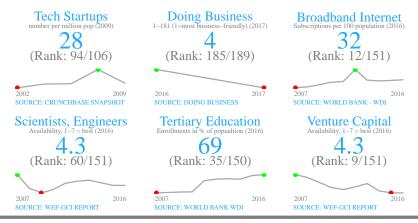
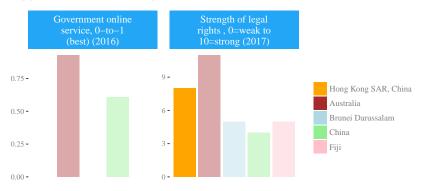
Digital Entrepreneurship 360

Hong Kong SAR, China



POLICY Laws, regulations, and government initiatives

GOVERNMENT INDEXES



SOURCE: GLOBAL INFORMATION TECH. REPORT; WDI

INVESTMENT FRIENDLINESS

| Time needed to setup a foreign business number of days (2012) | | (Rank: /87) |
|--|-----|---------------|
| FDI Regulation Index (aggrega across telecoms, media, electric 100=full ownership allowed (2012) | | (Rank: /84) |
| Procedures to set up a foreign business number of procedures (2012) | | (Rank: /87) |
| Efficiency of legal framework i settling disputes | 5.9 | (Rank: 2/151) |

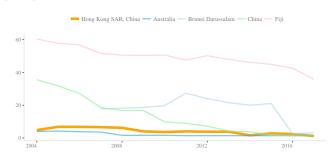
SOURCE: INVESTING ACROSS BORDERS; WDI

DOING BUSINESS 2017

| | | DTF | | | Rank | |
|-----------------------------------|-------|-------|--------|------|------|--------|
| | 2016 | 2017 | Change | 2016 | 2017 | Change |
| Ease of doing business index | 83.77 | 84.21 | 0.44 | 5 | 4 | 1 |
| Dealing with Construction Permits | 84.78 | 84.82 | 0.04 | 5 | 5 | 0 |
| Enforcing Contracts | 72.57 | 72.57 | 0 | 21 | 21 | 0 |
| Getting Credit | 75 | 75 | 0 | 19 | 20 | -1 |
| Getting Electricity | 94.74 | 99.02 | 4.28 | 5 | 3 | 2 |
| Paying Taxes | 98.69 | 98.69 | 0 | 3 | 3 | 0 |
| Protecting Minority Investors | 80 | 80 | 0 | 3 | 3 | 0 |
| Registering Property | 69.78 | 69.79 | 0.01 | 60 | 61 | -1 |
| Resolving Insolvency | 87.2 | 87.2 | 0 | 27 | 28 | -1 |
| Starting a Business | 98.12 | 98.2 | 0.08 | 4 | 3 | 1 |
| Trading Across Borders | 88.94 | 88.94 | 0 | 42 | 42 | 0 |

SOURCE: DOING BUSINESS

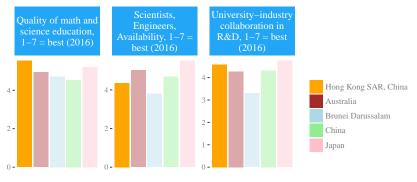
COST OF BUSINESS STARTUP PROCEDURES, % of GNI per capita



SOURCE: WORLD BANK WDI

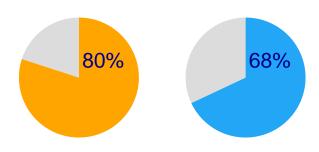
HUMAN CAPITAL State of educational institutions and access to skilled labor

AVAILABILITY OF SKILLED LABOR AND EDUCATION (1-7, 7 = best)



POPULATION EMPLOYED IN SERVICES SECTOR (% total employed population)

Hong Kong SAR, China (2014) EAS (average, 2014)



SOURCE: WEF-GCI REPORT SOURCE: WORLD BANK WDI

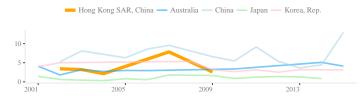
FINANCING Sources of capital available for digital entrepreneurs, including debt, equity, grants, blended financing, etc

FDI, PUBLIC CAPITAL MARKET AND VENTURE CAPITAL



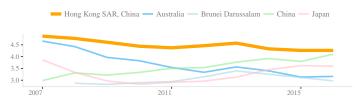
SOURCE: WEF-GCI REPORT; WORLD BANK - WDI

INFORMAL INVESTORS RATE (% of 18-64 population)



