DEEP KNOWLEDGE GROUP

AI for Finance in Hong Kong

Full Report

Observer HK FINANCIAL SERVICES DEVELOPMENT COUNCIL 香港金融發展局

www.hk-ecosystem.tech/ai-for-finance

Table of Contents and Introduction

Introduction

Hong Kong's sector is evolving rapidly, positioning the city as a leader in the integration of artificial intelligence into financial services globally.

With over **230 entities** (**160 companies, 30 industry leaders, 50 investors and 5 innovation hubs**), the ecosystem has become a dynamic force. It includes both startups pushing the boundaries of AI and established financial institutions leveraging AI to optimize efficiency, improve strategies, and create new solutions. This collective growth underscores Hong Kong's emerging leadership in reshaping finance through AI-driven innovations.

AI is unlocking new opportunities in traditionally manual finance processes. From algorithmic trading and risk management to fraud detection and customer service automation, AI is revolutionizing these sectors. By utilizing machine learning, financial institutions can rapidly process vast datasets, gaining predictive insights that enhance decision-making and optimize business outcomes.

Introduction

Over the past decade, artificial intelligence has shifted from a peripheral “innovation layer” into a practical capability embedded in core financial operations. Across banking, payments, capital markets, insurance, compliance, and financial infrastructure, AI systems are now used to automate high-volume workflows, strengthen risk and fraud controls, improve decision quality, and expand the analytical capacity of financial institutions. The most important distinction is no longer whether AI is present, but whether it is deployed reliably at production scale—within governance, auditability, resilience, and market-integrity constraints.

Hong Kong is a particularly relevant jurisdiction for understanding this transition. As one of the world’s most internationally connected financial centres, Hong Kong combines deep institutional finance capabilities with an active innovation ecosystem of AI-for-Finance companies, investors, and enabling hubs. This report identifies and profiles a large ecosystem of relevant actors across multiple finance verticals and maps how AI technologies are being applied in operational workflows that matter to financial-sector competitiveness, resilience, and growth.

The purpose of this report is to provide an evidence-based assessment of Hong Kong's AI adoption at a production and system level in financial services. Focusing on practical applications rather than theoretical potential, it evaluates institutional adoption in areas such as credit and risk modeling, fraud detection, compliance automation, and algorithmic trading systems, reflecting the emphasis placed by regulators like the Hong Kong Monetary Authority on the practical deployment of AI. A second goal is to place these AI applications within the broader context of Hong Kong’s capital markets and global position. The report explores how AI capabilities integrate with market depth, regulatory frameworks, and institutional maturity, and how these factors enhance Hong Kong’s appeal as a hub for capital formation and public market activity. Hong Kong Exchanges and Clearing Limited plays a key role in providing access to global capital for AI-driven financial and technology firms.

Introduction

Hong Kong occupies a structurally unique position in the global AI-for-Finance landscape. Beyond its role as an international financial centre, the city operates as one of the world's only jurisdictions where both Western and Mainland Chinese artificial intelligence ecosystems can be accessed, tested, and deployed within a single regulated financial environment.

Unlike the United States and Europe, where access to Mainland Chinese AI models is typically restricted by regulatory, policy, or internal compliance limitations, and unlike the Chinese Mainland, where cross-border data controls and platform restrictions limit the availability of global large language models, Hong Kong maintains an open technological architecture. Leading Western models such as GPT, Gemini, Claude, and Llama coexist alongside advanced Mainland Chinese models including DeepSeek, ERNIE, and Qwen, supported by a clear legal framework governing data protection, cybersecurity, and financial-sector usage. This dual accessibility is reinforced by Hong Kong's dense concentration of global financial institutions, international technology providers, and regional headquarters of Mainland firms. Combined with geographic proximity to Shenzhen's advanced technology ecosystem, this environment has produced a talent base familiar with both global and Chinese AI stacks, as well as the regulatory and operational requirements governing their deployment.

As a result, Hong Kong functions as a natural experimentation and scaling platform for applied AI in finance. Global financial institutions can evaluate and pilot Mainland-developed AI solutions in Hong Kong that would not be feasible within their home markets, while Mainland institutions operating internationally can access global AI technologies that are restricted or unavailable onshore. This bidirectional testing capability significantly accelerates innovation cycles, reduces deployment risk, and shortens proof-to-production pathways. In this context, Hong Kong's importance extends beyond regional leadership. The city serves as a global interoperability hub for financial AI—where technologies developed in different regulatory and technological systems can be validated side-by-side, governed under consistent legal standards, and scaled into both Asian and international financial markets.

Introduction

Hong Kong's financial ecosystem benefits from structural features that set it apart from its global peers. These include its role as a bridge between Eastern and Western markets, its integration of smart-city initiatives with cutting-edge fintech capabilities, and its robust LegalTech, RegTech, and GovTech frameworks that embed compliance and regulatory functions directly into financial operations. These unique advantages create a dynamic, reinforcing cycle where financial institutions in Hong Kong adopt AI tools to improve efficiency and competitiveness, while tech companies leveraging AI-driven financial solutions are attracted to the city's capital markets and regulatory environment. This mutually reinforcing ecosystem fosters innovation, capital formation, and continued sector growth. This convergence creates a natural alignment between applied AI capability and capital formation.

Financial institutions adopting AI at scale generate demand for advanced technology providers, while AI-for-Finance companies require jurisdictions that offer not only technical adoption, but also credible listing venues, institutional investors, and governance frameworks aligned with global markets. Within this context, Hong Kong Exchanges and Clearing Limited forms part of a broader financial architecture through which AI-enabled financial and technology companies can access international capital. The presence of advanced AI deployment within Hong Kong's financial sector reinforces the city's position as a jurisdiction where AI-for-Finance companies can both operate at production scale and engage global public markets.

In short, this report is designed as a decision-maker-oriented evidence base on Hong Kong's AI-for-Finance ecosystem that consolidates a structured mapping of key ecosystem actors and enabling institutions, introduces a clear classification framework for interpreting AI-for-Finance activity, examines sector-specific deployments and market dynamics, benchmarks Hong Kong against leading peer markets, and provides practical recommendations for strengthening Hong Kong's global leadership in applied AI for financial services and reinforcing the city's capital-markets role for high-quality AI-finance issuers and partners.

AI for Finance in Hong Kong

Current State and Landscape Overview

AI for Finance in Hong Kong Industrial Ecosystem Platform

Source: www.hk-ecosystem.tech/ai-for-finance

AI for Finance in Hong Kong Industrial Ecosystem Platform Definition

Investment & Wealth Management

This sector focuses on using AI to optimize portfolio management, investment strategies, and financial planning. AI tools help analyze market trends, predict future asset values, and automate personalized investment strategies for individual and institutional investors, improving decision-making and increasing portfolio returns.

Data & Analytics

In AI for finance, this sector leverages machine learning algorithms to process vast amounts of financial data, uncovering hidden patterns and trends. AI-driven analytics assist financial institutions in making real-time decisions, improving forecasting, risk management, and customer insights.

Lending & Credit

AI technologies in lending enhance credit scoring models, automate loan approvals, and assess borrower risk. By analyzing financial history, transaction patterns, and alternative data, AI enables faster, more accurate lending decisions, improving access to credit and reducing default risks.

Customer Experience & Enablement

AI in this sector focuses on enhancing customer interactions and services, including chatbots, automated customer support, and personalized financial recommendations. AI tools enable financial institutions to offer tailored solutions, improve customer satisfaction, and streamline processes.

Capital Markets & Trading

AI applications in this sector optimize trading strategies, analyze market conditions, and execute trades at optimal moments. Machine learning models predict stock price movements, detect trading patterns, and manage risk in real-time, enhancing the efficiency and profitability of market operations.

Blockchain & Cryptocurrencies

AI aids in improving the security, transparency, and efficiency of blockchain networks and cryptocurrency transactions. In finance, AI helps detect fraud, optimize mining operations, and create predictive models for cryptocurrency price movements, ensuring better market stability and trust.

AI for Finance in Hong Kong Industrial Ecosystem Platform Definition

Infrastructure & Technology

Infrastructure and Technology refers to the foundational systems that enable financial institutions to operate securely, efficiently, and at scale, with AI increasingly embedded at every layer. In the context of finance, this sector includes cloud computing, core banking systems, payment rails, data pipelines, cybersecurity frameworks, and system integration platforms enhanced by artificial intelligence. AI is used to automate infrastructure management, monitor system performance, and predict failures before they occur, reducing downtime and operational risk. AI-driven infrastructure allows financial organizations to process massive volumes of transactions and data in real time. Machine learning models optimize resource allocation, improve system scalability during peak demand, and lower operational costs. In cybersecurity, AI plays a critical role by detecting anomalies, identifying threats, and responding to attacks faster than traditional rule-based systems. This is especially important as financial systems become more digital and interconnected.

Additionally, AI supports modernization efforts by helping legacy financial institutions migrate to cloud-based and modular architectures. Intelligent automation simplifies system upgrades, improves data quality, and enables faster deployment of new financial products. Overall, AI-powered infrastructure and technology form the backbone of modern financial services.

Other

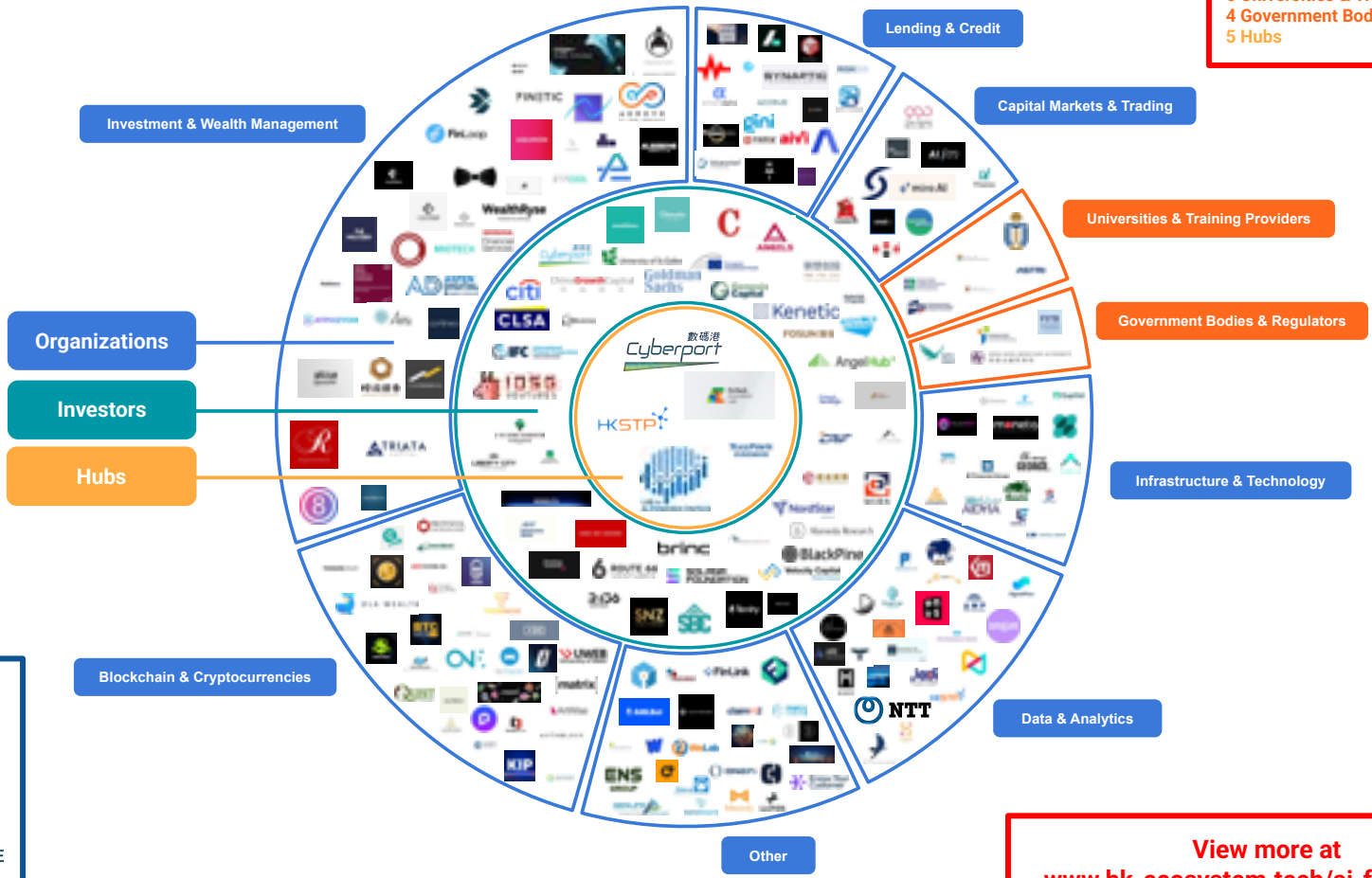
The “Other” sector captures AI applications in finance that do not fit neatly into traditional categories but are nonetheless critical to the industry’s transformation. This includes areas such as regulatory compliance (RegTech), fraud detection, anti–money laundering (AML), financial crime prevention, risk governance, insurance technology, and emerging financial use cases. AI is particularly valuable in these domains because they involve complex rules, large datasets, and rapidly changing requirements.
In regulatory compliance, AI helps financial institutions monitor transactions, interpret regulations, and generate reports automatically, reducing human error and compliance costs. In fraud and financial crime prevention, machine learning models analyze behavior patterns to identify suspicious activity in real time, allowing institutions to stop fraud before losses occur. These systems continuously learn and adapt as criminals change tactics.

The “Other” category also includes experimental and emerging uses of AI, such as automated auditing, climate and ESG risk modeling, stress testing, and financial inclusion tools that use alternative data. These applications often start at the edges of the industry but can become core capabilities over time. Together, these diverse AI-driven solutions strengthen trust, resilience, and adaptability in the financial system, addressing risks and opportunities that fall outside traditional sector boundaries.

AI for Finance in Hong Kong

Interactive MindMap

160 Companies
50 Investors
6 Universities & Training Providers
4 Government Bodies & Regulators
5 Hubs



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Interactive MindMap

AI for Finance Ecosystem in Hong Kong

Companies - 160
Investors - 50
Universities & Training Providers - 6
Hubs - 5
Government Bodies & Regulators - 4

