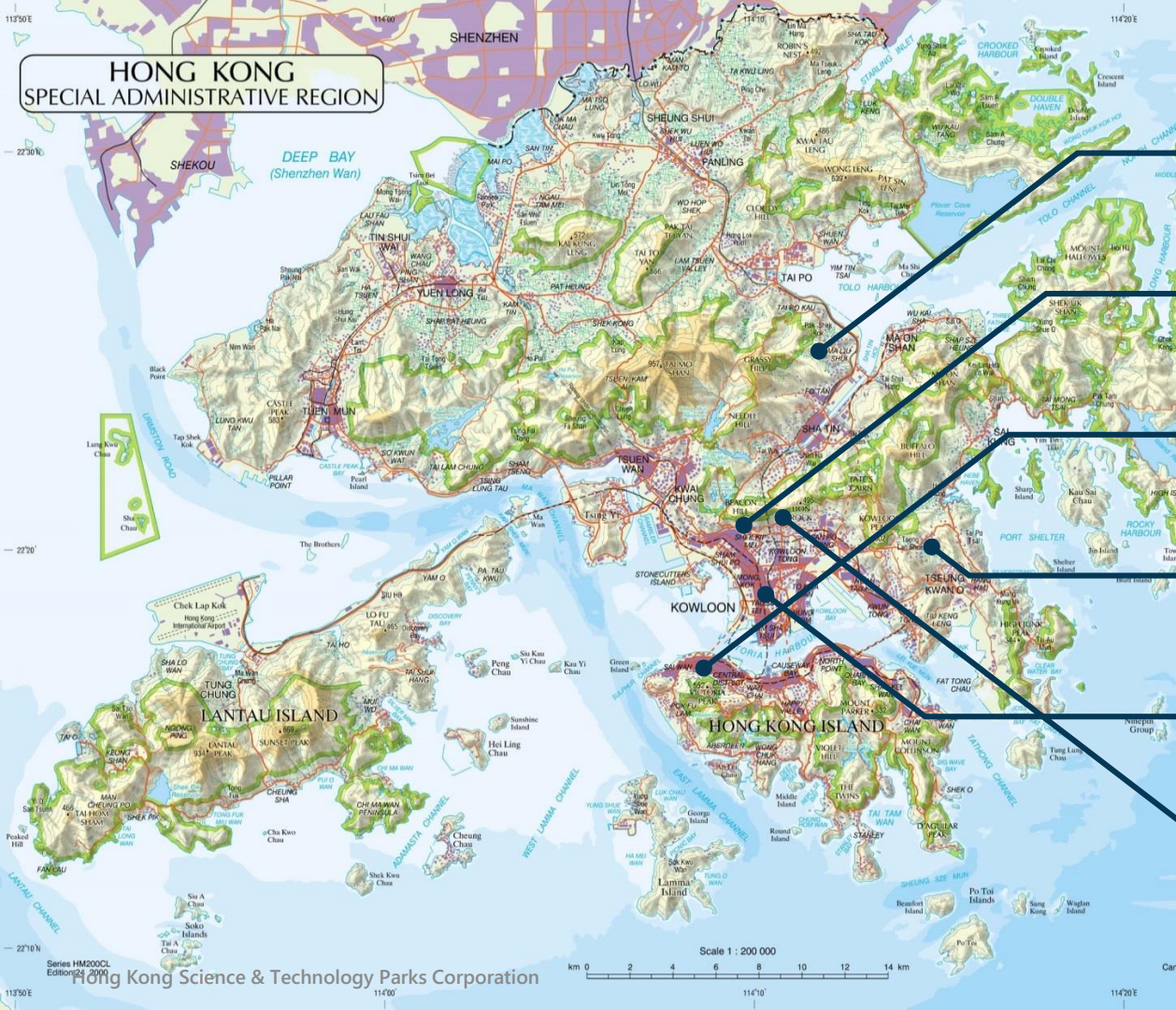
STARTUPS ACROSS A WIDE RANGE OF INDUSTRIES

Hong Kong's appeal as a startup hub extends to a wide variety of industries. In 2018, fintech, e-commerce/supply chain management/logistics technology and professional/consultancy services had the largest numbers of startups.