SOURCE: GLOBAL ENTREPRENEURSHIP MONITOR - ADULT POPULATION

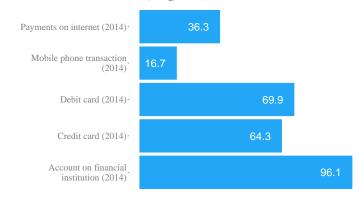
VENTURE CAPITAL AVAILABILITY (1-7, best)



SOURCE: WEF-GCI REPORT

MARKETS Existence of early customers and distribution channels

FINANCIAL INCLUSION (% age 15+)



SOURCE: WORLD BANK - FINDEX

DIGITAL COMMERCE & INTERNET ACCESS

| New business density new registrations per 1,000 people ages 15–64 (2009) | 28 | (Rank: 3/137) |
|--|------|----------------|
| Ratio of online/in store purchases Percentage (2016) | 40 | (Rank: 35/54) |
| Firms using email to interact with clients/suppliers (%) % of firms (2010) | | (Rank: /146) |
| Firms with their own Website % of firms (2014) | | (Rank: /143) |
| ICT service exports % of service exports, BoP (2014) | 17.6 | (Rank: 83/178) |

SOURCE: ES; WEF-GCI REPORT; WDI; CONSUMER BAROMETER

CULTURE Societal attitudes toward entrepreneurship

| | Avg 2003-2011 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2011 2016 |
|--|---------------|---------|---------|---------|---------|---------|------|-----------|
| Company spending on R&D, 1-7 = best | 3.9 | 3.7 | 3.8 | 4.0 | 3.9 | 4.0 | 4.0 | |
| Listed domestic companies, total, Number | 1,229.2 | 1,472.0 | 1,459.0 | 1,553.0 | 1,661.0 | 1,770.0 | | |
| Perceived Capabilities, % of 18-64 population | 24.2 | NA | NA | NA | NA | NA | | |
| Fear of Failure Rate, % of 18-64 population | 39.0 | NA | NA | NA | NA | NA | _ | |
| Tech Startups, number per million pop | 30.5 | NA | NA | NA | NA | NA | | |
| High Status Successful Entrepreneurship, % of 18-64 population | 64.6 | NA | NA | NA | NA | NA | _ | |
| Media Attention for Entrepreneurship, % of 18-64 population | 70.0 | NA | NA | NA | NA | NA | | |
| Total early-stage Entrepr. Activity (TEA), % of 18-64 population | 5.0 | NA | NA | NA | NA | NA | _ | |
| Improvement-Driven Opp. Entrepr. Activity: Rel. Prevalence, % of TEA | 54.1 | NA | NA | NA | NA | NA | _ | |
| New Product early-stage Entrepr. Activity, % of TEA | 58.0 | NA | NA | NA | NA | NA | _ | |

SOURCE: ES; WEF-GCI REPORT; WDI; CONSUMER BAROMETER

SUPPORTS Infrastructure and support services available through incubators, accelerators and other NGOs

| | Avg 2003-2011 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2011 2016 |
|--|---------------|------|-------|---------|---------|---------|---------|-----------|
| % firms identifying transportation as major constraint, NA | _ | _ | _ | _ | _ | _ | _ | |
| % of firms with an annual fin. Statem. reviewed by ext. audit., NA | _ | _ | _ | _ | _ | _ | _ | |
| Quality of electricity supply, 1-7 = best | 6.8 | 6.7 | 6.8 | 6.8 | 6.8 | 6.8 | 6.8 | • |
| Broadband Internet, Subscriptions per 100 population | 26.9 | 30.2 | 42.6 | 31.6 | 30.8 | 31.2 | 31.9 | |
| Internet bandwidth, kb/s/capita | 44.1 | 44.1 | 964.6 | 1,239.8 | 1,762.8 | 3,345.1 | 4,155.6 | • |
| Access to electricity, % population | 100.0 | NA | 100.0 | NA | NA | NA | _ | • |
| ICT goods imports, % total goods imports | 39.3 | 40.4 | 40.8 | 38.8 | 43.5 | NA | _ | |
| Internet users, per 100 population | 63.5 | 72.2 | 72.9 | 74.2 | 79.9 | 85.0 | _ | |

SOURCE: ES; WEF-GCI REPORT; WORLD BANK - WDI