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Companies

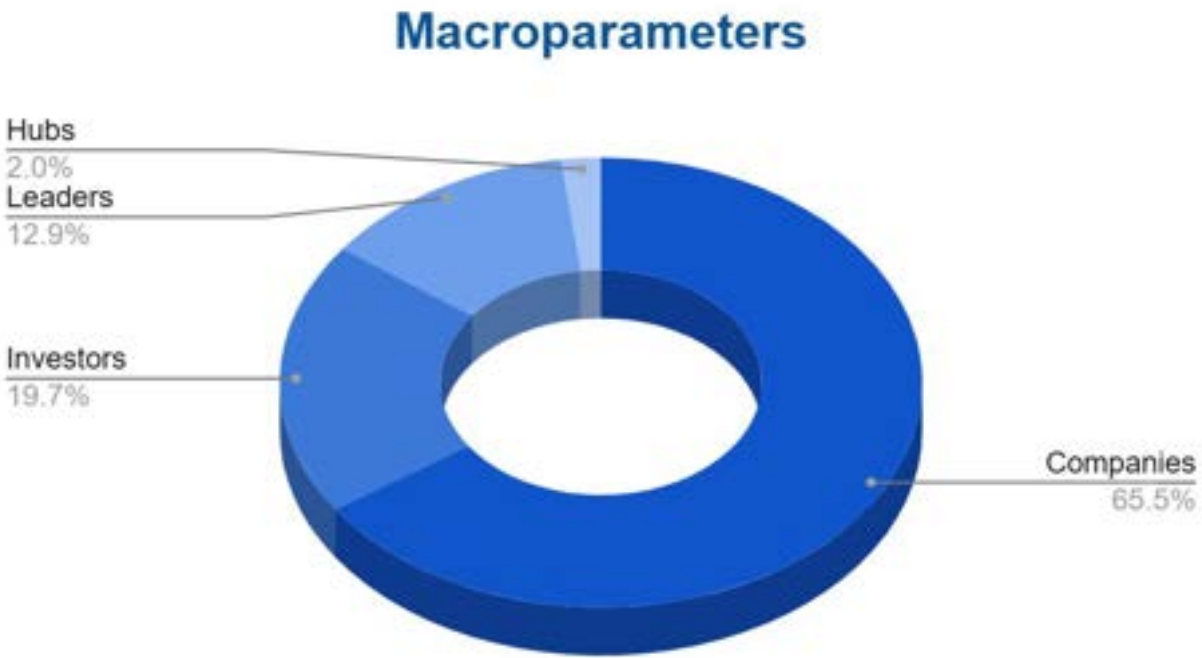
Investors

Hubs

Government Bodies & Regulators

Universities & Training Providers

Macroparameters



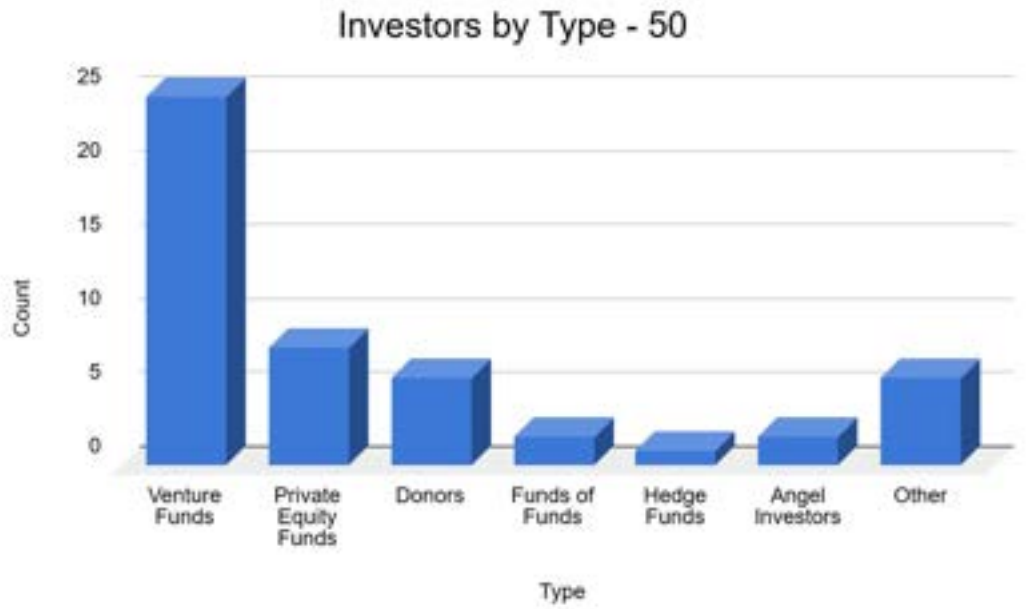
The AI for Finance Industry in Hong Kong consists of **160 companies, 30 industry leaders, 50 investors, and 5 hubs, totaling 230 entities.**

This ecosystem reflects a vibrant and growing sector, with significant involvement from key players driving innovation and investment.

The presence of dedicated hubs further enhances collaboration and development, making Hong Kong a prominent destination for AI-driven financial solutions.

The concentration of investors highlights the city's appeal as a financial technology hub.

Investors by Type



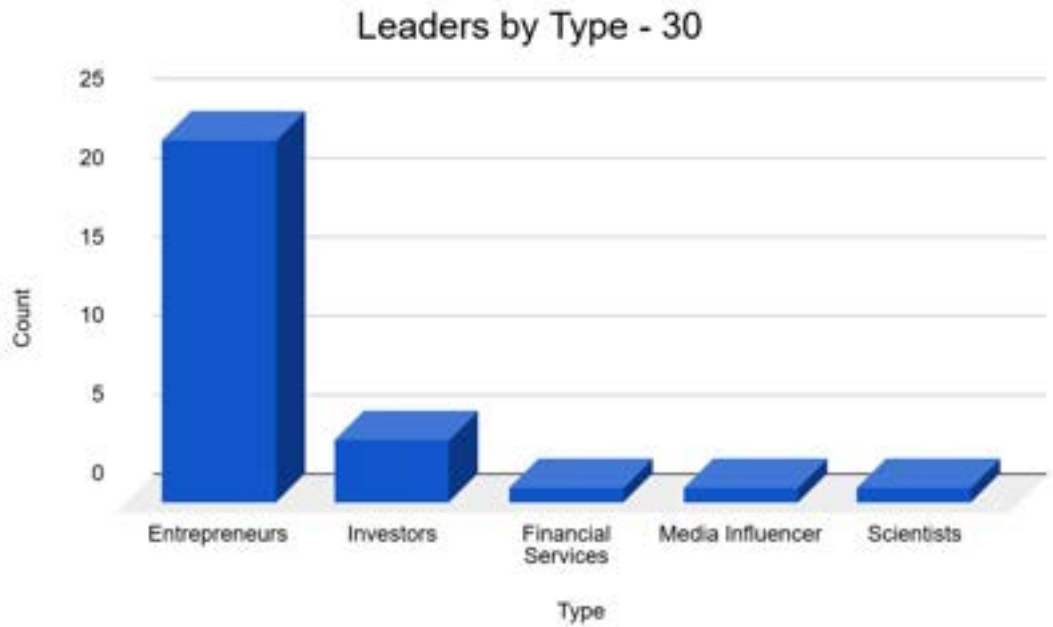
AI for Finance in Hong Kong is rapidly evolving, driven by innovations in algorithmic trading, risk management, and fraud detection.

It benefits from strong investment support, with a diverse range of investors, including **25 venture funds, 8** private equity funds, and smaller contributions from donors, funds of funds, angel investors, hedge funds, and others.

A highly successful new VC fund, **3C AGI Partners**, considered one of Asia's first dedicated AI venture funds, has recently emerged in this space.

Hong Kong's focus on talent development and innovation hubs, combined with this growing investment landscape, positions it as a leading global center for AI for Finance.

Leaders by Type

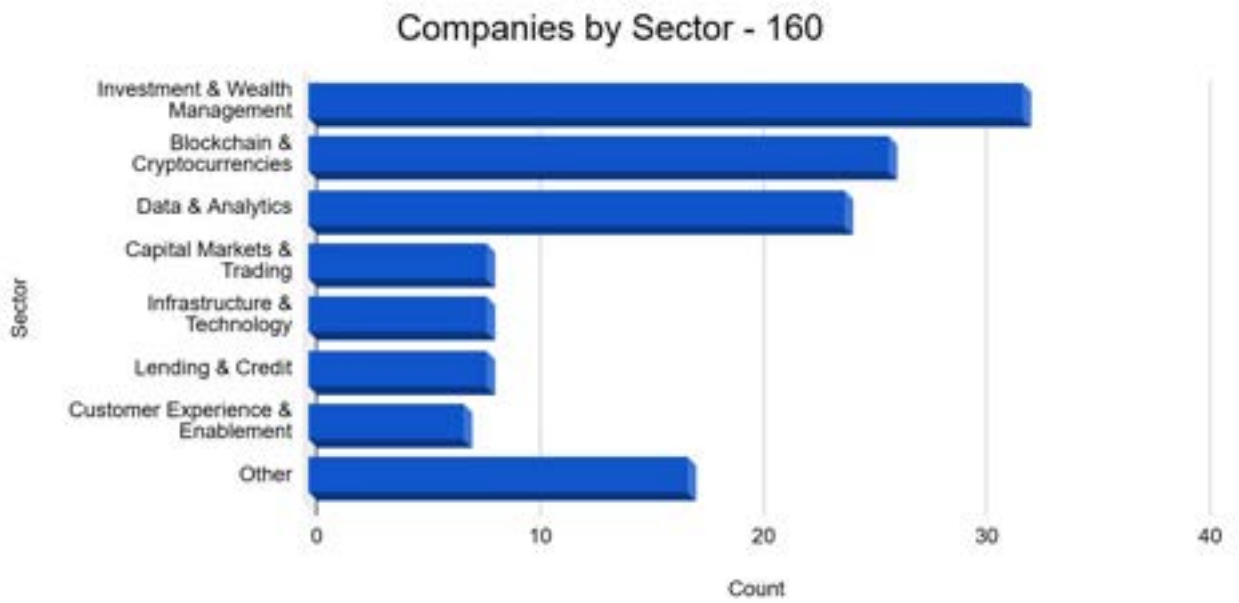


The leadership landscape in Hong Kong's AI finance sector comprises 25 entrepreneurs, 2 investors, 1 financial services expert, 1 media influencer, and 1 scientist, totaling 30 individuals.

Entrepreneurs lead in technological innovation and business development, while investors provide crucial funding.

The diverse representation, including financial services, media, and scientific expertise, demonstrates a multidisciplinary approach that drives the growth and evolution of AI within the financial industry. These leaders are integral to the region's progress.

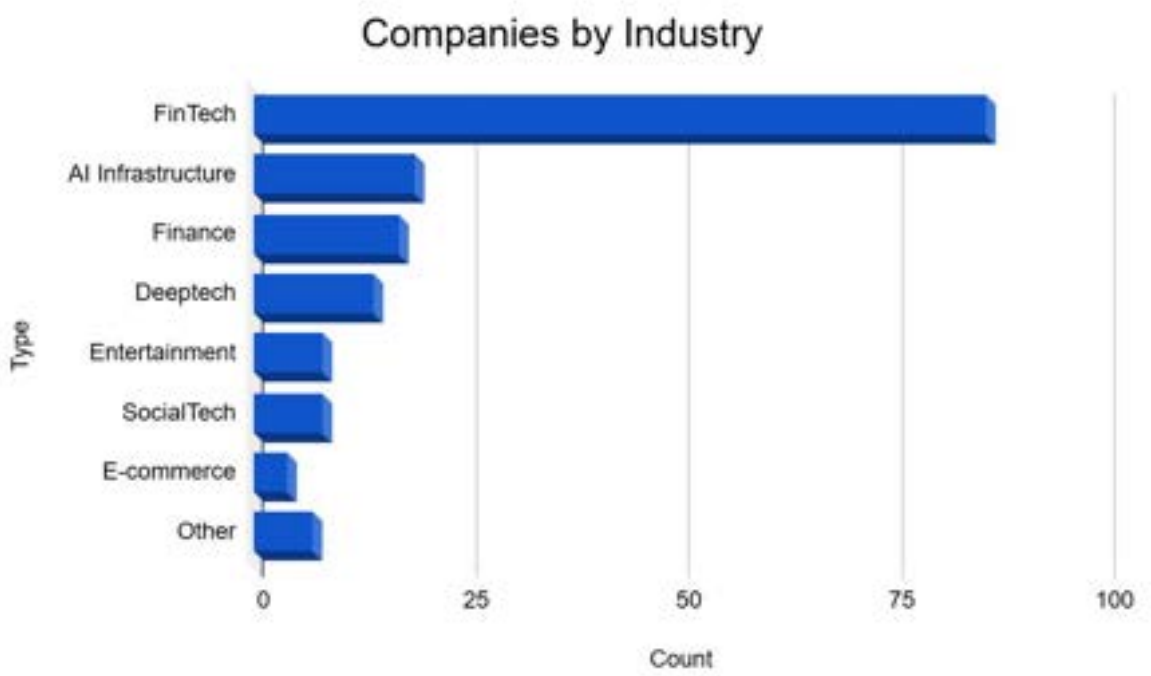
Companies by Sector



Hong Kong's AI finance sector is represented by a diverse range of companies across various types. The largest segments include 40 companies in investment and wealth management, 31 in blockchain and cryptocurrencies, and 28 in data and analytics.

Other notable sectors include capital markets and trading, infrastructure and technology, and lending and credit, each with 12 companies. Smaller groups focus on customer experience, B2B financial services, insurtech, payments, regtech, risk management, and personal finance, highlighting the broad application of AI across finance.

AI Companies



In Hong Kong, the broader AI landscape (beyond AI for Finance) comprises **160 companies** distributed across various industries. The leading sector is **FinTech, with 86 companies, followed by AI Infrastructure (19), Finance (17), and Deeptech (14). Other notable sectors include Entertainment and SocialTech (both 8), E-commerce (4), and Other (7).**

This distribution highlights Hong Kong's diverse AI ecosystem, with significant representation in infrastructure and deep technology domains. The city's strategic focus on AI development is evident in its growing number of AI enterprises and research initiatives.

AI for Finance in Hong Kong

The AI for Finance Ecosystem in Hong Kong is a thriving and rapidly evolving network at the forefront of revolutionizing the financial services industry through artificial intelligence. A diverse array of companies, ranging from agile startups to established financial institutions, are spearheading advancements in areas such as algorithmic trading, fraud detection, risk management, and customer service automation.

Key Features:

- **Thriving AI-powered finance network with startups to global banks.**
- **Innovations in algorithmic trading, risk management, fraud detection, and automation.**
- **Strong investment support from VC, fintech investors, and government initiatives.**
- **Innovation hubs and talent development foster research and collaboration.**
- **Positions Hong Kong as a key global AI-finance center reshaping financial services.**

Source: *www.hk-ecosystem.tech/ai-for-finance*

Investment Landscape

Hong Kong has emerged as one of Asia's most concentrated hubs for AI in finance, underpinned by a dense ecosystem of venture funds, private equity firms, accelerators, regulators, and global financial institutions. The city's role as an international financial center has attracted more than **230 organizations, including 160 companies and 50 active investors**, many of whom are deploying AI across trading, risk management, credit scoring, compliance, and digital assets.

Major capital allocators such as **HSG** (formerly Sequoia Capital China) anchor the ecosystem. With over **US$55 billion** under management and more than **140 unicorns** across its global portfolio, HSG exemplifies the scale of capital flowing through Hong Kong into data-driven and AI-enabled financial platforms. Similarly, **Horizons Ventures**, backed by Li Ka-shing, has supported globally transformative companies, reinforcing Hong Kong's reputation as a launchpad for frontier technologies.

On the fintech and Web3 frontier, firms like **Animoca Brands**—a widely recognized unicorn—demonstrate how AI, blockchain, and finance intersect in Hong Kong's innovation economy. Specialist investors such as **AFG Partners, Kenetic, and IOSG Ventures** further accelerate AI adoption in financial services.

Supported by government platforms like **Cyberport Hong Kong** and a strong university and conference network, Hong Kong's AI-in-finance landscape reflects deep investor confidence, sustained unicorn creation, and a steady inflow of global capital into intelligent financial infrastructure.

For extended profiles sectoral case studies, please access the *Special Sectoral Case Studies Appendix* here.

AI for Finance in Hong Kong

Hong Kong as an AI-Enabled Financial Hub

Hong Kong as an AI-Enabled Financial Hub

Hong Kong has long been a key player in global finance, benefiting from its robust institutional framework, open financial system, and strategic location at the heart of Asia. This chapter places Hong Kong's AI-in-Finance ecosystem within the broader historical context of the territory's evolution as an international financial center.

By examining Hong Kong's long-standing strengths in banking, capital markets, insurance, asset management, and its role in offshore Renminbi (RMB) activities, we set the stage for understanding the rapid emergence of AI-driven transformation in the financial sector.

The Historical Foundation of Hong Kong's Financial Leadership

Hong Kong's institutional advantages have played a crucial role in shaping its position as one of the world's leading financial centers. With a well-established banking system, a robust capital markets framework, and a strong presence in the insurance and asset management sectors, the city has maintained its competitive edge in global finance.

Hong Kong has also cemented its role as the primary offshore center for Renminbi (RMB), offering unique opportunities for cross-border trade, investment, and capital flow management in the Chinese currency.

The territory's regulatory framework, transparency, and adherence to international standards have provided the stability and confidence needed for both local and international investors. This has allowed Hong Kong to thrive amidst global economic fluctuations, acting as a gateway between the Chinese Mainland and international markets.

Hong Kong as an AI-Enabled Financial Hub

Hong Kong's Unique Strengths as a Globally Competitive AI-for-Finance Hub

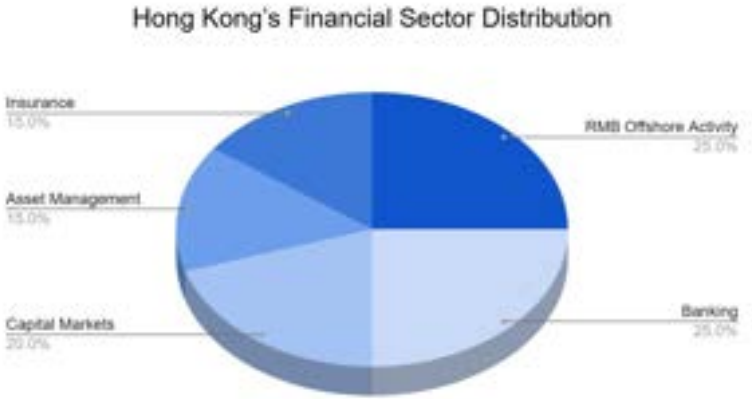
- Hong Kong's AI-for-Finance relevance comes from the intersection of institutional finance depth, international connectivity, and a growing ecosystem of companies building AI-enabled financial workflows.
- The most consequential deployments are those embedded into high-stakes financial functions: risk, compliance, fraud controls, onboarding, market analytics, and operational decision support.
- Competitiveness in AI-for-Finance is increasingly determined by deployment maturity (proof-to-production), governance readiness, and the ecosystem's ability to translate innovation into scaled institutional adoption.