*Some startups were engaged in more than one sector.

HONG KONG
SPECIAL ADMINISTRATIVE REGION



The Chinese University of Hong Kong



City University of Hong Kong



The University of Hong Kong



Hong Kong University of Science and Technology

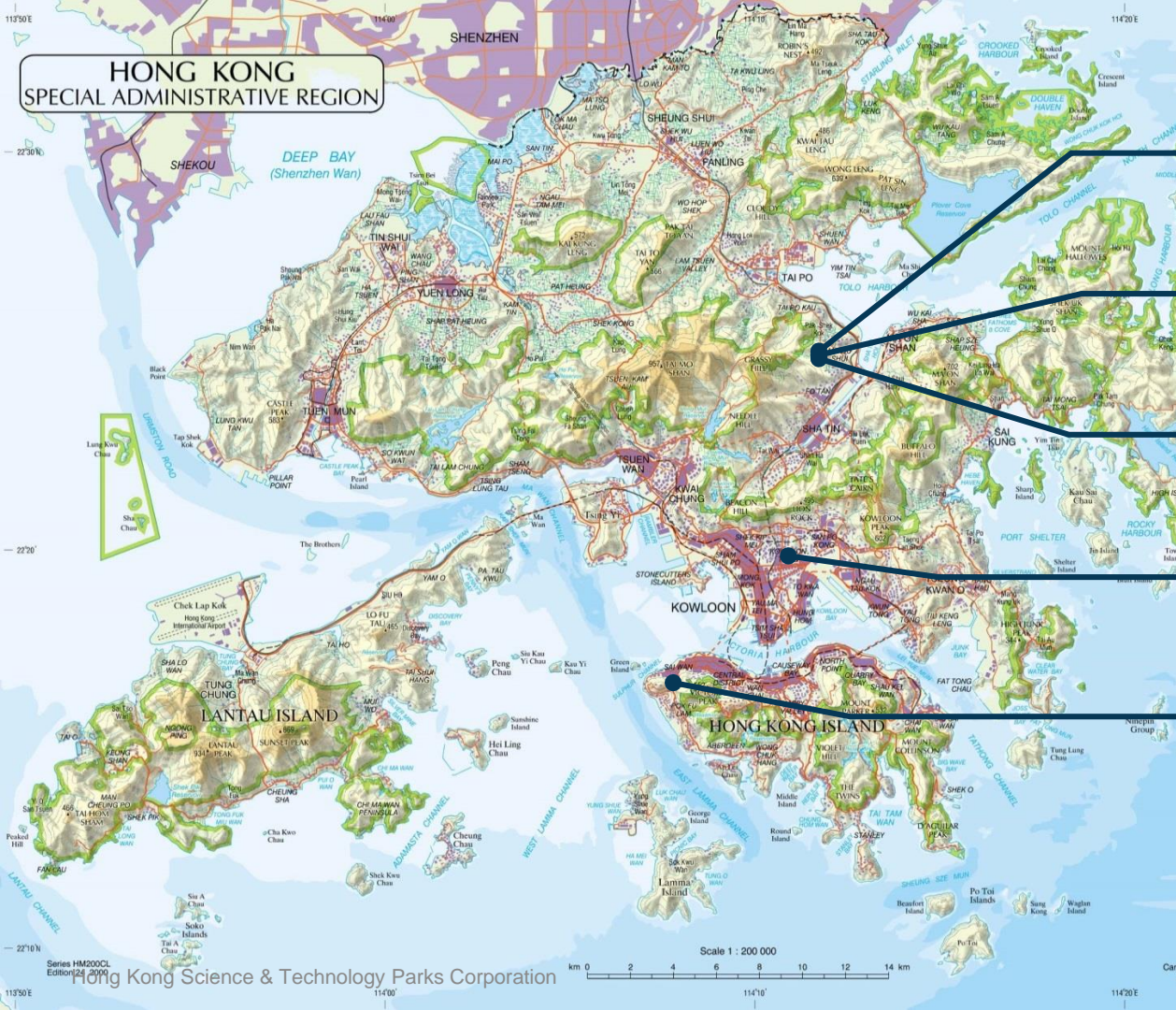


The Hong Kong Polytechnic University



Hong Kong Baptist University

HONG KONG SPECIAL ADMINISTRATIVE REGION



**Hong Kong Applied Science
and Technology Research
Institute**



**Hong Kong Research Institute
of Textiles and Apparel**



**Nano and Advanced
Materials Institute**



**Automotive Parts and
Accessory Systems R&D Centre**



**Logistics and Supply Chain
MultiTech R&D Centre**

Worldwide Top-Notch Universities & Research Institutes in Hong Kong

MIT

The Massachusetts Institute of Technology set up its **first overseas Innovation Node** in Hong Kong in 2016.

Karolinska Institutet

Karolinska Institutet (Sweden) opened a research facility at Science Park in 2016 to strengthen research in regenerative medicine.

Guangzhou Institutes of Biomedicine and Health

Guangzhou Institutes of Biomedicine and Health under the Chinese Academy of Sciences (CAS) set up a stem cell and regenerative medicine research centre at Science Park in 2017.

16

Partner State
Key Laboratories

6

HK Branches of CNERC (Chinese
National Engineering Research Centres)

A number of leading universities have expressed interest in joining research clusters and collaborating with local universities, such as...

Harvard University, Stanford University, Imperial College London, University College London and Johns Hopkins University

MOST & CAS also signed **MoU/ Agreement** with HKSAR Government to facilitate I&T cooperation in 2018.

CO-WORKING SPACES & INCUBATORS in HONG KONG

CO-WORKING SPACE



Makerspace



