Resilience Amid Uncertainty, Reinvention Still Untapped

PwC's 29th Global CEO Survey – Hong Kong Insights

Contents

Hong Kong CEOs enter 2026 with a distinctive profile: bold in AI, cautious in the near term, and confident in the long run. This selective boldness is paying off today — but the next frontier is reinvention.

The 29th Global CEO Survey shows Hong Kong business leaders riding a powerful rebound while facing intensified risks. In an open, digitally advanced economy, they balance optimism about global growth with heightened sensitivity to near-term pressures such as cyber threats, stakeholder trust demands, and geopolitical volatility.

What sets Hong Kong apart is the combination of exceptional long-term confidence, strong AI foundations, and higher risk appetite in innovation — alongside polarised AI returns and slower progress in reinvention through new products, new sectors, or major M&A.

Key Findings

Confidence split: strong on the economy, weak on near-term revenue. Optimism about economic growth in the next 12 months has risen to 70% (vs 61% globally), up from just 62% last year. Revenue confidence shows a clear divide: 98% are confident over three years (vs 87% globally), while only 56% are confident in the next 12 months (vs 75%).

AI delivers breakthroughs — and sharp contrasts. 58% of Hong Kong CEOs report revenue increases (vs 29% globally), and 17% achieve both revenue growth and cost reduction (vs 12%) — outperforming peers on both counts. Yet 63% face higher costs (vs 22% globally), and 9% suffer both higher costs and reduced revenue (vs 1%), exposing the polarised returns of rapid scaling.

Cyber resilience is now the licence to operate. 56% identify cyber risks as a top threat — nearly double the global 31%.

Data governance is the new currency of trust. 68% of Hong Kong companies face stakeholder scrutiny on data use, privacy, and transparency — far above the global average (39%).

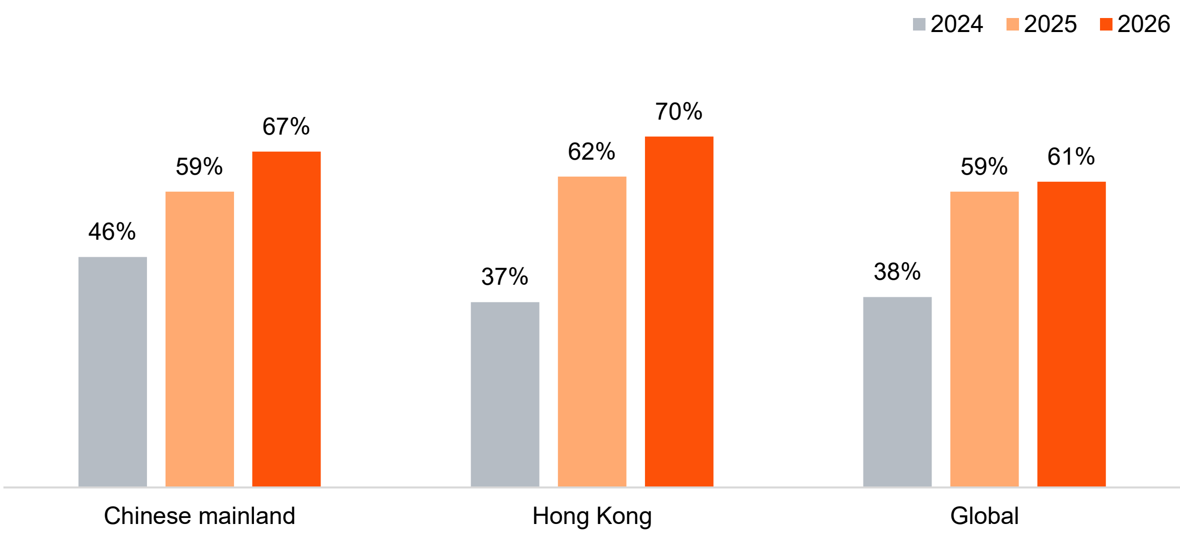
Bold experimenters, cautious reinventors. New products contribute only 9% of revenue (vs 20% globally), entry into new sectors is rare (6% vs 42%), and 81% have no plans for major acquisitions (vs 46%). Untapped potential lies in targeted M&A, partnerships, and Greater Bay Area collaboration — not just to acquire technologies and talent, but to accelerate AI-led transformation and reshape organisational capabilities more rapidly.