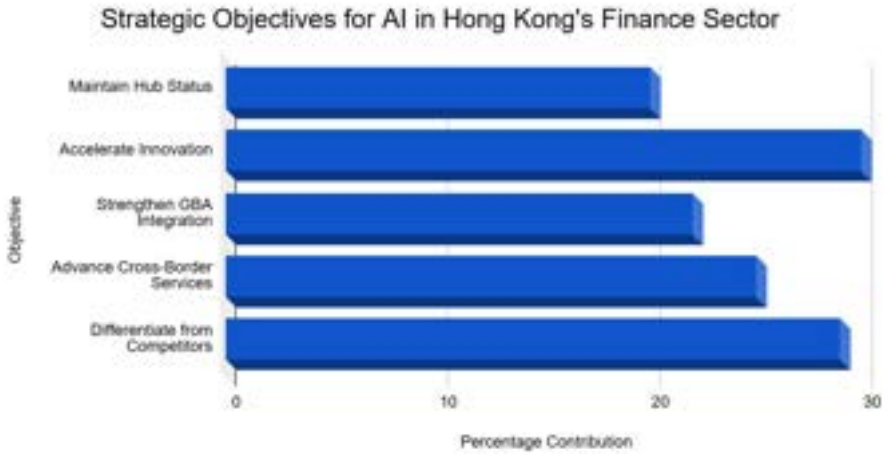
What Makes Hong Kong Operationally Attractive for AI-for-Finance

- Institutional adoption density: high concentration of banks, insurers and market infrastructure actors able to deploy AI at scale.
- Governance conditions: finance-grade emphasis on resilience, market integrity, and operational controls supports trustworthy scaling.
- Ecosystem enablement: hubs and programmes shorten the path from solution discovery to pilots and institutional integration.
- Capital markets connectivity: strong market ecosystem supports financing, partnerships, and scaling for technology actors.

Hong Kong's advantage is not only the breadth of AI adoption, but the institutional conditions that allow deployment to scale in a high-trust financial environment—where governance, resilience, and market integrity requirements are treated as design constraints rather than afterthoughts. This combination of capital-markets depth, internationally connected financial infrastructure, and a growing ecosystem of AI-for-Finance companies strengthens Hong Kong's capacity to translate innovation into systems of production.

Hong Kong as an AI-Enabled Financial Hub





Hong Kong's Financial Sector Advantages: This pie chart shows the distribution of Hong Kong's strengths across various financial sectors (based on self-described focus of documented entities), including banking, capital markets, insurance, asset management, and offshore RMB activity.

Note: Percentages reflect a manual roll-up of database entity sector tags into five macro finance functions (banking/payments; capital markets; insurance; asset & wealth management; RMB/offshore interface). Each entity is assigned to its primary finance function.

Strategic Objectives for AI in Hong Kong's Finance Sector: This bar chart illustrates the importance of key strategic objectives for Hong Kong's AI-driven financial sector, such as maintaining hub status, accelerating innovation, and strengthening GBA integration.

*Scores are qualitative, based on synthesis of public policy roadmaps, regulator priorities, and ecosystem signals; values are not a directly measured quantity.

The Rise of AI in Financial Services

As Hong Kong's financial services industry evolved, so too did the demand for innovation. The rise of fintech, digital banking, virtual banks, real-time payments, online brokers, insurtech, and digital assets has significantly transformed the financial landscape in the region. However, it is the introduction of Artificial Intelligence (AI) that has truly become the defining factor in this transformation.

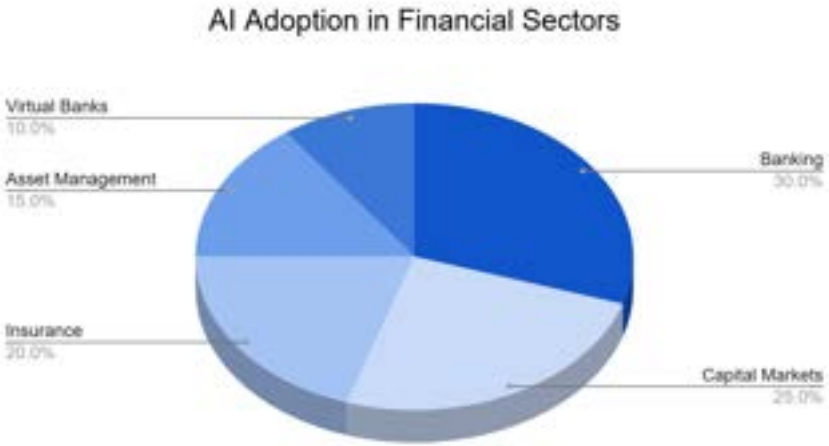
AI has now permeated nearly every aspect of financial services, with applications ranging from algorithmic trading and risk management to fraud detection, customer service, and beyond.

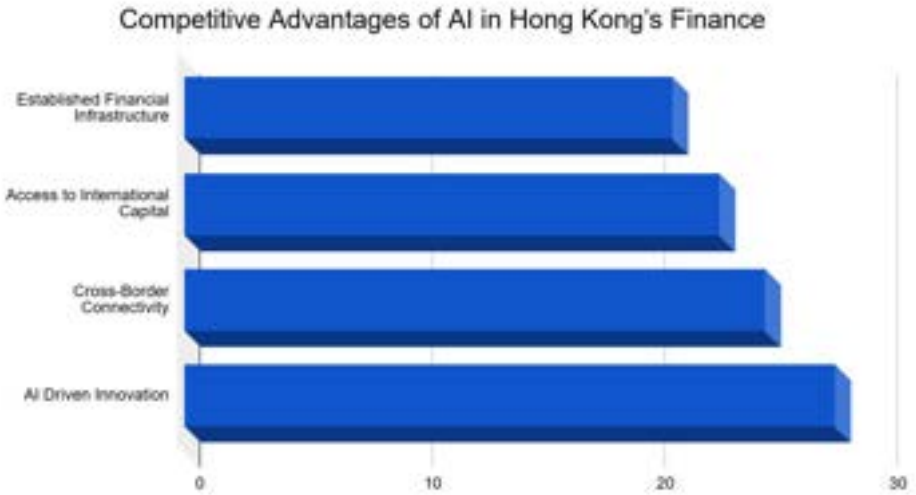
As fintech companies and established financial institutions embrace AI to drive innovation, Hong Kong's position as a global financial hub is only further strengthened. Virtual banks and digital banking initiatives are increasingly incorporating AI technologies to automate processes, optimize customer experiences, and provide personalized financial solutions at scale.

These advancements are not only reshaping the way financial products and services are delivered but are also positioning Hong Kong as a leader in the AI-in-Finance space. With AI at the forefront of financial services, Hong Kong is poised to continue driving cutting-edge innovation, ensuring it remains a dominant player in the evolving global financial ecosystem.

Hong Kong's advantage is not only the breadth of AI adoption, but the institutional conditions that allow deployment to scale in a high-trust financial environment—where governance, resilience, and market integrity requirements are treated as design constraints rather than afterthoughts. This combination of capital-markets depth, internationally connected financial infrastructure, and a growing ecosystem of AI-for-Finance companies and enablers strengthens Hong Kong's capacity to translate innovation into production-grade systems across banking, payments, capital markets, insurance, and compliance.

Hong Kong as an AI-Enabled Financial Hub





AI Adoption in Financial Sectors: *Shares reflect the distribution of profiled entities in this chapter, mapped from the project database's sector labels to the report's sector groupings using a fixed mapping rule. Percentages are normalized to 100% (rounding may cause ±1% differences).*

Competitive Advantages of AI in Hong Kong's Finance: *Values represent normalized shares of primary tags assigned through structured review of profiled deployments and entity descriptions in the database and report body. Each profiled entity/use-case is assigned one primary application domain; the chart reports the distribution of those primary tags, normalized to 100%.*

Strategic Importance of AI for Hong Kong's Competitive Trajectory

Maintaining Hub Status: Hong Kong's financial services sector must continue to lead in innovation, adapting to the latest technological advancements. AI offers the means to achieve this, enabling institutions to provide more efficient services, reduce costs, and remain competitive in an increasingly crowded marketplace.

Accelerating Innovation: AI's ability to process vast amounts of data, identify patterns, and optimize decision-making processes makes it a powerful tool for driving innovation across financial services. Hong Kong aims to be at the forefront of this wave of innovation, with AI driving the next generation of fintech, digital banking, and other financial products.

Strengthening Greater Bay Area (GBA) Super-connection: Hong Kong's role within the **Greater Bay Area (GBA)** economic zone, which **connects the talent pools Guangdong, Hong Kong, and Macau**, is key to its future. AI integration within Hong Kong's financial sector can help deepen financial ties within the region, facilitating smoother cross-border financial services and boosting regional economic development.

Advancing Cross-Border Financial Services Super-connection: As financial institutions in Hong Kong expand their services internationally, AI will play a crucial role in managing risks, optimizing operations, and ensuring compliance with diverse regulatory environments. AI-powered financial services will facilitate faster and more secure cross-border transactions, positioning Hong Kong as a leader in global financial connectivity.

Differentiating from Competitors: Hong Kong faces intense competition from other global financial hubs, particularly Singapore, the Chinese Mainland, and other emerging markets in Asia. To maintain its edge, Hong Kong must differentiate itself by adopting advanced technologies like AI in ways that other financial centers have yet to anticipate and utilize. This will require novel regulatory frameworks.

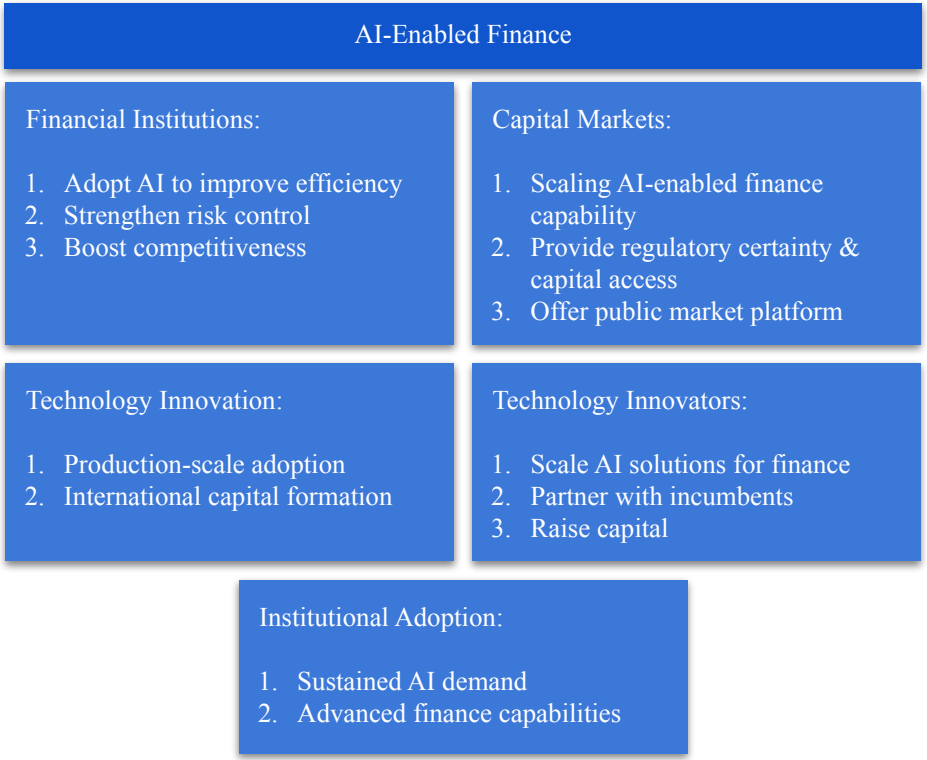
The AI-for-Finance Flywheel

Hong Kong's AI-for-Finance ecosystem exhibits a reinforcing dynamic between financial institutions, technology providers, and capital markets. As banks, insurers, asset managers, and market operators adopt AI tools to improve efficiency, risk control, and competitiveness, they create sustained demand for advanced AI and data-driven financial technologies.

In parallel, AI-for-Finance and DeepTech (e.g., AI) companies seek jurisdictions that provide production-scale adoption environments, regulatory certainty, and access to international capital.

Hong Kong's financial infrastructure, regulatory institutions, and public markets offer a platform where these companies can scale, partner with incumbents, and pursue capital formation.

This interaction creates a flywheel effect, amplified by Hong Kong's dual-AI accessibility, where global and Chinese technologies can be validated side-by-side before scaling into regional and international financial markets.



Key Innovation Hubs and Institutional Enablers

- Hong Kong's AI-for-Finance ecosystem is reinforced by enabling hubs that reduce friction between innovators and institutions—supporting solution discovery, pilot formation, and proof-to-production pathways.
- The highest-value hubs are those that directly support financial services adoption through structured programmes, applied collaboration, and finance grade governance alignment.
- These hubs complement policy and regulatory conditions by providing practical mechanisms for ecosystem coordination and commercialisation.

- **Cyberport** — dense cluster of fintech and AI ventures and programmes supporting pilot formation and solution discovery.
- **HKSTP** — flagship innovation infrastructure enabling deep-tech maturity and applied collaboration with institutional stakeholders.
- **Laboratory for AI-Powered Financial Technologies (AIFT)** — finance-specific applied R&D and translation mechanisms for deployable AI workflows.
- **FinTech Innovation Lab Asia-Pacific** — structured matchmaking between financial institutions and validated solution providers.
- **Hong Kong FinTech Association (FTAHK)** — industry convening and community building; connects fintech/AI providers with financial institutions and use-case owners.
- **Hong Kong Science & Technology Parks (HKSTP)** – Global Connect / Co-Acceleration — structured pathways for scaling and cross-border partnering for deeptech and applied AI ventures.

Hong Kong's Leading Universities in Artificial Intelligence

Hong Kong is home to several top-ranked universities in Artificial Intelligence (AI) according to US News' global rankings. Here are the top 5 institutions leading the field of AI research and education:

Top AI Universities in Hong Kong:

1. Chinese University of Hong Kong
   Ranked 37th globally, with a strong AI focus and 17,833 students.
2. City University of Hong Kong
   Ranked 54th globally, with notable AI research (8,577 students).
3. Hong Kong Polytechnic University
   Ranked 58th globally in AI, with 18,636 students.
4. University of Hong Kong
   Ranked 44th globally, a leading institution in AI studies.
5. Hong Kong University of Science and Technology
   Ranked 101st globally, with a growing reputation in AI research.

For further details, visit the full ranking: [US News Best Global Universities for AI in Hong Kong]

Hong Kong Stock Exchange (HKEX) and the AI IPO Boom in Hong Kong

Overview of HKEX:

- A leading global market-infrastructure venue and an increasingly attractive international listing destination for both Asian and Western technology companies, supporting capital formation across China, the US, Europe, and emerging innovation markets.
- IPO activity has re-accelerated sharply: 2025 recorded 119 new listings raising HK$285.8bn, marking a decisive recovery in global issuer confidence.

Focus on AI and New Economy Issuers:

- HKEX provides a unique environment where Chinese AI innovators and Western technology firms can access the same international investor base under a globally recognized regulatory framework.
- This dual-access positioning is strengthening Hong Kong's role as a preferred venue for AI, DeepTech, biotech, and data-infrastructure companies seeking cross-border capital.

Surge in AI Listings:

- H1 2025: Hong Kong ranked as the world's largest IPO fundraising venue, surpassing Nasdaq and NYSE by total proceeds, with approximately US$14.1bn raised (+695% YoY).
- Market depth expanded in parallel: cash-market average daily turnover reached HK$255.8bn (+95% YoY), supporting large-scale institutional participation.
- A major China AI issuer pipeline is materializing in Hong Kong, with AI companies tapping public markets amid intensified US–China AI competition and strong institutional demand.

Investor Sentiment:

- The return of global long-only funds, hedge funds, and technology specialists has reinforced HKEX's role as a scalable global IPO platform, not solely a regional exchange.
- The strengthening IPO pipeline into 2026 signals sustained momentum across AI-driven sectors.