Working Space



Incubator

INCUBATORS / ACCELERATORS

3 Public Incubators + 19 Private Incubators

Ablaze / BRINC / Betatron / Cocoon / ef. / Eureka Nova / FinTech Innovation Lab/ Founder Institute / GreaterBayx / HKAI Lab / Kaleidoscope Lab / Lime HK / Moment Fintech / Nest / Scalabl / SowAsia/ Stars Programme/ The STILE / ZerothAI

HKSTP / Cyberport / HKDC

79 Locations in 2018

CO-WORKING SPACES

OUR CO-WORKING SPACES

Incu-App LIONROCK 72

Healthcare Device
Innovation Hub
(HDIH)

ICT Co-working
Centre (ICTCWC)

MAKERSPACES

Robotics Garage / Crafties / Dimsum lab / MIT Innovation Node / MakerBay / MakerHive / Three Keys ...

THEME/ PROG BASES

BRINC / Fashion Farm Foundation / The Mills / Blueprint / The Good Lab ...

OTHERS

Wework / Tuspark Global Network / the Desk / Playground.work / UNO / Garage society / WYND / Paperclip HK / Retro Spot / The Wave / Cocoon ...

STARTUP EVENTS in HONG KONG



HKICTA

Dare to
Change

STARTMEUP
HK FESTIVAL

Entrepreneur
Day

RISE

JUMPSTARTER



From Research to Business (local Universities)

HKU

iDendron (iIP), Dreamcatchers

CUHK

PI Centre, HKSEC

HKBU

BEST (business entrepreneurship support & training)

HKBU Entrepreneurship bootcamp

CityU

Innopreneurship Ecosystem

SEED (Student Early Entrepreneurship Development Scheme) HK\$100K to HK\$200K

HKUST

One Million Dollar entrepreneurship competition
STAR

The Base (the working space)

PolyU

PolyU Micro Fund

GoodSeed (Social)

STEEG-PolyU China Entrepreneurship Fund

OUHK

Open InnoChallenge

LingNanU

Innovation and Impact Fund (IIF) - Entrepreneurship Programme
Students Entrepreneurial Exploration Development (SEED) Fund

Technology Start-up Support Scheme for Universities

for 6 universities (HK\$8M each)
to support U's start-ups & commercialise their R&D results.