01

Outlook – Strong Rebound Meets Near-Term Caution

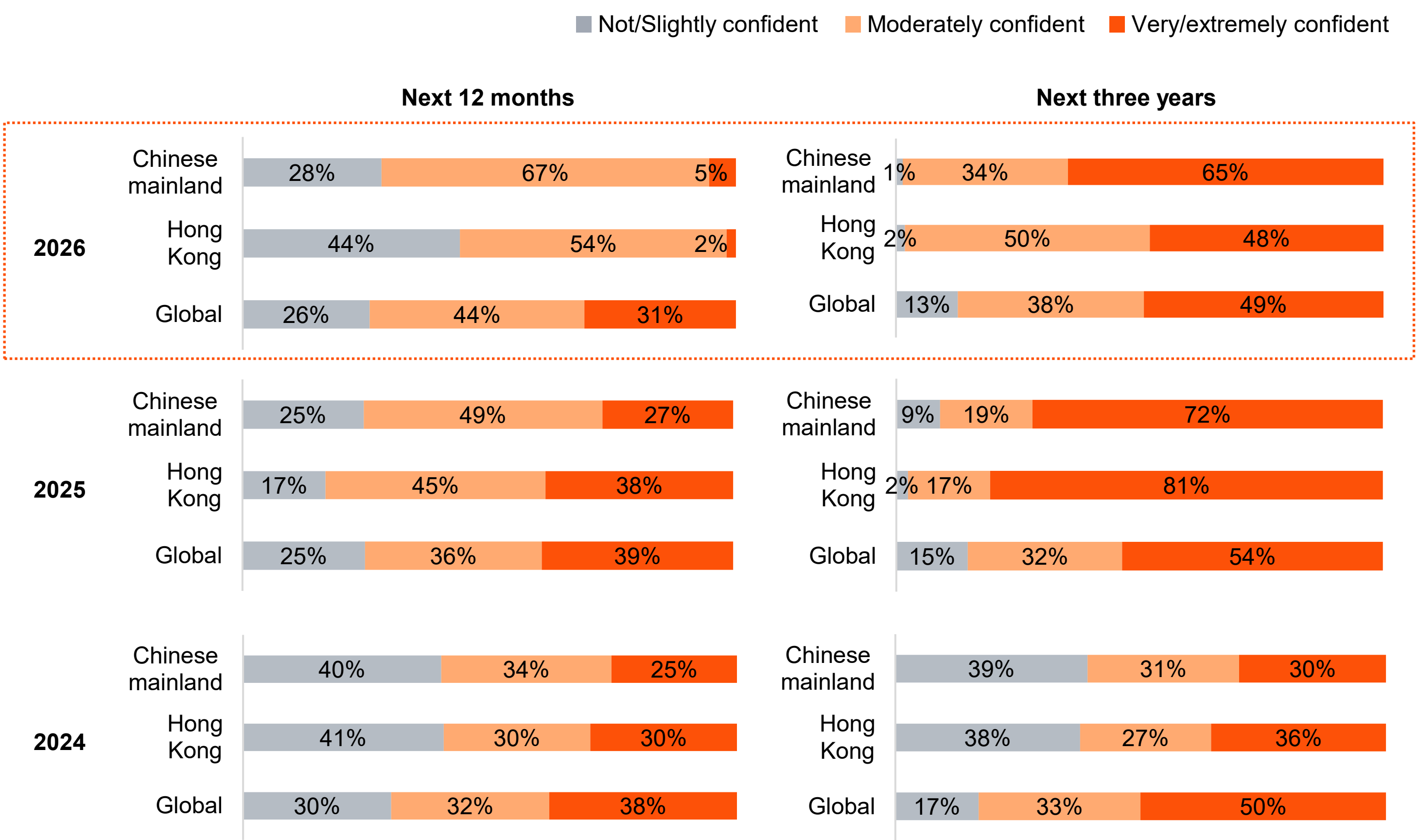
Hong Kong CEOs are more optimistic about global economic growth in the next 12 months than both global and Mainland peers (70% vs 61% globally and 67% in the Chinese Mainland), a pickup from just 62% last year. This renewed confidence is underpinned by Hong Kong's stronger-than-expected rebound in 2025, with GDP rising 3.5% on record exports, financial market recovery, and resurgent consumption. The comparison highlights Hong Kong's sharper rebound and more upbeat sentiment

What do you believe economic growth (i.e. gross domestic product) will be over the next 12 months in the global economy?