Notable AI Companies on HKEX

Z.ai (Zhipu AI):
A leading Mainland AI developer that rebranded internationally as Z.ai and completed a Hong Kong IPO raising roughly HK$4.35bn (~US$559m) (reported valuation ~HK$51bn / ~US$6.6bn). Its listing is widely cited as part of a broader wave of AI-native issuers choosing Hong Kong for international capital access.

MiniMax Group:
A frontier multimodal AI developer (text/audio/image/video) that completed one of the largest recent AI IPOs in Hong Kong, raising HK$4.82bn (~US$619m) at pricing, with major institutional participation. The deal is a tangible signal that HKEX can now execute mega-scale AI-native financings for core model developers, not only application-layer AI firms.

Biren Intelligent:
A Mainland AI-compute company (GPU developer) that initiated the Hong Kong IPO process with reporting indicating a targeted raise of up to HK$4.85bn (~US$624m)—illustrating how Hong Kong is also being used to finance the "picks-and-shovels" layer of AI (chips/compute) alongside application-layer AI companies.

Insilico Medicine:
Insilico Medicine's Hong Kong listing became a flagship AI-biotech moment for HKEX. The IPO raised HKD 2.277 billion (≈US$293m) in December 2025 and was widely reported as Hong Kong's largest biotech IPO of 2025 by fundraising size—demonstrating that HKEX can now execute meaningful, institution-grade AI-and-life-sciences financings at scale.

For extended profiles sectoral case studies, please access the *Special Sectoral Case Studies Appendix* here.

HKEX's Re-Emergence as a Global AI IPO Hub

Over the past two years, Hong Kong Stock Exchange has undergone a structural re-rating in global capital markets. Once viewed primarily as a regional gateway to Mainland China, HKEX is increasingly positioned as a **bi-directional international listing venue** connecting Western technology companies, Asian innovators, and global institutional capital within a single market infrastructure.

This transformation has been driven by three converging forces: renewed liquidity depth, regulatory modernization supporting new-economy issuers, and accelerating global demand for exposure to artificial intelligence, data infrastructure, and advanced technology companies.

In the first half of 2025, these dynamics translated into measurable outcomes. Hong Kong ranked as the **largest IPO fundraising market globally**, surpassing Nasdaq and NYSE in total proceeds. At the same time, secondary-market liquidity strengthened significantly, with average daily turnover approaching **HK$260bn**, enabling the execution of large institutional placements and cornerstone-led offerings.

Importantly, the current IPO cycle differs from previous waves. It reflects not only the monetization of China's AI and DeepTech pipeline, but also growing interest from **Western technology companies** seeking diversified investor bases, Asia-Pacific exposure, and regulatory environments capable of supporting complex AI-driven business models.

As a result, HKEX is increasingly positioned as a **global AI capital-formation hub** — one where Eastern and Western innovation ecosystems intersect, and where financial markets provide the scale required for the next phase of AI commercialization.

Key Gaps and Strategic Opportunities

Challenges

- **Competition for AI Talent:** Hong Kong faces intense global competition for specialized AI professionals, which poses a challenge to maintaining its leadership in AI-driven finance. Attracting and retaining top-tier talent is essential for sustaining growth.
- **Increasing Regulatory Complexity:** The regulatory landscape for AI is becoming more complex across different jurisdictions, making it difficult for financial institutions in Hong Kong to navigate local and international rules. Simplifying and aligning regulations will be crucial.
- **Data Infrastructure Integration:** To fully leverage AI in finance, Hong Kong needs to continue improving its data infrastructure, ensuring seamless, real-time cross-border data exchange while addressing privacy and interoperability challenges.

Opportunities

- **AI in Supervisory Technology:** Hong Kong has a unique opportunity to deepen AI integration in market surveillance, risk assessment, and compliance processes, enhancing regulatory oversight and operational efficiency.
- **Cross-Border Data Interoperability:** Hong Kong can expand cross-boundary data sharing within the Greater Bay Area, enhancing AI applications in digital payments, credit scoring, and compliance, benefiting from its position as a bridge between mainland China and global markets.
- **AI & Capital Market Integration:** Aligning AI with Hong Kong's capital markets will improve market efficiency, optimize trading strategies, and strengthen its position as a global financial leader in AI-powered services.

Cloud Infrastructure: Global and Mainland AI Platforms in Hong Kong Finance

Hong Kong's financial institutions deploy AI at production scale on cloud-based infrastructure, combining global hyperscale platforms with leading Mainland Chinese cloud ecosystems. This hybrid cloud posture reflects Hong Kong's role as a bridge between international markets and Mainland China, enabling institutions to balance performance, regulatory alignment, and cross-border interoperability.

International cloud providers such as Amazon Web Services, Microsoft Azure, and Google Cloud are widely used by banks, insurers, asset managers, and fintech firms in Hong Kong to host core financial systems, data pipelines, and AI workloads. These platforms support scalable model training, real-time analytics, stress testing, fraud detection, and compliance automation under enterprise-grade security and resilience standards.

At the same time, financial institutions and AI-for-Finance companies increasingly integrate Mainland Chinese cloud and AI platforms, including Alibaba Cloud and Tencent Cloud, particularly where workflows interface with Greater Bay Area data, payments, digital assets, or consumer platforms. These providers offer deep AI tooling, high-performance computing, and proximity to Mainland data ecosystems, supporting cross-border financial services and regional scaling.

This multi-cloud, multi-jurisdiction infrastructure model allows Hong Kong's financial sector to embed AI across trading, risk, compliance, and digital-asset infrastructure while maintaining finance-grade governance, resilience, and auditability. Cloud-based AI infrastructure therefore functions as a critical enabling layer in Hong Kong's AI-for-Finance ecosystem, underpinning both institutional adoption and regional integration within the Greater Bay Area.

For extended profiles sectoral case studies, please access the *Special Sectoral Case Studies Appendix* here.

Hybrid Cloud Infrastructure Supporting AI in Hong Kong Finance

Layer	Global Cloud Platforms	Mainland China Cloud Platforms	Typical AI-for-Finance Use Cases
Compute & Storage	Amazon Web Services, Microsoft Azure, Google Cloud	Alibaba Cloud, Tencent Cloud	Model training, back-testing, large-scale data processing
AI & ML Tooling	Managed ML platforms, GenAI services, data analytics stacks	Integrated AI frameworks, computer vision, NLP, recommendation engines	Fraud detection, risk modelling, surveillance, client analytics
Data & Integration	Global data pipelines, API ecosystems, multi-region resilience	Proximity to Mainland data, payments, consumer platforms	Cross-border finance, RMB workflows, GBA-linked services
Governance & Security	Finance-grade controls, auditability, global compliance	Localisation, regional interoperability, performance	RegTech, AML/KYC, model governance
Deployment Model	Multi-cloud, vendor-agnostic	Selective integration where regionally relevant	Production-scale AI under regulatory constraints

For extended profiles sectoral case studies, please access the *Special Sectoral Case Studies Appendix* here.

Regional Synergies: Hong Kong's Role in the Greater Bay Area AI–Finance Stack

Hong Kong functions as the international finance and governance layer within the Greater Bay Area (GBA), complementing the region's deep AI engineering, cloud infrastructure, and platform capabilities concentrated in Shenzhen and Guangzhou. This division of labor enables AI-driven financial innovation to scale across borders while remaining anchored in globally trusted regulatory and capital-markets frameworks. Leading mainland technology groups such as Tencent and Huawei play a critical upstream role by supplying foundational AI capabilities—cloud computing, large-scale data infrastructure, computer vision, natural-language processing, and secure networking—that are increasingly embedded into financial workflows deployed by Hong Kong institutions. These capabilities support applications spanning digital payments, risk analytics, fraud detection, compliance automation, and digital-asset infrastructure.

Hong Kong adds differentiated value by providing production-grade financial deployment conditions: sophisticated banks and asset managers, internationally aligned regulation, and access to global capital via HKEX. AI solutions developed or scaled in the GBA are validated, governed, financed, and commercialized through Hong Kong's financial system, creating a cross-border AI-for-Finance flywheel that integrates mainland innovation with international markets. Together, this synergy positions Hong Kong as the financial operating system of the GBA's AI economy, translating regional AI scale into globally deployable financial infrastructure.

The location and administrative borders of the Guangdong–Hong Kong–Macao Greater Bay Area (GBA) and its constituent cities. Source: MDPI

AI for Finance in Hong Kong

Methodology, Taxonomy and Classification Framework

Classification Framework

Entity Type

- Companies
- Investors
- Hubs
- Public Institutions
- Programs and Initiatives
- Industry Leaders and Decision Makers

Financial Services Vertical

- Banking and Retail Finance
- Payments
- Lending and Credit
- Capital Markets and Trading
- Wealth and Asset Management
- Insurance
- RegTech and Compliance
- Financial Infrastructure
- Data and Analytics

AI Use-Case

AI Native

(AI is the core product)

AI-Enabled Finance

(AI embedded into a finance workflow/product)

AI-Enabling Infrastructure

(data, tooling, platforms enabling deployments)

Methodology and Data Construction

This report maps Hong Kong's AI-for-Finance ecosystem as a structured, decision-maker-oriented evidence base. The unit of analysis is the **entity** (company, investor, public institution, programme, hub, or enabling organisation) that plays a direct role in the development, deployment, governance, funding, or scaling of artificial intelligence within financial services. The ecosystem is treated as a **production-scale applied AI landscape**, not a research-only or purely conceptual domain. Where relevant, the report distinguishes between (i) AI-native providers, (ii) financial institutions deploying AI internally, and (iii) enabling infrastructure and governance actors that allow AI adoption to occur safely and at scale.

Data Sources and Acquisition

The underlying dataset is assembled from a combination of structured and semi-structured public sources, including:

- Official organisational websites and public documentation
- Public registries, directories, and institutional lists (e.g., hubs, accelerators, public agencies)
- Corporate announcements, product pages, and technical documentation for AI-enabled services
- Public professional profiles (for leadership and key ecosystem figures)
- Publicly available investor and investment information where relevant

Data acquisition follows a mixed workflow combining automated collection and structured parsing where feasible, with manual verification for higher-sensitivity fields (identity, categorisation, and Hong Kong relevance). The objective is to produce a dataset that is **internally consistent, auditable at the entity level,** and suitable for aggregation into ecosystem-level metrics.

Methodology and Data Construction

Inclusion Criteria and Hong Kong Relevance

Entities are included when they satisfy at least one of the following criteria:

1. The entity is headquartered in Hong Kong, has a significant operational footprint in Hong Kong, or is institutionally anchored in Hong Kong's financial system.

2. The entity provides AI products or services deployed into financial services functions relevant to Hong Kong (banking, payments, capital markets, insurance, wealth management, compliance, risk, or market infrastructure).

3. The entity is an enabler of AI-for-finance adoption (regulation, supervision, data interchange, sandboxes, incubation, research infrastructure, or funding architecture) with demonstrable linkage to Hong Kong's ecosystem.

Where an entity has a regional or global footprint, Hong Kong relevance is established through explicit operational presence, institutional partnerships, or production deployments in the Hong Kong market.

Methodology and Data Construction

Classification Framework and Taxonomy

To ensure consistent classification, the dataset applies a multi-layer taxonomy designed to reduce ambiguity and allow cross-sectional comparisons across sectors.

Layer 1 — Entity Type

Entities are classified into functional types such as: financial institution, AI technology provider, infrastructure provider, data/analytics vendor, investor, accelerator/incubator, hub/support organisation, public institution/regulator, programme/initiative, or other enabling organisation.

Layer 2 — Financial Services Vertical

Each entity is assigned a primary vertical (and where appropriate, secondary verticals) across: banking and retail finance, payments, capital markets and trading, exchanges and market infrastructure, insurance and risk solutions, wealth/asset management, regtech/legaltech/compliance, and related financial-market infrastructure functions.

Layer 3 — Role of AI

AI involvement is classified as: core product technology (AI is the primary value engine), enabling technology (AI materially strengthens the offering), or auxiliary capability (AI supports internal workflows but is not core to the value proposition).

This three-layer system enables analysis across “who the actors are,” “which financial functions they serve,” and “how AI is actually used,” supporting both sectoral deep dives and system-level ecosystem insights.

Methodology and Data Construction

Data Normalisation, Entity Resolution, and Quality Control

To support consistent aggregation, the dataset undergoes standardisation across naming conventions, location formats, category labels, and sector tags. Duplicate detection and entity resolution are performed to remove redundant entries and reconcile variant spellings or corporate naming differences.

Quality control follows a multi-step approach:

- **Consistency checks** on category fields (entity type, vertical, AI role) to ensure alignment with taxonomy definitions
- **Plausibility checks** on numeric fields (where used), including range checks and outlier review
- **Spot verification** of higher-impact entities and public institutions to reduce misclassification risk
- **Documentation completeness checks** to ensure each entry contains minimum viable identification and classification fields

Where values cannot be confidently verified within the available evidence, they are either excluded from quantitative aggregation or treated as “not specified” rather than assumed.

Methodology and Data Construction

Aggregation and Analytics

The report's charts and ecosystem metrics are generated by aggregating the structured dataset along defined dimensions, including:

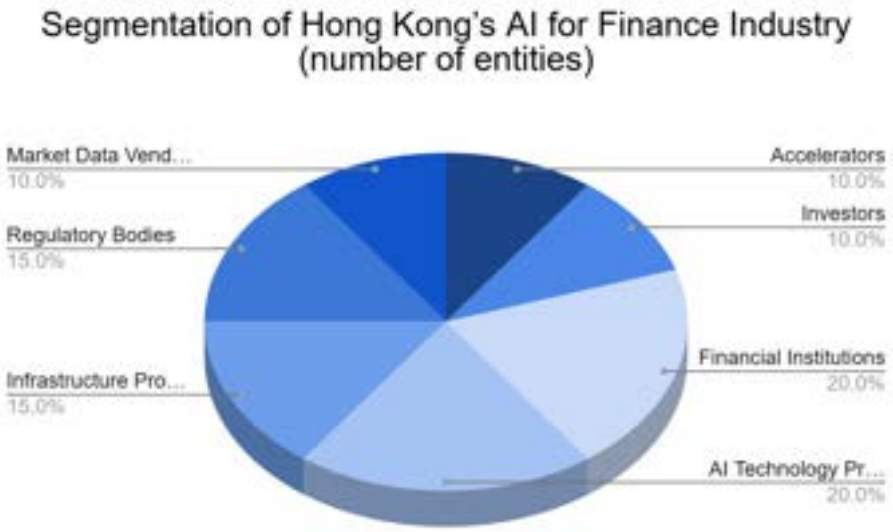
- Counts and distributions of entities by type, vertical, and AI role
- Sectoral breakdowns of companies and enabling organisations
- Profiles of public institutions and ecosystem mechanisms that shape adoption pathways
- Comparative positioning insights derived from structured peer-market characteristics (where included)

When a chart represents a qualitative synthesis (rather than a direct count of database entries), it is explicitly labelled as illustrative or synthesis-based to distinguish it from database-derived statistics.

Limitations

The mapped ecosystem is comprehensive but not claimed to be exhaustive. The AI-for-finance landscape changes rapidly, and entity roles evolve over time. Some entities operate across multiple verticals and may be represented by a primary classification to maintain analytical consistency. Where external claims are used (e.g., market events, listings, or investment narratives), these require either explicit sourcing or conservative, non-precise phrasing to avoid over-specification.

Segmentation of Hong Kong's Ecosystem



Hong Kong's AI-in-finance ecosystem represents a well-structured, interconnected system that spans the full value chain of AI applications across financial services. The architecture of this ecosystem is shaped by various key stakeholders, each playing a vital role in driving innovation, investment, and the adoption of AI technologies. To understand the complexities and synergies within this ecosystem, we adopt a taxonomy that categorizes and explains the interrelationships of its components.

Segmentation Logic and Taxonomy

The taxonomy used to describe Hong Kong's AI-for-Finance ecosystem is based on the functional roles that each category plays within the broader landscape of AI applications in finance. These include financial institutions, AI technology providers, infrastructure providers, market data vendors, regulatory bodies, accelerators, and investors. Each segment in the taxonomy is linked to the others, creating a collaborative, symbiotic relationship that powers the entire system.