187
startups funded

with total funding
\$113,572,473

<https://www.itf.gov.hk/l-eng/TSSSU.asp>



Joint-U assessment Panel

99 TSSSU teams admitted in HKSTP Incubation Programmes

Hong Kong Tech Startups

FANO Labs

- Artificial Intelligence (AI)
- Speech, NLP & big data technologies
- first HK startup backed by Horizons Venture

HANSON ROBOTICS

- AI and robotics company dedicated to creating socially intelligent machines that enrich the quality of human's lives.
- Sophia – the first and foremost a research platform for Hanson Robotics' ongoing AI and robotics research work.

LALAMOVE

- Same-day delivery and logistics provider
- Southeast Asia and China
- Founded in 2013. Completed Series D funding round in 2019.

Xcelom

- Non-Invasive Analysis of Fetal DNA for Prenatal Screening
- To screen for Down syndrome and other chromosomal disorders without risks of miscarriage. Fast! Convenient! Safe!
- Invented by Hong Kong, only brand in Hong Kong with exclusive patent from the Chinese University of Hong Kong



HONG KONG SCIENCE PARK

Promoting integrated I&T development for
Government, Industries, Academia and Researchers

Hong Kong Science Park: Innovation, Technology, Entrepreneurship



HKSTP – International I&T Hub in GBA

Established in **2002**

400,000 m²
R&D Office Space

750+ Tech
Enterprises,
Working Population
~ **13,000**

Park Companies
from **22** countries &
regions

Leading Technology
Incubator in HK
with **300+** start-ups

**International I&T Hub
in GBA**

Science Park +
InnoCentre +
Industrial Estate

Science Park Research & Development



Shatin

InnoCentre Design & Fintech



Kowloon Tong

Industrial Estates Manufacturing



Taipo

Yuen Long

Tseung Kwan O

HKSTP Key Achievements – 18 Years, and 2019

2

Unicorns



Successfully built partnerships with **65** corporations and public sector, including Airport Authority, MTR, Maxim's, HSBC, Wheelock, 3HK, Ocean Park, CLP...

Sanomics

水中銀 VITARGENT
Smarter testing - Safer choices - Better world

HANSON ROBOTICS

FANO Labs 有光科技

MasterDynamic Limited

WIZOE SPATIAL
4D Psychoacoustics

XCEL OM

Hong Kong EV Power Limited
香港電動能源有限公司

ALTAI Super WiFi

Companies expanded into China, regional and globally, with HKSTP's support

INCUBATION – Incu-App, Incu-Tech, Incu-Bio

637

Graduated since inception

498

Still in Business

28

4 IPO & 24 M&A

INVESTMENT

US\$ 2B

Fund Raised by Park Companies in FY18/19

1 :
(USD 6.4 M)

13.4
(USD 86 M)

HKSTP CVF
(Up to Dec 2018)

Innovation as the Backbone – Key Technology Focus

Technology Focus Areas



Artificial
Intelligence &
Robotics



Smart Cities



Healthcare
Technologies



FinTech

HKSTP's Technology Clusters



Biomedical
Technology



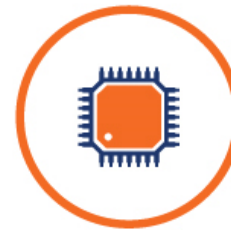
Information &
Communication
Technology (ICT)



Green
Technology



Material &
Precision
Engineering



Electronics

Expansion Plans Cater for Impressive Growth



Data Technology Hub (DT Hub)

Location:	TKO IE
Land Area:	0.54 Ha
GFA:	27,000m ²
Development Cost:	HK\$1.62B
Year of Completion:	2020
Estimate No. of I&T Related Staff:	~900
Estimate value-added for economy:	HK\$573M per year



Advanced Manufacturing Centre (AMC)