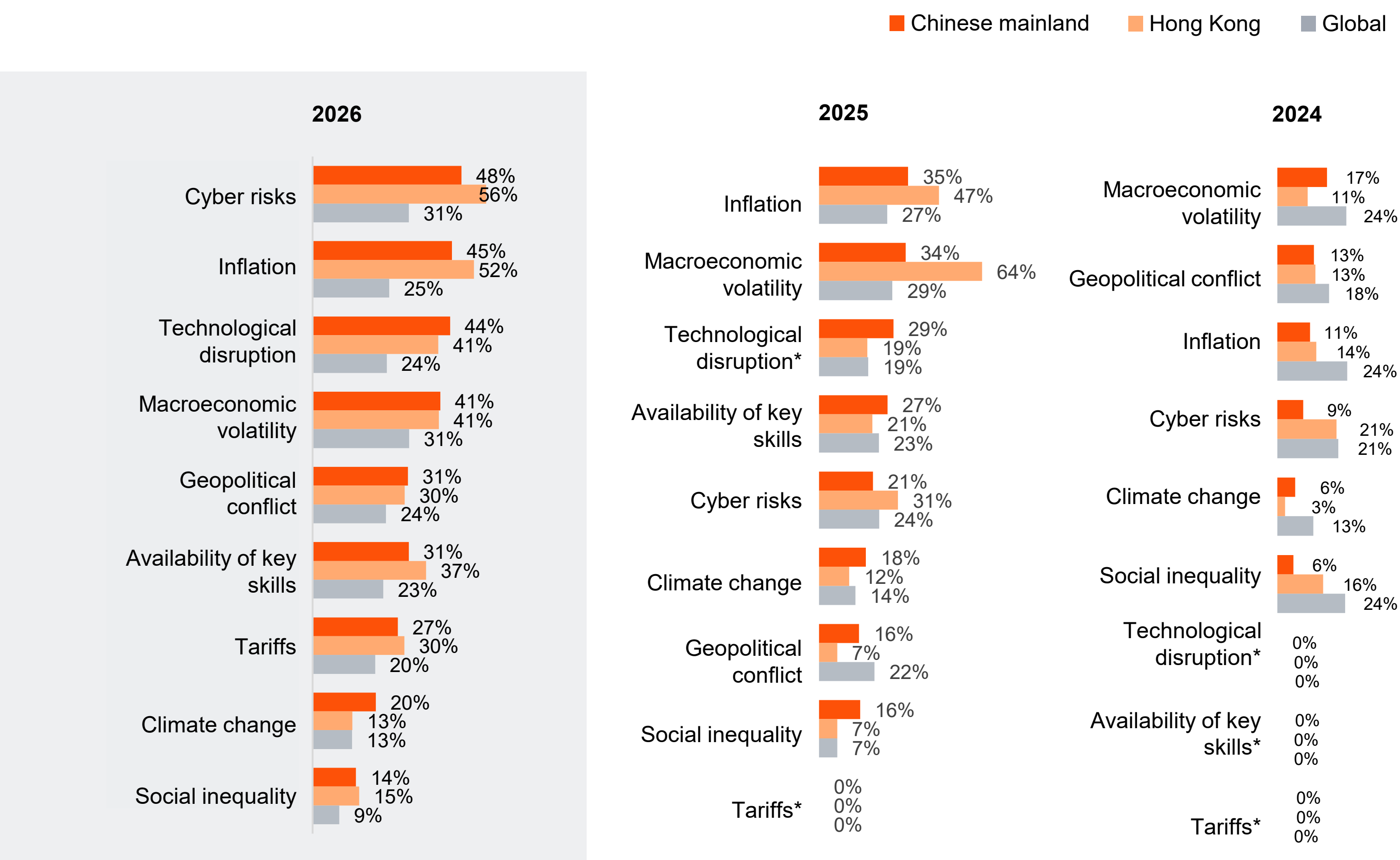
The critical question: will macro tailwinds power sustained revenue growth — or will short-term headwinds slow the pace? At the company level, views are mixed: while only 56% of Hong Kong CEOs are confident in near-term revenue growth (vs 75% globally and 72% in the Chinese Mainland), 98% express confidence over three years (vs 87% globally and 99% in the Chinese Mainland). This sharper divide reflects the sensitivity of Hong Kong's open, globally interconnected economy to near-term pressures, even as long-term conviction remains strong and broadly aligned with Mainland peers.