Report Taxonomy, Scope, Definitions and Data Coverage

Scope and Definitions

- AI-for-Finance in this report refers to AI technologies deployed to enable, automate, or enhance financial services workflows, including risk, compliance, onboarding, fraud controls, trading analytics, portfolio intelligence, pricing, claims, and operational decision support.
- The focus is on applied deployments and the ecosystem of actors enabling them—not on AI research in isolation.
- “Competitiveness” is interpreted in practical terms: deployment maturity, ecosystem depth, governance readiness, and the ability to translate innovation into scaled financial operations.
- Where a company’s positioning is broad (e.g., data/AI infrastructure), it is included only where its services are materially finance-relevant.

Data Coverage

- The report draws on a structured ecosystem database covering companies, investors, leaders, hubs, and enabling initiatives relevant to AI-for-Finance in Hong Kong.
- Entries are compiled and normalised across consistent fields (name, sector, description, website, location, and other metadata where available).
- The database supports sector-level analysis and is designed to be extendable for future editions, enabling longitudinal updates and comparability.

Value Chain of AI Applications in Finance

The taxonomy utilized in this report not only categorizes the stakeholders but also captures the full value chain of AI applications in finance, from front-office automation to infrastructure-level AI functions. Each stage of this value chain is underpinned by AI technologies that improve efficiency, reduce costs, and enhance decision-making capabilities.

1. **Front-office Automation**: AI-powered tools are revolutionizing client-facing functions such as personalized financial products, customer service automation through chatbots, and automated financial advisory services. These innovations are transforming how financial institutions engage with customers.
2. **Core Risk Modelling and Execution Systems**: Financial institutions are leveraging AI to build sophisticated risk models, predict market movements, and optimize trading strategies. AI algorithms analyze vast datasets to forecast trends and mitigate risks, helping institutions make data-driven decisions.
3. **Market Surveillance**: AI applications in market surveillance are used to detect fraud, monitor compliance, and ensure market integrity. Machine learning models can identify unusual trading patterns and flag potential market manipulation or violations of regulatory guidelines.
4. **Regulatory Compliance**: Regulatory technology (RegTech) companies are applying AI to automate compliance tasks, such as transaction monitoring, reporting, and ensuring adherence to local and international financial regulations. AI tools enhance the efficiency of compliance departments by automating routine processes.
5. **Infrastructure-Level AI**: At the infrastructure level, AI supports high-performance computing systems, data centers, and cloud-based platforms that provide the computational power needed to run complex AI models. These technologies enable real-time applications.

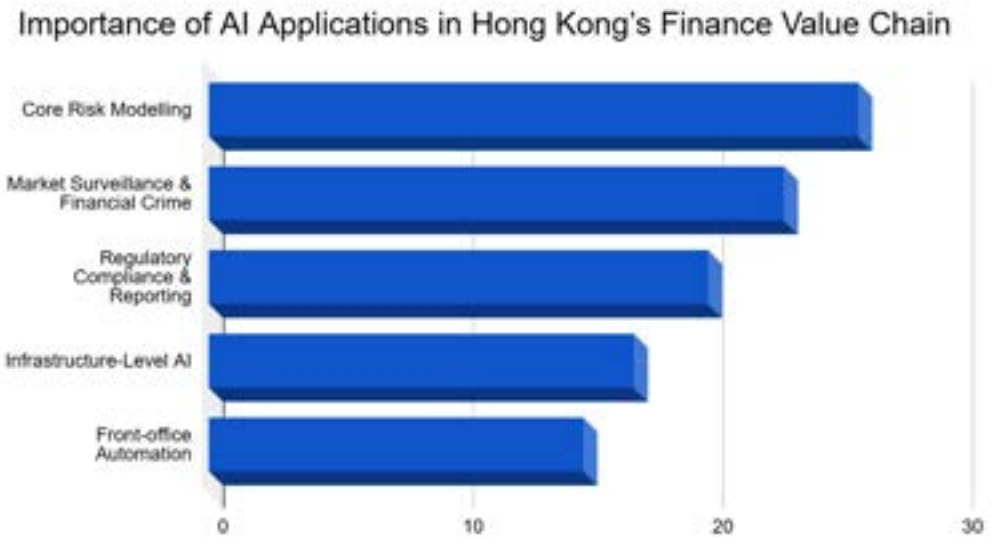
Interdependencies and Evolutionary Dynamics of AI for Finance

The AI-for-Finance ecosystem is dynamic, with evolving relationships among the various actors. Investors and accelerators drive the creation of new technologies, while financial institutions serve as early adopters, applying these innovations to real-world problems.

Market data vendors supply the necessary inputs for AI models, while infrastructure providers enable scalability and reliability.

Regulatory bodies ensure that these technologies are used ethically and in compliance with the law, creating a balanced environment for innovation.

This conceptual map sets the stage for deeper exploration in the subsequent chapters, where we will delve into the specific roles of each category within the ecosystem and examine the impact of AI on Hong Kong's financial services sector.



Importance (%) is derived from the Hong Kong AI-for-Finance entity database by tagging each profiled company and institution to its primary AI use-case within the finance value chain. Percentages represent the share of tagged entities in the dataset mapped to each use-case category (normalised to 100%). Categories are defined in the report taxonomy and applied consistently across the profiled set.

AI for Finance in Hong Kong

Policy and Governance

Key Public Institutions and Enablers

Hong Kong's AI-for-Finance trajectory is shaped by a compact set of public institutions that combine prudential oversight, market conduct regulation, financial infrastructure stewardship, and ecosystem coordination.

The Hong Kong Monetary Authority plays a central enabling role through industry modernization, data-exchange and supervisory innovation; the Securities and Futures Commission anchors market integrity and investor protection as technology adoption accelerates; and the Insurance Authority supports modernization pathways across insurance and risk solutions. In Q4 2025, HKMA announced a five-year commitment to accelerate FinTech and applied AI adoption, including ongoing coordination with the Securities and Futures Commission and the Insurance Authority to broaden industry participation and knowledge exchange.

The Financial Services and the Treasury Bureau provides strategic policy direction for financial-sector competitiveness, while the Financial Services Development Council supports cross-stakeholder alignment and long-term development priorities. Meanwhile, the Accounting and Financial Reporting Council (AFRC) strengthens trust and integrity in Hong Kong's financial system by overseeing the quality of financial reporting and audit regulation, supporting transparent disclosures and robust assurance standards across capital markets, ensuring governance, accountability, and audit-grade reliability remain aligned with international best practices as the role of AI in analytics and reporting expands.

Financial Services and the Treasury Bureau
The Government of the Hong Kong Special Administrative Region of the People's Republic of China

SECURITIES AND FUTURES COMMISSION
證券及期貨事務監察委員會

保險業監管局
Insurance Authority

AFRC
Accounting and Financial Reporting Council
會計及財務匯報局

HONG KONG MONETARY AUTHORITY
香港金融管理局

For extended profiles and additional sectoral case studies, please access the *Special Sectoral Case Studies Appendix* here.

Key Public Institutions and Enablers

Governance Architecture Enabling AI Adoption in Finance

- Hong Kong's AI-for-Finance environment is shaped by a small number of institutions that collectively anchor **prudential stability, market integrity, and innovation enablement**.
- This governance architecture is critical for scaling AI from pilots into production—under finance-grade expectations for **auditability, resilience, privacy, and accountability**.
- The most important enabling function is not "promotion of AI," but the creation of conditions where institutions can adopt AI **safely, repeatably, and at scale**.

Finance-Relevant Enablement Mechanisms (Illustrative)

- Controlled experimentation pathways and sandboxes
- Supervisory innovation and model governance expectations
- Cross-border interface relevance (where finance workflows intersect with regional integration)

Why This Governance Stack Is a Competitive Asset

- Makes AI adoption **trust-preserving** (market integrity and consumer protection)
- Encourages **repeatable scaling** (clear expectations for validation and monitoring)
- Lowers ecosystem friction by aligning institutions, vendors, and hubs on **common deployment constraints**

Policy and Regulatory Coordination

In October 2024, the **Financial Services and the Treasury Bureau (FSTB)** issued the Policy Statement on the Responsible Application of Artificial Intelligence in the Financial Market, setting out the HKSAR Government's formal policy stance on AI adoption in financial services. The statement responded to the rapid rise of generative AI and its growing use across Hong Kong's banking, securities, insurance, accounting, and asset management sectors.

The Policy Statement recognises AI as a data-driven technology with strong potential to enhance efficiency, innovation, and financial inclusion, while also acknowledging its "double-edged" nature and the risks arising from improper use. Key concerns include data privacy, cybersecurity, model bias, transparency, financial stability, and workforce impact. To balance opportunity and risk, the Government articulated a dual-track approach: promoting AI adoption and innovation, while strengthening governance, human oversight, accountability, and a risk-based supervisory framework. A central principle is that AI should augment, not replace, human judgement.

This Policy Statement established the policy foundation for subsequent regulatory coordination, supervisory guidance, and sandbox-based experimentation—paving the way for the policy and regulatory initiatives that follow.

Policy Statement on Responsible Application of Artificial Intelligence in the Financial Market

This statement issued by the Financial Services and the Treasury Bureau ("FSTB") sets out the Government's policy stance and approach towards the responsible application of artificial intelligence ("AI") in the financial market.

Artificial Intelligence

2. AI is a field of science focusing on developing machines and software that simulates human intelligence. It encompasses the subfields of machine learning and deep learning, which enable the developments of predictive analytics, speech recognition, computer vision and other areas.

3. In the financial services industry, AI could be deployed to various aspects from risk management to customer services, leading to new products and services that improve efficiency, security and customer experience. The public release of generative AI[1] products and services in 2022 has presented ample opportunities to the industry.

4. In March 2024, the Central People's Government mentioned launching the "AI+" action in the government work report for the first time, with a view to facilitating the high-quality development of digital economy. The Mainland is one of the global leaders in the development of AI. According to statistics in 2022, over 60% of the AI patents originated from the Mainland, and there were more than 290 000 industrial robots manufactured in the Mainland in the same year.

5. In Hong Kong, the financial services industry is very receptive to deploying AI in their business. According to a survey in 2023[2], the adoption of generative AI in Hong Kong financial institutions was the highest (38%) among all markets and well above the global average (26%).

[1] **Generative AI** refers to a subset of AI which involves training a model on datasets to detect complex patterns and create new content, such as text, image, audio, or video which is similar to the input data.

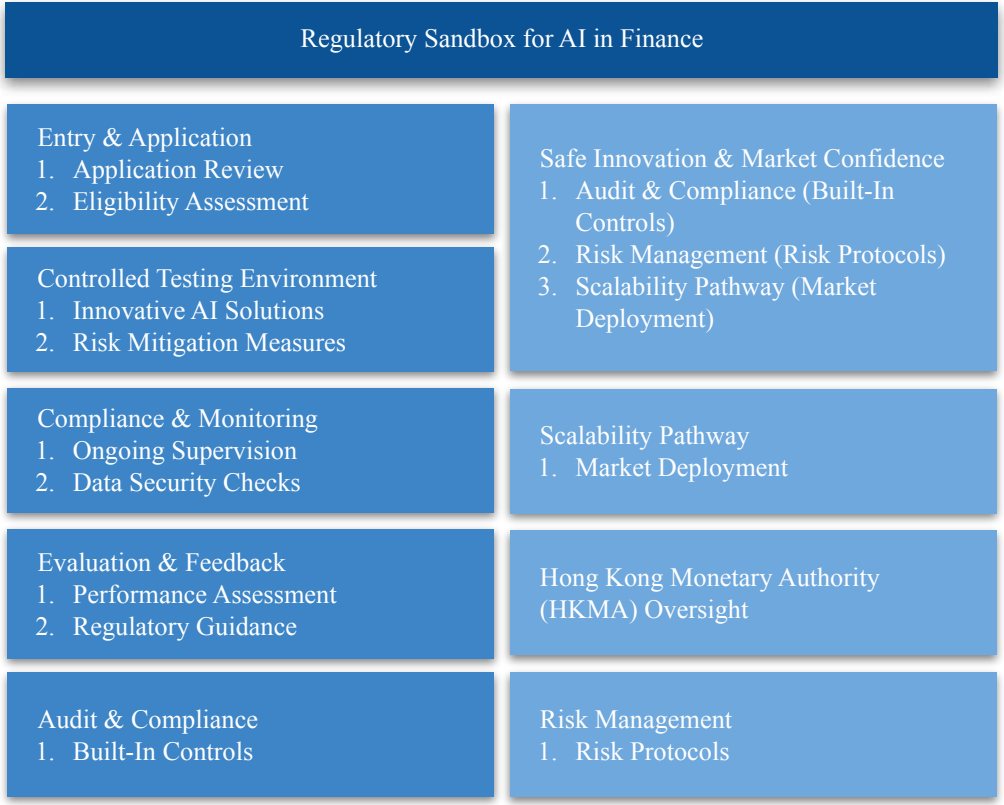
[2] The "Financial Services: State of the Nation Survey 2023" conducted by Finastra, a global financial software company.

Policy and Regulatory Coordination

Hong Kong's regulatory approach to AI for Finance is characterised by institutional coordination rather than prescriptive intervention.

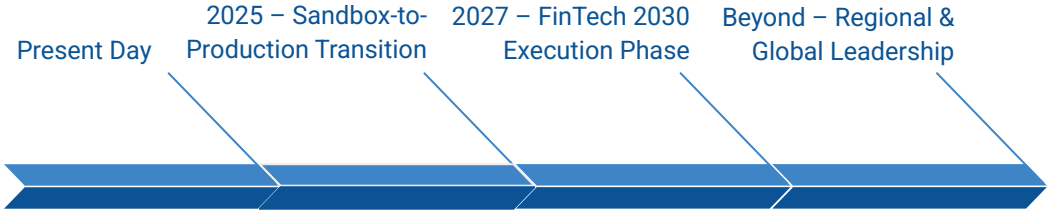
Initiatives led by the Hong Kong Monetary Authority, combined with regulatory sandboxes and supervisory technology development, enable controlled experimentation while maintaining system stability.

This model supports production-level deployment of AI tools in financial services, with compliance, auditability, and risk controls embedded from early stages of implementation. The approach reinforces confidence among institutions, investors, and international partners.



AI-for-Finance Roadmap: HKMA AI Sandbox and FinTech 2030 Alignment

For policymakers, the findings highlight the importance of sustaining regulatory clarity and data infrastructure investment. For financial institutions, they underscore the strategic necessity of AI integration as a core capability rather than a peripheral function. For technology companies and investors, the report illustrates Hong Kong's role as a jurisdiction where AI-for-Finance solutions can be deployed, governed, and capitalised at scale. The roadmap ahead is deliberately evolutionary, reflecting Hong Kong's regulatory-first approach. The HKMA AI Sandbox provides a controlled pathway from experimentation to deployment, while the FinTech 2030 strategy sets the medium-term direction for scaling AI across financial infrastructure, RegTech, and capital markets. Together, these initiatives position Hong Kong to convert AI innovation into durable, institutionally trusted financial capability.



Stakeholder Implications

Policymakers:
Operationalise the HKMA AI Sandbox as a bridge from innovation to supervision

Financial Institutions:
Adopt AI through sandbox-tested, regulator-aligned deployment pathways

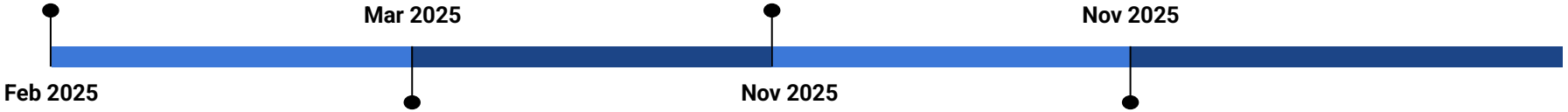
Technology Companies:
Design AI solutions that meet HKMA sandbox requirements and FinTech 2030 priorities

Investors:
Invest in sandbox-validated, policy-aligned AI-for-Finance platforms

Recent Developments in Policy and Governance

Digital Asset Market Expansion & AI Relevance
Hong Kong's regulator announces plans to approve crypto derivatives and margin lending, signalling broader services where AI will support risk & trading systems.

FinTech 2030 & Tokenisation Pilot Launch
The HKMA unveils Fintech 2030 strategy and tokenisation pilot programs, laying groundwork for data-driven, AI-powered financial infrastructure.



FinTech Sector Growth & AI Adoption
Hong Kong becomes home to 1,100+ fintech firms including AI, blockchain, and digital asset players — underscoring rising AI integration in financial services.

FinTech Week Highlights Responsible AI
Hong Kong FinTech Week features policy emphasis on responsible AI applications in finance, aligning innovation with governance.

Stablecoin & Regulatory Prep for AI/Data Tools
Hong Kong gazettes stablecoin legislation; first licensing expected, increasing regulated digital asset markets where AI will drive surveillance & compliance tools.