Location:	TKO IE
Land Area:	2.71Ha
GFA:	108,580m ²
Development:	HK\$6.63B
Target Year of Completion:	2022
Estimate No. of I&T Related Staff:	~2500
Estimate value-added for economy:	HKD927M per/year

Hong Kong-Shenzhen I&T Co-operation Zone



Hong Kong-Shenzhen I&T Co-operation Zone



HKSTP Startup Support System

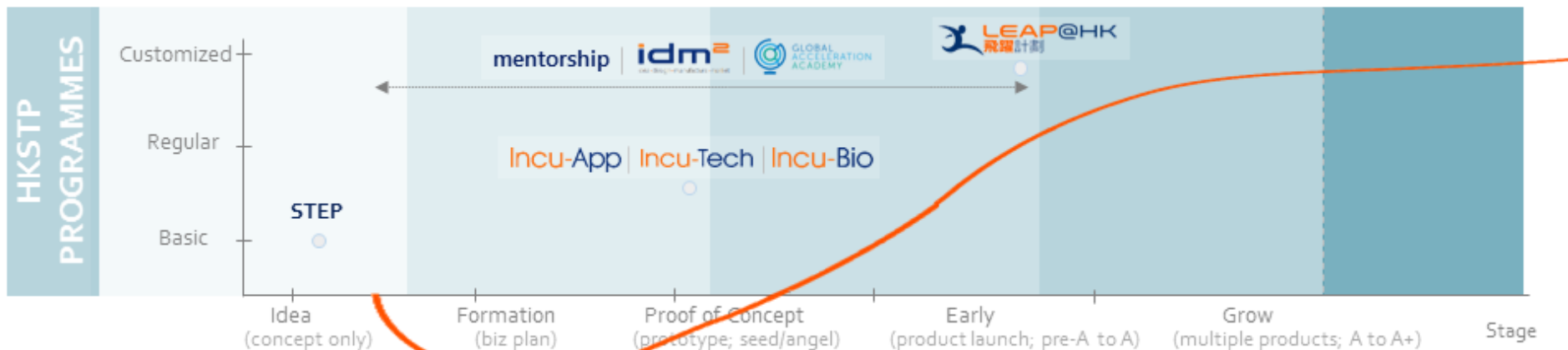
IDEA

STARTUP

EXPANSION

MATURITY

Level of Supports



SERIES OF STARTUP SUPPORT PROGRAMME
THE ROAD TOWARDS ENTREPRENEURSHIP

STEP Science and Technology Entrepreneur Programme

From idea to business reality

1. IDEA

Financial & Startup Support



GRANT

HKD 100K for idea validation



TRAINING

Training system - mindset & skillset development



COACHING

Dedicated account manager



COMMUNITY

membership - workspace at SP



TRANSCEND

transitioning to HKSTP Incubation

1-year program with HKD 100K grant (USD 12.8K)

INCUBATION INCU-APP / INCU-TECH

Supporting start-ups to develop & commercialize products for market success

Incu-App
—網動科技,創業,培育—
2-year program

tech application
business innovation

Incu-Tech
—科技,創業,培育—
3-year program

significant R&D
deep tech

Incu-Bio
—生物科技,創業,培育—
4-year program

Biomedical
technology



FINANCIAL SUPPORT

up to HKD 860K/1.29M/ 6M

- 320K-640K grant
- Up to 240-480K targeted fund
- up to 450K rental subsidy



TECHNICAL SUPPORT

connect you with stakeholders

- Training & consultation
- Tech development with universities
- Product development & manufacturing



WORKING PREMISES

headquarter at Science Park

- Office/co-working spaces
- Tech Incubation Centre
- World-class structure & facilities



BUSINESS SUPPORT

all-rounded support for your biz

- Mentorship
- Investment matching & support
- Go-to-market & biz matching

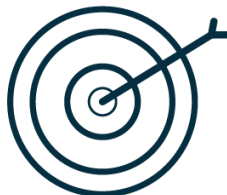
LEAP Leading Enterprises Acceleration Programme

accelerating high-potential start-ups to grow on the world stage of business

FINANCIAL SUPPORT



BUSINESS DEVELOPMENT SUPPORT



GROWTH MANAGEMENT SUPPORT



▼ FINANCIAL PACKAGE

HKD 4M prog. value
(including HKD 1,200K
financial subsidy & value
added services)