How confident are you about your company's prospects for revenue growth over a) the next 12 months? b) the next three years?



Among their top concerns, Hong Kong CEOs highlight technology disruption and cyber risks — alongside broader issues such as economic uncertainty and geopolitical tensions. These weigh more heavily than global averages, with cyber risks standing out at 56% (nearly double the global 31%) and exceeding Mainland peers at 48%.

How exposed do you believe your company will be to the following key threats in the next 12 months? (Showing "Highly exposed" and "Extremely exposed")

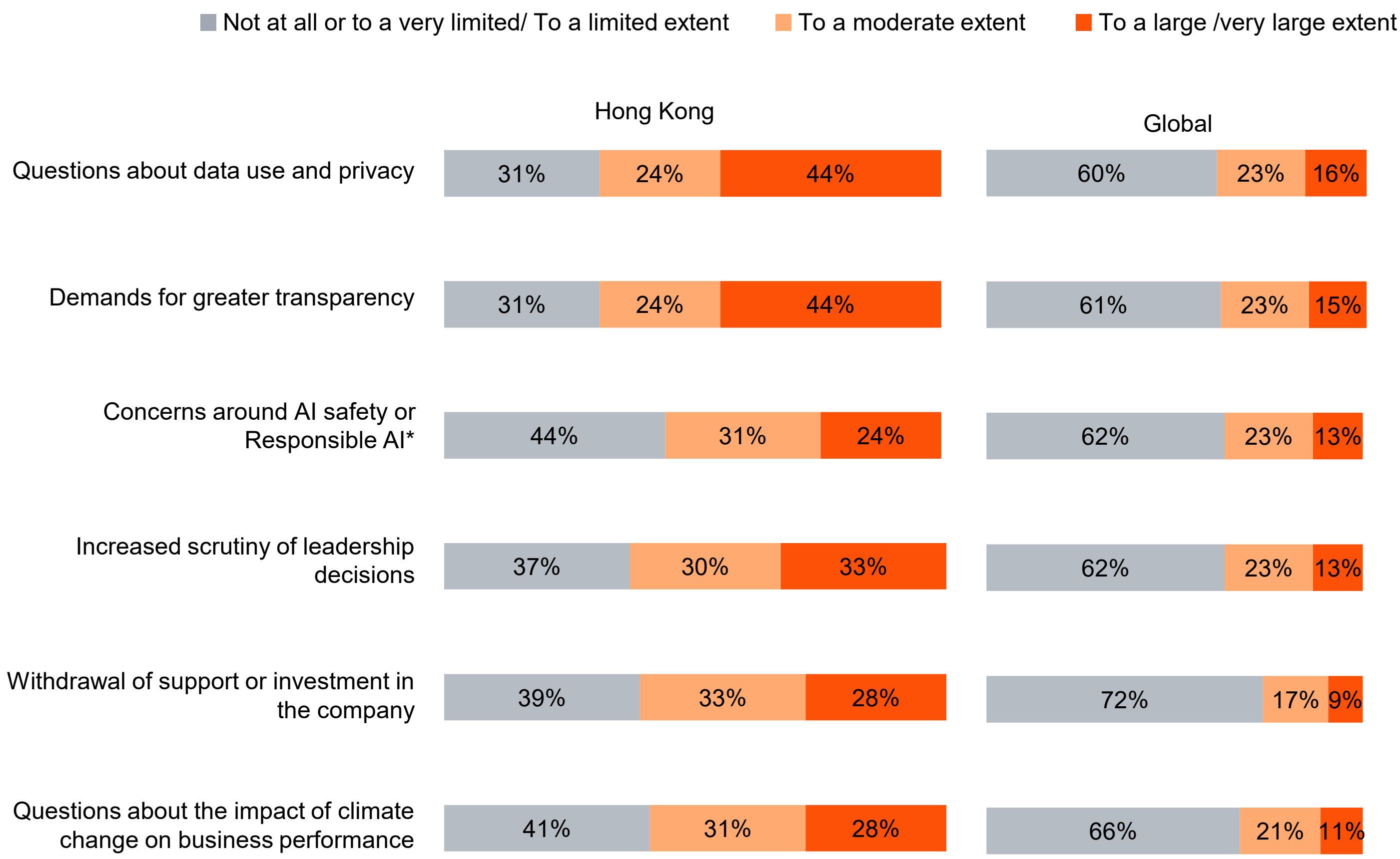


Note: *This option is not applicable for the current year.

As companies accelerate AI and digital adoption, CEOs' heightened concern reflects the exposure that comes with technology leadership. With deployment expanding, the attack surface grows — making cyber resilience a top priority.