Regulatory Roadmaps Integrate Technology
The SFC's virtual asset regulatory roadmap and HKMA's strategic frameworks explicitly support advanced fintech and responsible innovation (including AI).

Major AI Startup IPO Signals Investor Confidence
China's MiniMax Group raises ~HK$4.8B in a Hong Kong IPO, reflecting strong capital flow into AI technology and finance-connected innovation.

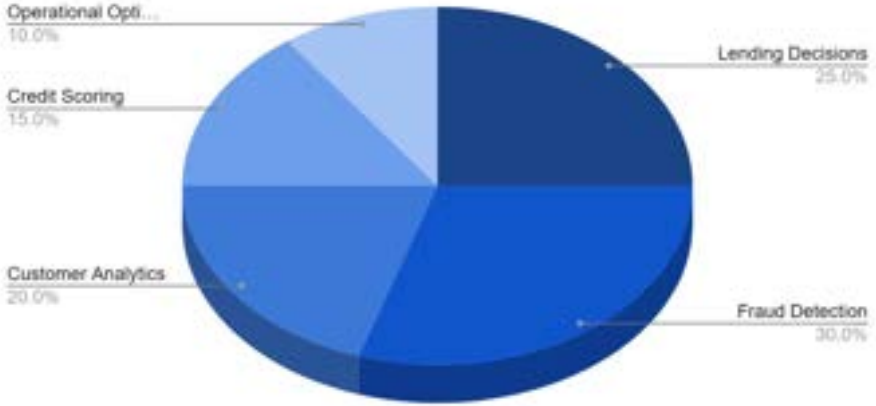
AI for Finance in Hong Kong

Banking, Payments and Retail Finance

Banking, Payments and Retail Finance

Structure of the Banking, Payments, and Retail Ecosystems

Hong Kong's banking sector is a blend of traditional financial institutions, such as global banks and local banks, alongside newer entrants like virtual banks. This hybrid ecosystem demonstrates varied AI adoption rates. While incumbent banks have historically relied on robust legacy systems, virtual banks, which began operating in recent years, have integrated AI technologies more seamlessly. These virtual banks are particularly agile in their deployment of AI for customer-facing services, such as personalized financial products and digital customer service. The **retail lending** sector in Hong Kong is increasingly utilizing AI to streamline loan approval processes. AI models analyze credit scores, transaction history, and other personal data to provide faster and more accurate lending decisions. Additionally, AI is used in **fraud detection**, employing machine learning algorithms to monitor transactions in real-time and flag unusual activities. This helps reduce the risks associated with lending and financial transactions.



Distribution of AI Use Cases: *Shares reflect the distribution of profiled entities in this chapter, mapped from the database's sector labels to the report's sector groupings using a fixed mapping rule. Percentages are normalized to 100% (rounding may cause ±1% differences).*

Banking, Payments and Retail Finance

AI Use Cases in Financial Services

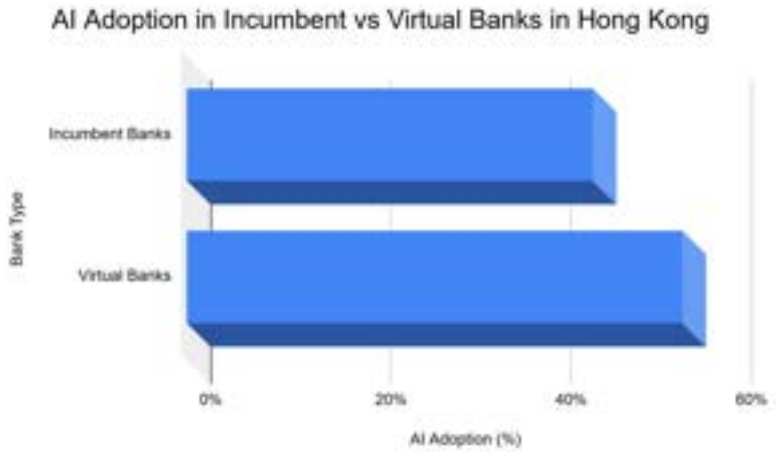
Lending Decisions: AI-powered models evaluate creditworthiness more accurately than traditional methods, incorporating real-time data analysis and machine learning to make more informed lending decisions.

Fraud Detection: AI technologies, such as behavioral biometrics, are now integral in detecting fraudulent activities. AI systems monitor transactions and customer behavior patterns in real-time to identify potential fraud before it occurs.

Customer Analytics: AI enables deeper insights into customer behaviors and preferences, allowing financial institutions to tailor their services and offerings. This is particularly important for **personalized financial products** that meet the unique needs of individuals.

Credit Scoring: AI allows for the incorporation of alternative data sources, such as social media activity and payment histories, to enhance traditional credit scoring models, providing more inclusive and accurate assessments.

Operational Optimization: Banks are using AI to optimize back-office operations, from automating routine tasks to improving resource allocation and operational efficiency.



AI Adoption in Incumbent vs Virtual Banks: *Indicative maturity scores are derived from a simple rubric combining (i) observed production deployment signals in public disclosures and (ii) concentration of profiled AI-finance deployments/use-cases in the database by segment. Scores are normalized to a 0–100 index for comparability (directional, not a regulated rating).*

Banking, Payments and Retail Finance

Real-Time Payments and Cross-Border Payments: In **real-time payments**, AI technologies have been key in ensuring faster transaction processing, enhanced security, and fraud prevention. **Cross-border payments** are increasingly dependent on AI-based systems to streamline transaction processing and ensure compliance with international regulatory standards. These systems use AI for risk monitoring, fraud detection, and even currency conversion optimization in real-time, making Hong Kong a central hub for AI-enhanced financial transactions.

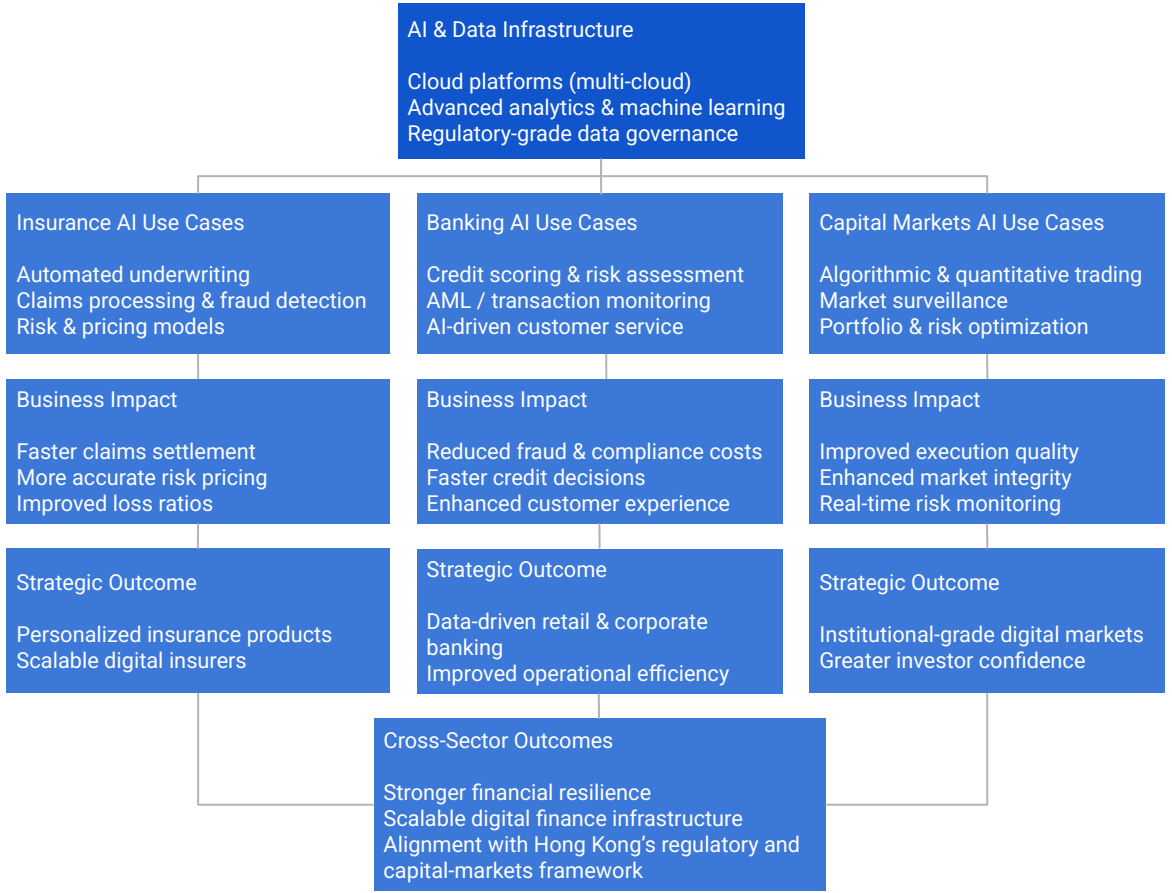
Virtual Bank AI Strategies: Virtual banks in Hong Kong, including entities like **WeLab Bank** and **ZA Bank**, leverage AI technologies from the outset, incorporating them into their core infrastructure. These banks often prioritize automation and data-driven customer insights to deliver highly efficient and personalized banking experiences. Their AI strategies include the use of chatbots for customer support, automated loan processing, and predictive analytics to improve customer acquisition and retention.

Opportunities and Constraints While the AI application in Hong Kong's banking and retail finance sectors offers considerable opportunities, there are also structural constraints. For instance, **incumbent banks** may face challenges in integrating AI with their legacy systems, leading to slower adoption compared to virtual banks. Additionally, there are concerns over **data privacy and security**, as AI systems rely heavily on vast amounts of customer data, which may raise compliance and ethical issues.

AI is reshaping Hong Kong's banking, payments, and retail finance sectors, enhancing operational efficiency, improving customer experiences, and enabling better risk management. The dual ecosystem of traditional and virtual banks presents both challenges and opportunities. As AI adoption continues to grow, Hong Kong will further cement its position as a key player in global financial services..

AI Adoption Across Key Financial Sectors

Sector	Key AI Applications	Current Adoption & Innovation Trends
Insurance	Risk modeling, fraud detection, claims automation	AI aids in real-time risk assessments and policy pricing, leveraging data for personalized services
Banking & Retail Finance	Credit scoring, fraud prevention, customer service	AI-powered chatbots and automated customer service, AI in credit risk evaluation
Capital Markets	Algorithmic trading, market surveillance, risk management	AI trading algorithms are becoming crucial for market surveillance and automated trading systems



For extended profiles and additional sectoral case studies, please access the *Special Sectoral Case Studies Appendix* here.

Case Studies

WeLab: WeLab is a Hong Kong-based virtual bank leveraging AI to provide AI-first onboarding, advanced customer analytics, and fraud prevention. It enables rapid experimentation in financial services, offering production-grade retail AI solutions for a seamless, secure banking experience.

Aqumon: Aqumon is an AI-powered robo-advisory platform that provides personalized wealth management solutions. It uses automated risk profiling, explainable portfolio logic, and scalable personalization to deliver data-driven investment strategies, helping retail investors optimize their portfolios efficiently and transparently.

Qupital: Qupital is a Hong Kong-based SME lending platform that uses alternative data for automated underwriting. It offers fast, efficient invoice financing and working capital solutions, helping small businesses access financing with embedded risk controls and faster approval processes.

For extended profiles and additional sectoral case studies, please access the *Special Sectoral Case Studies Appendix* here.

AI for Finance in Hong Kong

Capital Markets, Exchanges, and Asset Management

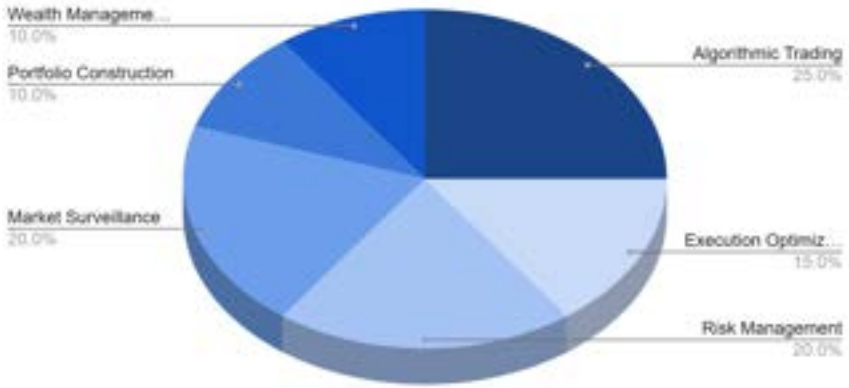
Capital Markets and Asset Management

Hong Kong is emerging as a major global hub for AI-enabled financial services, particularly in its capital markets, trading systems, and asset management sectors.

As a key listing destination and gateway for Mainland China capital flows, the city has rapidly adopted advanced AI technologies to transform various aspects of financial markets.

This chapter examines how AI is applied to key areas such as algorithmic trading, execution optimization, market surveillance, risk modeling, portfolio construction, and wealth management personalization.

It also explores the increasing role of market data and alternative data analytics in enhancing investment strategies. The chapter concludes by evaluating Hong Kong's comparative advantages and structural challenges as it competes globally for leadership in AI-powered capital markets.

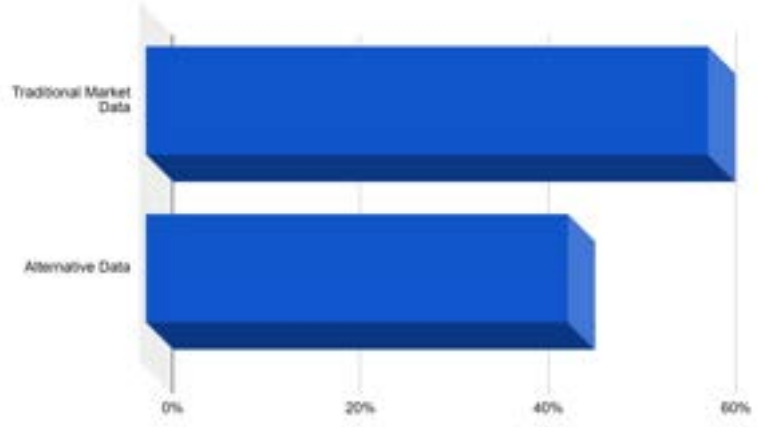


***AI Applications in Capital Markets**: Shares reflect the distribution of profiled entities in this chapter, mapped from the database's sector labels to the report's sector groupings using a fixed mapping rule. Percentages are normalized to 100% (rounding may cause ±1% differences).*

Capital Markets and Asset Management

Hong Kong's financial markets are among the most sophisticated and influential in the world, driven by a robust regulatory framework, strong infrastructure, and its strategic position as a gateway to Mainland China. With an active stock exchange, the Hong Kong Stock Exchange (HKEX) plays a critical role in global capital markets. It is one of the top listing destinations for companies, particularly those from Mainland China looking to raise capital on international markets. This position enhances Hong Kong's appeal as a financial technology hub, where AI can be integrated to optimize financial operations and improve market efficiency.

As a key financial center, Hong Kong has long been a focal point for foreign direct investment, capital flows, and trade. The introduction of AI technologies into its capital markets promises to further strengthen its leadership role by enhancing the speed, efficiency, and reliability of trading activities. AI algorithms can analyze vast amounts of financial data in real-time, providing insights into trading patterns, market movements, and risk levels. This ability allows Hong Kong's financial institutions to improve trading strategies, monitor market activity, and optimize operations across various asset classes.



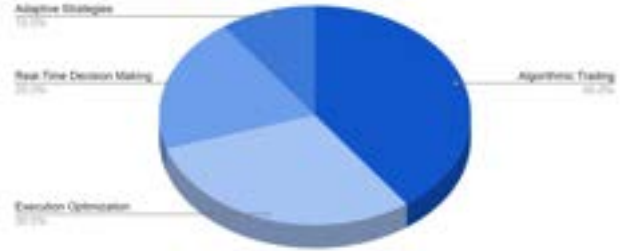
***Role of AI in Market and Alternative Data Analytics**: This bar chart illustrates the importance of **traditional market data** versus **alternative data** in AI-driven investment strategies, with traditional market data playing the larger role. Values represent normalized shares of primary tags assigned through structured review of profiled deployments and entity descriptions in the database and report body. Each profiled entity/use-case is assigned one primary application domain; the chart reports the distribution of those primary tags, normalized to 100%.*

Capital Markets and Asset Management

One of the most significant AI applications in Hong Kong's capital markets is algorithmic trading. AI enables the creation of sophisticated algorithms that can execute trades at high speeds and with minimal human intervention. These algorithms are designed to analyze market data, identify trading opportunities, and execute orders based on predefined criteria, improving both efficiency and precision in trading decisions.

