Greater China Business Expansion Opportunities

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Hong Kong and mainland China offer access to a vast customer market, a powerful innovation ecosystem and growing international connectivity.

Connectivity, scale, innovation and policy support are a powerful combination for any business looking to expand into new markets. Ambitious international companies can find all these characteristics in Hong Kong and mainland China.

Not only does Hong Kong offer exposure to cutting-edge financial markets and fintech infrastructure, but it is also a bridge to opportunities in mainland China, where an expanding middle-class consumer market, thriving technology ecosystem and supportive policy backdrop continue to attract international investment. According to a recent HSBC survey of 3,000 global business leaders, more businesses expect mainland China to increase in importance to their economic relationships than any other market over the next five years.

Hong Kong offers familiarity and proximity

Hong Kong benefits from its unique position as a gateway to mainland China, as well as an access point to the wider Asian region. With its common law legal system and English-language business environment, it is a super connector between mainland China and businesses around the world. The city is a top three global financial centre in the Global Financial Centres Index and ranks first in Asia Pacific.1

Access to capital is a major part of Hong Kong's appeal. Hong Kong was the world's busiest IPO market in 2025, with IPO volumes more than tripling year-on-year to USD37.4 billion and featuring four of the world's 10 largest flotations.2 That momentum has carried on into 2026, providing a vibrant environment for new entrants and demonstrating clear investor confidence in the market's hub status.

At the same time, it offers proximity to the vast mainland Chinese economy and connectivity to its financial markets via its status as a global offshore renminbi (RMB) hub.

Government agency InvestHK helped 560 international and mainland Chinese companies either establish or expand operations in Hong Kong in 2025, bringing a record HKD69 billion (USD8.8 billion) in investment.3 Nearly half of the businesses (47%) were from outside mainland China.

InvestHK has established a Task Force on Supporting Mainland Enterprises in Going Global (GoGlobal Task Force) to help the growing number of mainland Chinese firms that are seeking international partners.4 For international businesses moving into Hong Kong, this gives the market added appeal as a source of immediate commercial opportunity.

Mainland China's drive for scale and innovation

For businesses eyeing opportunities in mainland China, the world's second-largest economy offers scale, deep supply chains and expertise in key sectors – supported by a pivot to a domestic consumption model.

China's per-capita disposable income is rising, particularly among its urban middle-income population.5 A wide range of consumption-supporting policies, such as trade-in programmes, illustrate the government's focus on driving growth.6

The relentless growth of e-commerce shows no sign of slowing. Online retail sales in China reached nearly 16 trillion yuan (USD2.2 trillion) in 2025, up nearly 9% year-on-year.7 Cross-border e-commerce is increasing.8

Clean energy and green technology are rapidly rising in importance for the mainland China economy, with clean energy sectors contributing some 15.4 trillion yuan (USD2.1 trillion) to the economy in 2025.9

This goes beyond mere scale: innovation is increasingly striking, with greentech patents climbing rapidly.10 China's "DeepSeek moment" in January 2025, with the unveiling of a breakthrough artificial intelligence (AI) model that showed the country's AI industry competing on a global scale at competitive cost, is today being repeated in other critical fields, such as sodium-ion batteries.11

Navigating challenges

While the mainland China and Hong Kong markets offer no shortage of opportunities, new entrants must overcome multiple business challenges in order to succeed.

International businesses must navigate the regulatory landscape in mainland China and local compliance requirements of Hong Kong, including capital account considerations and cross-border remittances. Businesses handling customer information must also pay close attention to evolving rules around data transfers and cybersecurity.

Cultural expectations and nuances in both markets, including business operational etiquette and consumer behaviour, must also be approached thoughtfully. Mainland China and Hong Kong are intensely competitive markets, and international businesses can struggle to compete on cost alone. Quality, reputation and a clear value proposition are essential.

How HSBC can help

A banking partner with on the ground insights can be invaluable for businesses looking to expand.

Since opening our first branches in 1865, HSBC has helped thousands of international companies expand into Hong Kong and mainland China.

We structured an innovative cross-currency swap and offshore USD/CHF structured loan for a major Asian auto maker, with the loan booked in Hong Kong and the swap in Mainland China to help fund CNY domestic working capital. The solution demonstrated HSBC's strong collaboration across businesses and geographies and has set a template for other similar solutions for clients.

We have also helped a leading global logistics company with its transaction banking requirements across Mainland China and Hong Kong, with the relationship managed in a seamless way through a global relationship banker in the company's European home market, a regional account manager in Hong Kong, and a local relationship manager in Mainland China. Our regional cash pooling solution also allowed the client to deploy resources effectively while also using an interest enhancement facility to put trapped liquidity to use.12

In mainland China, our localised financial solutions and regulatory guidance have been critical to our work assisting a major European retailer with rapid expansion into the Chinese market.

We have the leading banking franchise in Hong Kong.13 Today, we support around 10,000 international companies in Hong Kong, including more than 1,400 regional headquarters. HSBC has an exceptional ability to bring the world to Hong Kong, whether through its renminbi clearing capabilities and direct access to China's onshore markets, or its 24/7 cross-border payment and liquidity solutions. We process more than one fifth of all inbound foreign direct investment into Hong Kong.

In mainland China, HSBC is one of the largest international financial institutions, investing in sectors including banking, insurance, fund management, securities and financial technology.

HSBC Bank (China) Company Limited, HSBC Group's flagship entity in mainland China, is the largest foreign bank by assets in mainland China, with close to 100 outlets across more than 40 cities, including those in major free trade zones such as Hainan. This is the largest service network covering the widest geographical reach of any foreign bank in the market.

With the ability to couple its knowledge of mainland China and its international connectivity, HSBC is able to support growing businesses of every size and scale in their expansion in this market.

Sources

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