Stakeholder scrutiny adds another layer of pressure: 68% face questions on data use and privacy, and an equal share cite demands for transparency, both well above global levels. Together, these forces elevate cyber resilience from a defensive necessity to a strategic imperative for sustaining trust and growth.

In the past 12 months, to what extent has your company experienced any of the following trust concerns from your key stakeholder groups (e.g. the board, customers, regulators, investors, employees)?



02

AI – Breakthroughs, Costs, and the Execution Gap

Hong Kong companies are achieving strong AI returns. Seventeen percent report both revenue growth and cost reduction — the highest dual-benefit rate globally (vs 12%). Overall, 58% report revenue increases (vs 29% globally), clear evidence that AI is powering top-line growth.

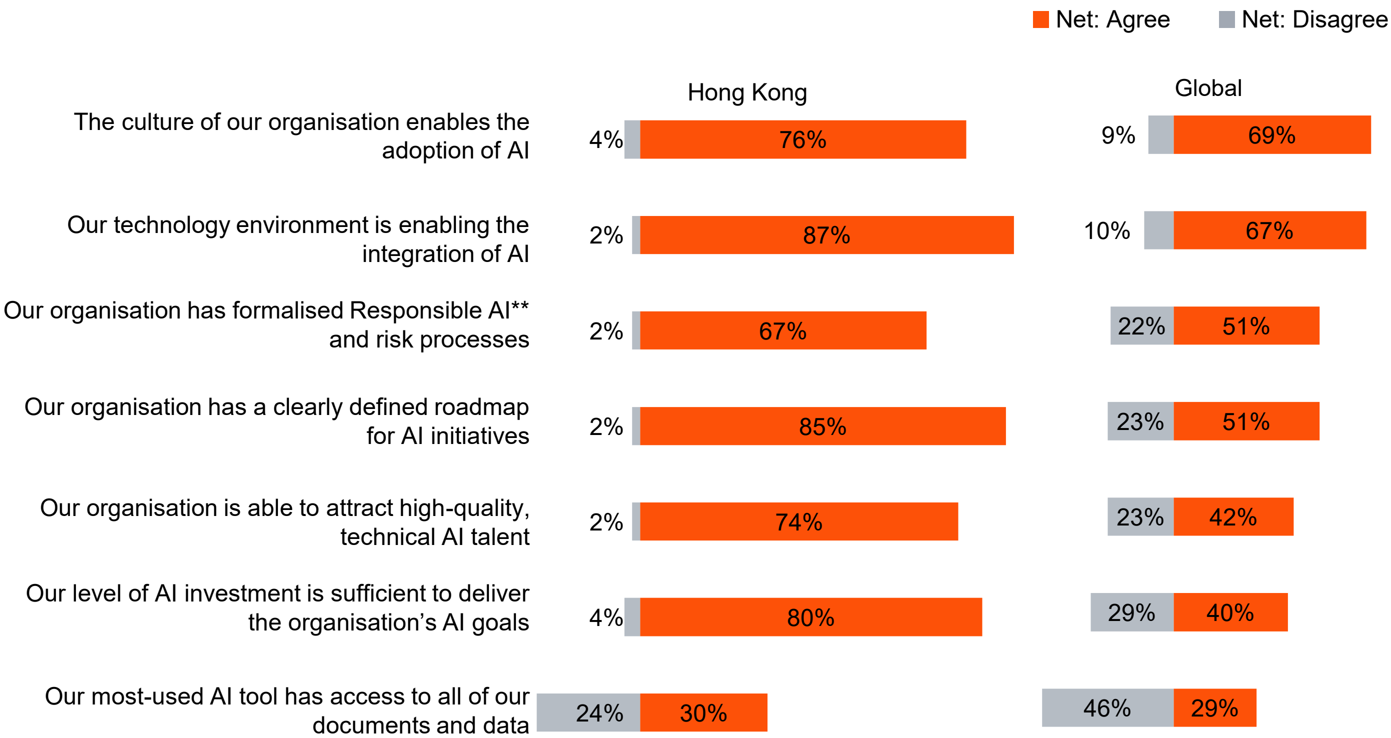
In the last 12 months, what impact did AI have on the following at your company?