AI-driven algorithmic trading is particularly valuable in fast-paced markets, where milliseconds can make a difference in execution. AI can analyze historical market data, real-time price movements, and trading volumes to make instant decisions that optimize the execution of trades. Moreover, AI can adapt to changing market conditions, adjusting strategies to account for fluctuations in volatility, liquidity, and other market factors. This has led to a more efficient trading environment, where AI helps financial institutions reduce transaction costs, improve liquidity, and manage risks more effectively.

Execution optimization is another area where AI is making a significant impact. AI technologies can optimize the way trades are executed, improving the timing and placement of orders. Through advanced predictive models, AI can forecast the best times to enter or exit a trade, maximizing the potential for profits and minimizing costs associated with slippage. This has led to improved execution performance, better pricing for clients, and enhanced competitiveness in the market.



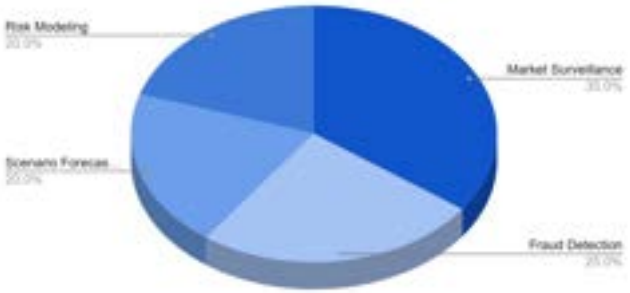
This chart highlights the key AI applications in algorithmic trading and execution optimization. Shares reflect the distribution of profiled entities in this chapter, mapped from the project database's sector labels to the report's sector groupings using a fixed mapping rule. Percentages are normalized to 100% (rounding may cause ±1% differences).

Capital Markets and Asset Management

Market Surveillance and Risk Management

As financial markets become more complex, the need for robust market surveillance has increased. AI is playing a key role in monitoring market activity, detecting anomalies, and identifying potential instances of market manipulation. Using AI-powered surveillance systems, financial regulators and exchanges can track trading activities in real-time, analyzing massive datasets to spot irregularities that may signal fraud or other forms of market abuse. AI-powered surveillance systems use machine learning models to analyze patterns in trading behavior, identifying outliers and unusual activities. These systems can flag suspicious transactions or trades that deviate from typical patterns, enabling regulators to take immediate action. By automating surveillance processes, AI helps reduce the burden on human analysts, while also providing more accurate and timely insights into market behavior.

In risk management, AI is used to model and predict various types of financial risks, such as market, credit, and operational risks. AI algorithms can analyze vast amounts of data to assess risk exposure, allowing asset managers and financial institutions to adjust their strategies accordingly. Predictive models and scenario forecasting enable institutions to test different market conditions and forecast potential outcomes, helping them prepare for adverse events.



This chart illustrates the key roles of AI in market surveillance and risk management. Shares reflect the distribution of profiled entities in this chapter, mapped from the project database's sector labels to the report's sector groupings using a fixed mapping rule. Percentages are normalized to 100% (rounding may cause ±1% differences).

Capital Markets and Asset Management

AI in Asset and Wealth Management

- **Portfolio Construction**: AI optimizes asset allocation, forecasts asset performance, and balances risk for higher returns.
- **Scenario Forecasting**: AI runs simulations and stress tests, preparing asset managers for various market conditions.
- **Wealth Management**: AI personalizes investment strategies based on clients' financial goals, offering tailored advice at scale.

Role of Market & Alternative Data Analytics

- **Market Data**: AI processes traditional and alternative data (e.g., social media, satellite imagery) to uncover market trends and forecast movements.
- **Investment Strategy**: Firms use AI to gain insights into economic conditions and identify emerging opportunities.

Hong Kong's AI in Capital Markets

- **Advantages**: Strong financial infrastructure, regulatory environment, and access to China's market.
- **Challenges**: Talent shortage and data privacy concerns as AI adoption grows.

Case Studies

Aidyia:
Aidyia is an AI-driven financial technology company specializing in automated trading and investment strategies. Utilizing machine learning and data analytics, Aidyia provides sophisticated algorithms to optimize portfolio management, risk modeling, and market predictions, enhancing decision-making efficiency.

SignalPlus:
SignalPlus is a data-driven platform that leverages AI and advanced analytics to provide real-time market insights and trading signals. Focused on enhancing traders' decision-making, SignalPlus uses machine learning to analyze market trends, identify opportunities, and mitigate risks.

HKEX:
The Hong Kong Exchanges and Clearing (HKEX) is a major global stock exchange, facilitating trading in stocks, derivatives, and commodities. HKEX supports market growth through technology innovation, offering platforms for financial products, capital raising, and market data distribution.

For extended profiles and additional sectoral case studies, please access the *Special Sectoral Case Studies Appendix* here.

Hong Kong's Digital Asset & Virtual Asset Ecosystem

Artificial intelligence is playing an increasingly central role in Hong Kong's digital asset and virtual asset ecosystem, particularly as the sector transitions from early experimentation toward institutional participation and regulated market infrastructure. AI is being deployed across trading, market surveillance, custody, risk management, and compliance functions to address the operational complexity and volatility inherent in digital asset markets.

In trading and market analytics, machine-learning models are used to process high-frequency, multi-venue data streams, enabling improved price discovery, liquidity analysis, and execution optimization across spot and derivatives markets. These capabilities are particularly relevant in digital asset markets, where fragmented liquidity and continuous trading demand real-time decision support.
AI also plays a critical role in market integrity and regulatory compliance. Advanced anomaly-detection models support transaction monitoring, market-abuse detection, and anti-money-laundering controls across blockchain-based assets. These tools enhance the ability of exchanges, brokers, and virtual asset service providers to meet supervisory expectations under Hong Kong's evolving virtual asset regulatory framework.

At the infrastructure level, AI supports custody security, operational resilience, and risk governance, including wallet-behavior analytics, smart-contract risk assessment, and automated controls for asset safeguarding. Together, these deployments reflect Hong Kong's broader approach to AI adoption: embedding intelligent systems into high-trust financial workflows where governance, auditability, and resilience are treated as core design requirements rather than optional features. As regulated virtual asset activity expands in Hong Kong, AI is becoming a key enabling layer that allows digital asset markets to operate at institutional scale—supporting safer market participation, stronger oversight, and deeper integration with the city's capital-markets ecosystem.

Hong Kong's Digital Asset & Virtual Asset Ecosystem

Feature	AI-Powered Trading Bots	Human Traders
Speed & Execution	Executes trades in milliseconds, analyzing vast datasets instantly.	Limited by reaction time and manual execution delays.
Market Analysis	Processes real-time market data, on-chain trends, and sentiment analysis simultaneously.	Relies on historical data, technical indicators, and news.
Risk Management	Implements stop-loss, take-profit, and risk mitigation strategies automatically.	Prone to emotional decision-making, often reacting late to market shifts.
Trading Strategy	Uses algorithmic models to adapt strategies dynamically without fatigue.	Requires continuous monitoring and manual adjustments.
Emotional Influence	No emotional biases; purely data-driven.	Subject to fear, greed, and impulse decisions.
Scalability	Can handle multiple trades across different exchanges simultaneously.	Limited by human capacity and focus.

AI applications in digital asset markets and trading workflows — data synthesized from industry use cases. Source: Blockchain Council

AI for Finance in Hong Kong

Insurance, InsurTech and Risk Solutions

Insurance, InsurTech and Risk Solutions

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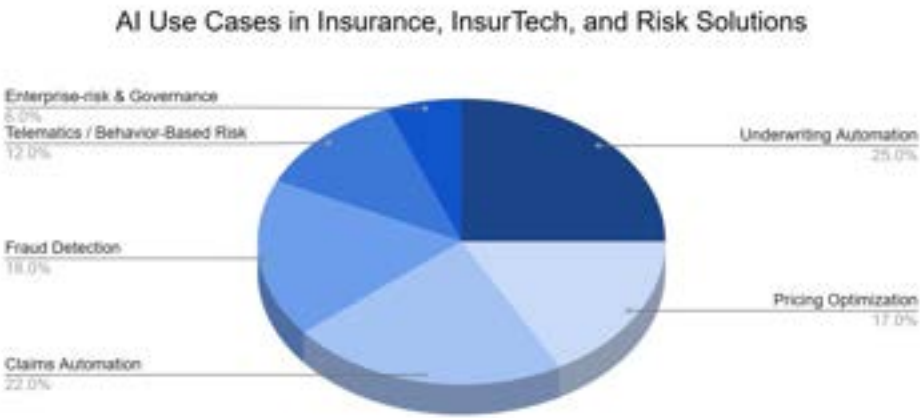

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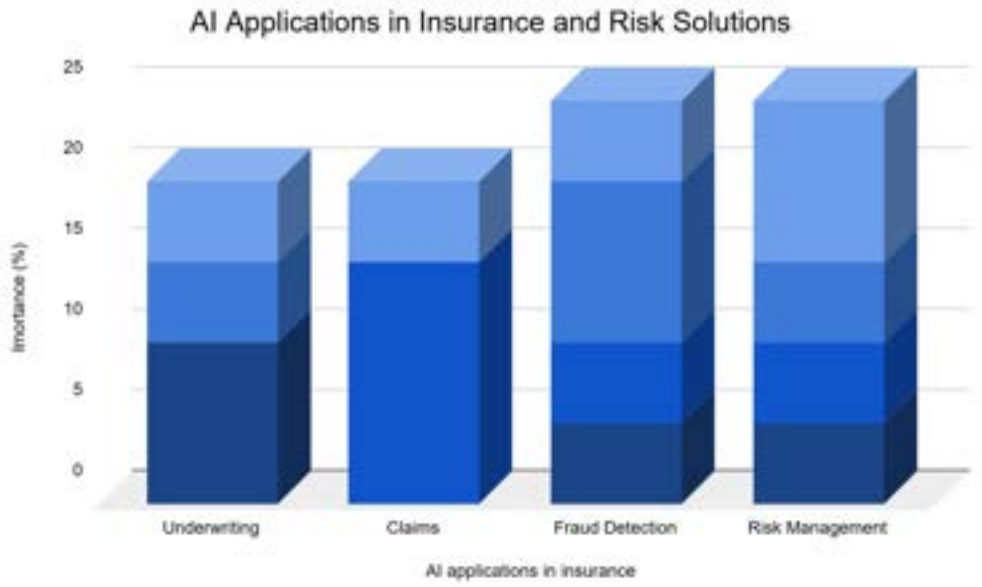
In Hong Kong's **Insurance, InsurTech, and Risk Solutions** ecosystem, AI is playing a transformative role across several core functions. Key applications include underwriting automation, where AI streamlines the process of assessing risk and determining insurance terms. Pricing optimization leverages AI to adjust premiums based on a variety of factors, ensuring competitive yet profitable rates. Telematics-driven risk assessment uses data from connected devices to evaluate risk more accurately, particularly in auto insurance, where driving behaviors are analyzed in real time.

AI is also central to claims automation, improving the speed and accuracy of claim processing. Through computer vision-based damage processing, AI can assess and verify claims, reducing human error and processing time. Additionally, fraud detection systems use machine learning to identify unusual patterns and flag potential fraudulent activities before they escalate, enhancing security and trust within the industry.

Insurance, InsurTech and Risk Solutions



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At a higher level, **enterprise-risk modeling** applies AI to forecast potential risks across an entire organization, helping insurers proactively manage exposure and align strategies accordingly.

The adoption of these AI technologies is rapidly modernizing legacy systems, with many traditional insurers partnering with **InsurTech** firms to enhance operational efficiency and unlock new capabilities.

In sum, AI is revolutionizing Hong Kong's insurance and risk solutions landscape by optimizing processes, reducing operational costs, and providing deeper insights into risk management.

Case Studies

Claim5d:
Claim5d uses computer vision and AI to automate claims triage, significantly reducing turnaround times. Their system flags fraudulent claims early, streamlining the process for insurers. The platform provides mobile access for insurers and customers, improving claim handling efficiency.

Inzurer/Nanoinsure:
Inzurer and Nanoinsure utilize AI to automate insurance underwriting, enhancing risk scoring and customer segmentation. Their platforms modernize legacy underwriting processes by applying machine learning to assess risk and provide more accurate pricing, improving operational efficiency and customer experiences.

For extended profiles and additional sectoral case studies, please access the *Special Sectoral Case Studies Appendix* here.

AI for Finance in Hong Kong

RegTech, LegalTech and Compliance Technology

RegTech, LegalTech and Compliance Technology

1. AI-Driven Regulatory Innovation

- **AI Integration**: Hong Kong's regulatory bodies (HKMA, SFC, IA) are integrating AI to enhance market surveillance, risk detection, and automate compliance.
- **Real-time Data Analysis**: AI identifies irregularities in financial data, supporting robust and transparent regulatory practices.
- **HKMA's Fintech 2030** expands the practical "test-to-production" pathway for regulated AI use cases, with cross-regulator coordination (HKMA–SFC–IA) supporting broader adoption and shared governance learnings.

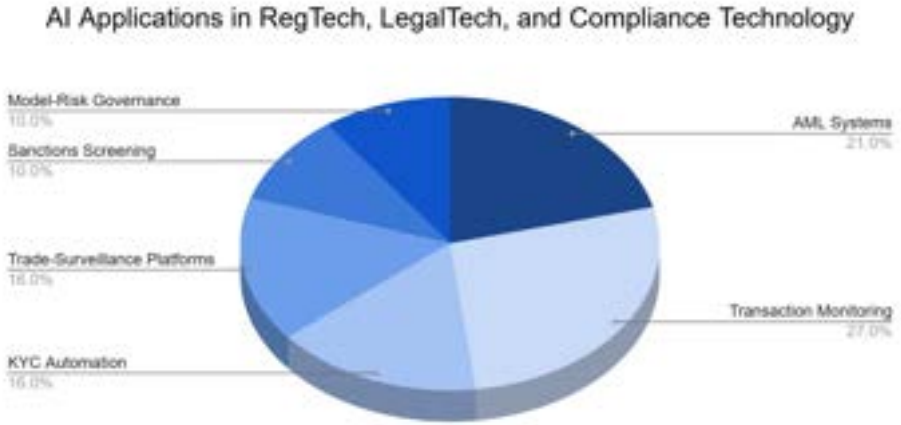
2. Key AI Applications in RegTech

- **Transaction Monitoring & AML**: AI detects fraud and money laundering in real-time, identifying complex patterns that traditional systems miss.
- **Sanctions Screening**: Automates transaction screening against sanctioned entities, ensuring ongoing compliance.
- **Employee Communications Surveillance**: AI monitors employee communications (voice, email, and instant messaging) to detect potential misconduct. It also helps identify complex compliance issues, such as potential mis-selling of financial products, by transforming voice to text and analyzing patterns.

3. AI in KYC & Trade Surveillance

- **KYC Automation**: AI automates customer identity verification and risk assessment, reducing manual effort and improving compliance with AML regulations.
- **Trade Surveillance**: AI monitors market activities to detect market manipulation and insider trading, enhancing regulatory accuracy.

RegTech, LegalTech and Compliance Technology



AI Applications in RegTech: *Shares reflect the distribution of profiled entities in this chapter, mapped from the project database's sector labels to the report's sector groupings using a fixed mapping rule. Percentages are normalized to 100% (rounding may cause ±1% differences).*

Distribution Of AI Regulatory Initiatives In Hong Kong Finance: *Distribution was calculated by categorizing the initiatives into three groups: AI in RegTech, Blockchain & AI Integration, and Green Finance & AI. The number of initiatives in each category was counted, and the percentage of each was calculated relative to the total.*

RegTech, LegalTech and Compliance Technology

AI in Model-Risk Governance

- **Risk Testing & Mitigation**: AI models simulate various market scenarios to proactively identify and manage potential risks, helping financial institutions better anticipate and address market fluctuations before they occur.
- **Model Performance & Accuracy**: Ensures that AI-driven financial models meet accuracy standards and produce reliable results.
- **Transparency, Explainability & Bias**: AI models must be transparent and explainable to ensure stakeholders understand how decisions are made. Additionally, efforts are made to eliminate any biases in the models.
- **Model Stability & Drift**: Continuous monitoring for model stability over time and perform accurately, even as market conditions change.
- **Cybersecurity**: Protects AI models from adversarial attacks, promoting data security and model performance integrity.