▼ INDUSTRY

mentorship system
& industry connection

▼ ANCHOR SALES

channel building & scale up and
expansion in regional/global
markets

▼ STRATEGY

IP & corporate development
capital planning

▼ CORPORATE & HR

corporate & HR structuring

▼ COMMUNICATION

marketing & PR support

Comprehensive Services

MENTORSHIP



▼ **3-tier mentoring system**

- mentors
- domain experts
- EIR

▼ **Coach to CEO**

- 3-6months coaching
- learn from top-tier CEO in HK/global

MANUFACTURING



▼ **IDM²**

- feasibility study
- functional/DFM
- pilot to mass prod.
- certification
- IP
- manufacturing

idm²
idea • design • manufacture • market

GO-TO-MARKET



▼ **Tech from SP**

- innovation marketplace

▼ **Anchor Customer**

- PoC with leading enterprises
- building anchor cases

BUSINESS EXPANSION



▼ **Risk Management**

- planning for risk management

▼ **Market Trend**

- market research reports/insight library

▼ **Marketing/ PR**

- targeted funding
- product launch



Industry partners to explore innovations first-hand

HKSTP to provide structural startup support

Start-ups to develop solutions for industry partners

Serving startups in 8 verticals



Real Estate



Travel & Hospitality



Logistics



FinTech & InsurTech



Consumer



Education



Smart City



Health Care

Partners:

MIZUHO



安创空间
ARM Ecosystem Accelerator

SINASUN 新松
创新驱动价值 Create Infinite Value

WKO
AUSSERWIRTSCHAFT AUSTRIA

瑞安房地产
SHUI ON LAND

領展
LINK

elite
Elite Industrial Holdings Ltd.

CATHAY PACIFIC



NVIDIA

Hactl

Alibaba Cloud

KERRY PROPERTIES
嘉里建设

信和集團
Sino Group

GLOBAL
ACCELERATION
ACADEMY

iDM2

idea - design - manufacture - market

iDM2 Hardware Accelerator – Scope of Content

Nurture

Entrepreneurs in
Hardware Project
Management

Accelerate

Hardware
development
in terms of
Cost and Time

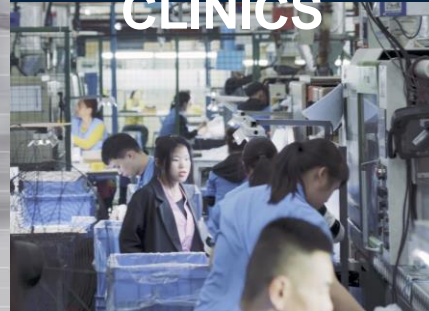
Deliver

Prototype
with MVP
Design

DFM WORKSHOPS



FABRICATI ON CLINICS



GBA SUPPLY CHAIN



Investment Support Services



HKD 18B (USD 2.3B) Investment Raised for Science Park Companies

Our Investment Partners :





APPLY NOW!



2018 Elevator Pitch Competition

US\$ 190,000

prize and investment

1,400+

attendance

600+

application

100

finalists

68

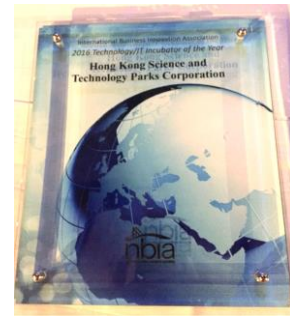
from 40 economies

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HKSTP gained 3 InBIA Awards

International Business Innovation Association



2016 InBIA's Technology/ IT Incubator of the Year

2016 Dinah Adkins Incubator of the Year
- Technology Focus

2016 InBIA Randall M. Whaley Award
- Incubator of the Year Award

THANK YOU

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