

Innovation and Technology Venture Fund continues to invest in local start-ups to enrich innovation and technology ecosystem

The Innovation and Technology Commission (ITC) stated today (January 24) that the Innovation and Technology Venture Fund (ITVF) invested HK\$208 million in 23 deals in the past year, being the highest since its establishment. The business areas of these start-ups cover robotics technology, biotechnology, financial technology, artificial intelligence and software, including Cornerstone Robotics that focuses on research and development of advanced robotic surgical machines, EV Power that is involved in electric vehicle charging business, FJDynamics that is engaged in robotics technology, MediConCen that is involved in insurance technology, and Varadise that focuses on construction management platform.

An ITC spokesperson said, "The ITVF is set up with a view to attracting more VC funds to co-invest in local innovation and technology (I&T) start-ups. Over the past year, the investment amount and number of deals made by the ITVF in I&T start-ups both reached record highs since its establishment. Recently, the ITVF invested US\$6.25 million (approximately HK\$49 million) in Cornerstone Robotics, which is the largest investment amount received by an I&T start-up. Further, we launched the ITVF enhanced scheme in end-2024. We expect that through the integration of capital raised from the market to invest in start-ups of strategic industries through fund managers, it will further empower start-ups with more financing support and help enrich the I&T ecosystem."

The ITVF co-invests with VC funds selected as co-investment partners (CPs) at a matching ratio of approximately 1 (Government): 2 (CP) in eligible local I&T start-ups. To date, the ITVF has invested over HK\$410 million in 43 local I&T start-ups and attracted about HK\$3.5 billion of private investment at a leverage ratio of approximately 1:9.

The background and investment portfolio of the ITVF are available on the ITVF website (www.itf.gov.hk/l-eng/ITVF.asp). The ITVF enhanced scheme is inviting applications, and the deadline for application is March 19, 2025 (www.info.gov.hk/gia/general/202412/19/P2024121900325.htm).