Hong Kong's Strategic Position in RegTech

- **Regulatory Innovation**: HKMA, SFC, and IA foster AI adoption through initiatives that encourage collaboration between regulators and the private sector, improving regulatory outcomes.
- **Global Hub for RegTech**: Hong Kong's robust infrastructure, strong regulations, and international capital flows position it as a leader in RegTech development and implementation.

Strengthening Cross-Border Connectivity

- **Global Collaboration**: AI-enhanced regulatory processes improve cooperation across borders, particularly with Mainland China, enabling more effective regulatory frameworks.
- **Enhanced Compliance**: Hong Kong's regulatory systems facilitate the seamless integration of local and global financial standards, positioning the city as a key hub for international finance.

Case Studies

MioTech exemplifies how **AI and advanced analytics reshape financial data infrastructure** — particularly in ESG and sustainability domains — by **transforming raw data into structured, actionable analytics** for investors, asset managers and compliance teams. Its combination of broad data coverage, real-time insights and integration into financial workflows makes it a leading analytics provider in the era of sustainable finance and regulatory demand for transparency.

Midas Analytics exemplifies how **AI and data analytics technology** are transforming financial and market intelligence infrastructure. Through automated extraction, real-time insight delivery, and AI-driven analytics of unstructured data, the platform enables organisations to *decode complex market signals faster and more effectively* — a valuable capability in capital markets, asset management, and strategic research workflows.

Wizpresso exemplifies how **AI-based data analytics and workflow automation platforms** are becoming foundational in **financial market infrastructure and analytics** — especially where unstructured information and complex regulatory landscapes intersect. Its combination of **NLP, deep learning, and structured data delivery** enables clients across finance, compliance, and legal domains to accelerate research, automate compliance tasks, and derive timely, actionable insights from massive volumes of information.

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AI for Finance in Hong Kong

Global Peers: Hong Kong Comparative Benchmarking

Hong Kong vs Global Peers: National-Level Positioning (AI-for-Finance)

Hong Kong's AI-for-Finance competitiveness can be understood in relation to leading peer markets—Singapore, Japan, South Korea, the UAE, Switzerland, the UK, and the United States—across a small number of practical dimensions that determine whether AI moves from pilots into production in regulated financial services.

Across **financial-sector adoption maturity**, Hong Kong sits in the leading cohort of Asia-Pacific hubs where banks, insurers, and market participants have strong incentives to modernise workflows in risk, compliance, onboarding, and market operations. In **governance readiness**, Hong Kong benefits from finance-grade regulatory architecture and mature market integrity expectations, supporting trustworthy scaling—though advanced AI governance (including model assurance and continuous monitoring practices for newer systems) remains a fast-evolving frontier in all jurisdictions, not only Hong Kong.

In **ecosystem depth**, Hong Kong has a substantial and diverse population of AI-for-Finance companies and enablers, with particular strength in analytics, investment/wealth tooling, and finance-adjacent infrastructure, while certain segments (e.g., scaled RegTech platforms and insurance AI at production breadth) may be comparatively more concentrated in larger markets. In **capital markets connectivity**, Hong Kong's position as an internationally connected financial centre strengthens its ability to attract partnerships, talent, and high-quality technology actors seeking institutional clients and regional scale.

Overall, Hong Kong's differentiator is the combination of (i) institutional finance depth, (ii) international connectivity and market infrastructure, and (iii) governance conditions that encourage production deployment. The key strategic question is not whether Hong Kong "has AI," but whether it can continue to shorten proof-to-production pathways faster than peers while maintaining resilience, market integrity, and trust.

Hong Kong vs London, New York, Geneva, Singapore, Tokyo, Dubai

At the city level, Hong Kong competes with a small set of global financial centres—**New York, London, Tokyo, Geneva/Zurich, and Dubai**—where the relevant benchmark is not general AI capability, but the ability to translate AI into **production-grade financial services** under high-trust conditions, while sustaining market depth and international connectivity.

- **New York** benefits from unmatched scale in capital markets, buy-side depth, and proximity to major AI technology ecosystems, often leading in commercialization intensity and access to growth capital.
- **London** combines global finance connectivity with strong professional services and governance infrastructure, and continues to shape standards in market integrity and financial regulation.
- **Geneva/Zurich** are powerful in private wealth, cross-border finance, and precision governance cultures, offering a different model of AI-for-Finance maturity anchored in trusted wealth and risk disciplines.
- **Tokyo** brings deep institutional finance and corporate scale, with accelerating modernization in financial operations and technology adoption.
- **Dubai** is rapidly building a global hub proposition through aggressive ecosystem development and international positioning.

Hong Kong's distinctive city-level advantage is its **East–West financial gateway role and China interface**, combined with deep capital markets infrastructure and a dense concentration of institutional finance actors capable of adopting AI at scale. The strategic opportunity is to reinforce a "high-trust deployment hub" identity: a place where AI-for-Finance solutions can be piloted, governed, and scaled in production across banking, markets, and compliance—while remaining globally connected for capital formation, partnerships, and regional expansion.

Nation-Level Benchmarking: Global Leaders in AI-Driven Finance

1. United States

Global Leader: Strong ecosystem of tech giants (Google, Amazon) and financial institutions (Goldman Sachs).
Key Areas: High-frequency trading, predictive analytics, and risk management.

2. China

Dominant in Fintech: Government initiatives & companies like Ant Group drive AI innovation in banking, payments, and asset management.
Advantages: Massive data pool & centralized policy approach.

3. United Kingdom

Leader in RegTech: FCA's regulatory sandboxes foster AI-driven innovation.
Strategic Hub: London as a key center for fintech collaboration and AI research.

4. European Union

Focus on Ethics & Privacy: GDPR, AI Act, and strong data protection regulations shape AI adoption.
Investment in AI: EU Central Bank and European Investment Bank driving AI initiatives.

AI for Finance in Hong Kong

Conclusions

Long-Term Growth Drivers

- **Hong Kong has a uniquely open technological architecture** and is one of the only regulated financial centres where Western and Chinese AI systems can be accessed, tested, and deployed together **— making it the natural global testbed for AI in finance.**
- **HKEK will continue to be a uniquely attractive platform** for AI companies to scale and access global markets. Despite market volatility, HKEX's role in AI funding remains pivotal as demand for AI-driven infrastructure, data centers, and high-performance computing grows.
- **RegTech and compliance automation** will keep scaling as regulatory complexity increases, driving sustained demand for AI in monitoring, reporting, surveillance, and auditability.
- **Digitisation of capital markets workflows** (research, disclosure processing, market surveillance, post-trade operations) will expand the addressable market for production-grade AI tools.
- **Rising financial crime sophistication** (fraud, scams, synthetic identity, cyber-enabled laundering) will accelerate adoption of AI detection and prevention systems across institutions.
- **Growth of digital assets and tokenised finance** will increase the need for AI in risk analytics, market monitoring, custody controls, and transaction intelligence.
- **Institutional demand for explainable, governed AI** will drive investment in model-risk management, monitoring, validation, and “AI assurance” infrastructure—creating a durable enterprise market.
- **Competitive pressure on cost-to-serve** in banking and insurance will push AI adoption in customer operations, underwriting/claims, and back-office automation to protect margins.
- **Cross-border finance integration and connectivity** (regional flows, multi-market clients, complex compliance) will favour hubs that can deploy AI across multi-jurisdiction workflows at scale.

Key Gaps and Opportunities

Key Gaps

- **Data availability and interoperability** remain uneven across institutions, limiting model performance and cross-institution deployment at scale.
- **Model risk management (MRM) and assurance** for advanced AI are inherently limited as hallucinations in GenAI make it unsuitable for certain workflows.
- **Talent bottlenecks** persist at the intersection of AI engineering, finance-domain expertise, and governance (auditability, validation, monitoring).
- **Integration and procurement friction** (legacy systems, vendor onboarding, security reviews) slow "proof-to-production" conversion.
- **Fragmented ecosystem visibility**: strong activity exists, but stakeholders lack a clear, finance-specific view of "who does what" across sectors and use cases.
- **Scaling constraints for SMEs and scale-ups**: pilots can succeed, but scaling requires longer sales cycles and heavier compliance requirements.

Highest Return Opportunities Opportunities (Next 12-24 Months)

- **Compliance and financial crime:** production-scale AI for AML, sanctions screening, fraud detection, and automated risk triage.
- **AI-enabled onboarding and customer operations:** safer digital onboarding, KYC automation, and intelligent service workflows with measurable cost and quality gains.
- **Risk, credit, and portfolio intelligence:** leveraging AI for better early-warning signals, scenario analytics, and decision support across credit and market risk.
- **Capital markets "infrastructure advantage":** AI for surveillance, market analytics, trade optimization, and post-trade efficiency—building on Hong Kong's exchange and market.
- **RegTech and governance tooling:** exportable model governance, monitoring, and audit layers that make AI deployments trustworthy and repeatable.
- **Agentic AI:** While GenAI has struggled to drive process improvements, Agentic AI could unlock scalable solutions by enabling AI to interact directly with platforms and workflows, addressing many existing challenges.

Conclusion and Forward Outlook

Hong Kong's AI-for-Finance ecosystem is transitioning from exploratory adoption into a more mature phase characterised by production deployment across multiple financial verticals. The landscape profiled in this report reflects a broad base of companies, enabling hubs, and institutional stakeholders working across banking and payments, capital markets and asset management, insurance and risk, compliance technology, and financial data and infrastructure. Across these domains, AI is increasingly used to strengthen operational efficiency, enhance risk management and financial crime controls, improve customer and onboarding workflows, and expand the analytical capabilities required for competitive performance in modern financial markets.

Hong Kong's competitiveness in AI-for-Finance is shaped by the interaction of three factors: (i) institutional finance capability and market depth; (ii) the availability of ecosystem enablers that translate innovation into deployable solutions; and (iii) governance conditions that allow AI systems to scale responsibly—under resilience, privacy, and market-integrity expectations.

Benchmarking against peer markets suggests that Hong Kong's most durable advantages are likely to come from disciplined execution: accelerating proof-to-production pathways, strengthening finance-grade data interoperability, expanding talent at the AI–finance–governance intersection, and reinforcing the ecosystem's visibility through structured mapping and repeatable collaboration mechanisms.

The strategic priorities and recommendations set out in the final chapter are intended to support that execution. If these priorities are addressed, Hong Kong is well-positioned to consolidate its role as a leading international hub for applied AI in financial services—one defined not by generic innovation claims, but by measurable deployment maturity, trustworthy governance, and strong connectivity between financial institutions, capital markets, and high-quality technology actors.

Appendix

Companies, Hubs and Investors

Companies

1	8 Financial Intelligence	2	8 Securities	3	Accrue
4	AGDelta	5	AGI Open Network	6	Agimat FX™ Forex Trading System
7	Aidyia	8	AiONE	9	AIFT
10	Aereve	11	AirU	12	AIVI
13	AI Creator Economy and Network	14	AlgoBot	15	ALGOGENE
16	Algorithmic Trading Group	17	alphabase.ai	18	Amareos
19	AMLBot	20	AMP Credit Technologies	21	Aqumon
22	AREIX	23	ArtWise	24	Asklora
25	Aspen Digital	26	Assemble AI	27	ASTRUM [Space]
28	ATPHIZYOM	29	Auki Labs	30	Augment Wealth Advisors

Companies

31	Aurum	32	Austreme	33	AuthBlock
34	AutoML Capital	35	Avancehub	36	BeeVest Securities
37	Binery	38	BlueOnion	39	Bowtie Insurance
40	Brainovative	41	Brait	42	BTCMEX
43	Caedryn	44	Caishen.Co	45	Chain of Demand
46	ChainGuardians	47	Chaintool	48	China Money Network
49	Claim5d	50	Clare.AI	51	CM Square
52	CoinCheckup	53	CoinSnap	54	Contineo
55	Contrendian	56	CREDI AI	57	Credit Hero
58	D5	59	Datago Technology Limited	60	Deploy

Companies

61	Edgen	62	EmergentX Digital Asset	63	Ensō Group
64	ETFCOOL.com	65	ExtractAlpha	66	Finetic
67	Finfo Union	68	FinLink	69	Finloop
70	Fireverse	71	FreightAmigo	72	FundKernel Limited
73	GenLife	74	gini	75	Grantit
76	HAAI	77	Hero Plus	78	Hong Kong International Blockchain and F
79	Hong Kong Science and Technology Parks Corporation	80	HongDa Financial Holding	81	Hongkong Starlux Intelligent Technology
82	illio	83	Intellectia.AI	84	Intensel Limited
85	Investing Accelerator (Eric Seto Research Ltd)	86	Inzurer	87	iRoboInvest
88	Jedies Advance Technology	89	JobsLab.io	90	KeyChain Pay

Companies

91	KIP Protocol	92	Know Your Customer Limited	93	Lender Friend
94	Level01	95	Life Protocol	96	Lyods
97	m-FINANCE	98	Malabar AI	99	Marketplace Assist
100	Marvelsoft	101	MATRIX Foundation	102	Meta Artainment
103	Mezzofy	104	MiCai	105	MicroBit Capital
106	Midas Analytics	107	MioTech	108	Miro AI
109	Moneta Trading Technology Limited	110	Money AI	112	Nanoinsure
113	NGT (Next Gen Tech)	114	OhMyGeorge	115	OlaWealth.io
116	Omnibloc	117	On-us	118	OneChain Agency
119	ONEFi - Next Gen Asset Manager	120	Onlan Capital Ventures	121	OpenGMV

Companies

122	Oriente	123	Osi Geospatial Inc	124	OTSO FINTECH
125	Pamalican Asset Management	126	Pangramia	127	Parallel Strategy
128	Passion.xyz	129	PixelAlpha	130	Primus Labs
131	Propcap Technologies	132	Prophecy Marketing International	133	Q18 Capital Group
134	QuantPipeline	135	Qupital	136	Qutrit Systems
137	Rabbit Credit	138	Raven Protocol	139	Red Pulse
140	Risksis Technology	141	ROOTS	142	Rouge International & Rouge Ventures
143	SeedAlpha	144	Senno	145	Seong Trading Technologies
146	SignalPlus	147	Songjam	148	Squared-S Artificial Intelligence
149	StartHK	150	Synaptic Technology	151	TOKEN2049

Companies

152	Tokenomous	153	Triata Capital	154	uFinance
155	Uweb	156	VeTrackr	157	VMPay Asia
158	WealthRyse	159	WeLab	160	Wizpresso
161	X Social Group Limited	162	XBE	163	Xccelerate
164	YIWU MARKET				

Hubs

1	Cyberport is an innovation hub that nurtures fintech startups and promotes the development of the digital economy, including financial services and AI-powered technologies.	
2	The FinTech Innovation Lab Asia-Pacific provides financial technology companies with resources, mentoring, and connections to help them scale their operations.	
3	TusuPark Hong Kong is an accelerator that focuses on providing space, resources, and business development support to AI and fintech startups in Hong Kong.	
4	AIFT focuses on pioneering AI-powered financial technologies and provides a collaborative space for innovation in finance and technology.	
5	Hong Kong Science and Technology Parks offers a platform to incubate fintech companies and startups working on AI-driven finance solutions, providing access to resources and business networks.	

Investors

1	AFG Partners	2	Alameda Research	3	Alibaba Entrepreneurs Fund
4	AngelHub	5	Animoca Brands	6	Asterisk Capital
7	AVA Angels	8	BlackPine	9	Brinc
10	C Capital	11	Cherubic Ventures	12	China Growth Capital
13	Citi	14	CLSA	15	CMB International Capital Corporation
16	CRiF	17	Cyberport Hong Kong	18	European Investment Fund
19	FinTech Sandbox	20	Fosun International	21	Genesis Capital
22	Goldman Sachs Growth Equity	23	Horizons Ventures	24	HSG
25	INBlockchain	26	International Finance Corporation	27	IOSG Ventures
28	JG Summit Holdings	29	Kenetic	30	Lenovo Capital and Incubator Group (LCIG)

Investors

31	Li Ka Shing Foundation	32	Liberty City Ventures	33	MindWorks Capital
34	Monolith Management	35	Mountain Partners	36	Nomura Asset Management
37	Nordstar	38	Pershing Ventures	39	R136 Ventures
40	Route 66 Ventures	41	SNZ Holding	42	Solana Foundation
43	Startupbootcamp Australia	44	Tenity	45	Tribe Capital
46	Velocity Capital Fintech Ventures	47	Wix	48	Zhixing Venture Capital

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