Revenue changes due to AI

Cost changes due to AI	NET: Decrease	Stay the same	NET: Increase
NET: Decrease	0%	4%	17%
Stay the same	0%	6%	11%
NET: Increase	9%	24%	30%

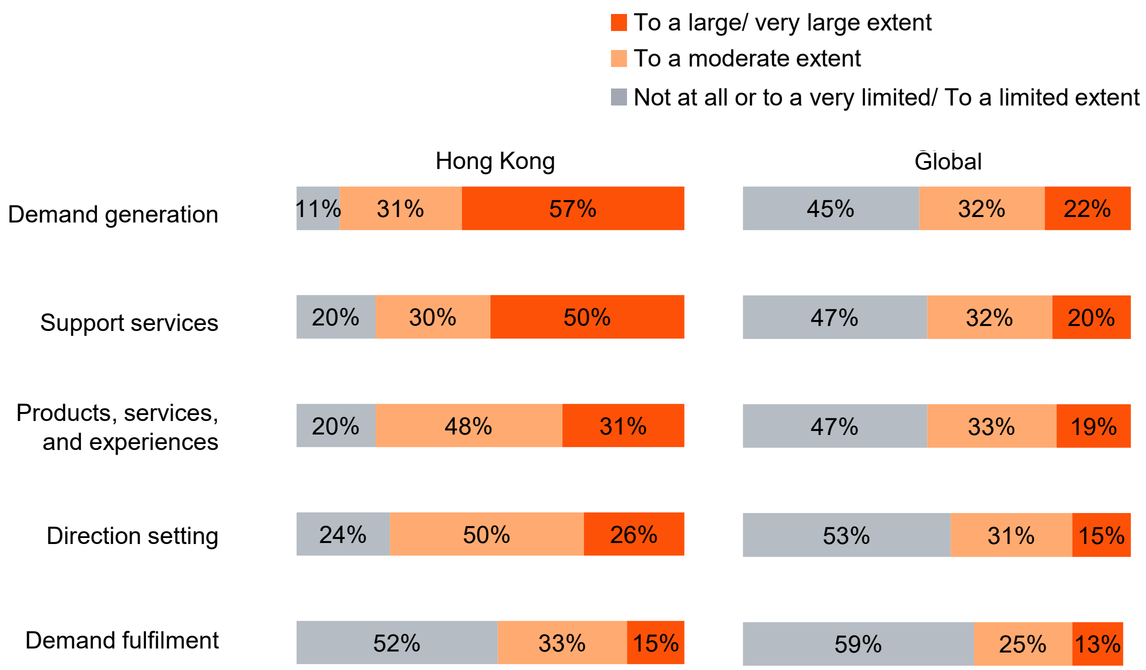
These results are underpinned by leading AI foundations. CEOs highlight enablers well above global peers: culture (76% vs 69%), integration (87% vs 67%), responsible processes (67% vs 51%), roadmaps (85% vs 51%), and talent (74% vs 42%).

To what extent do you agree or disagree with the following statements relating to AI* use at your company?



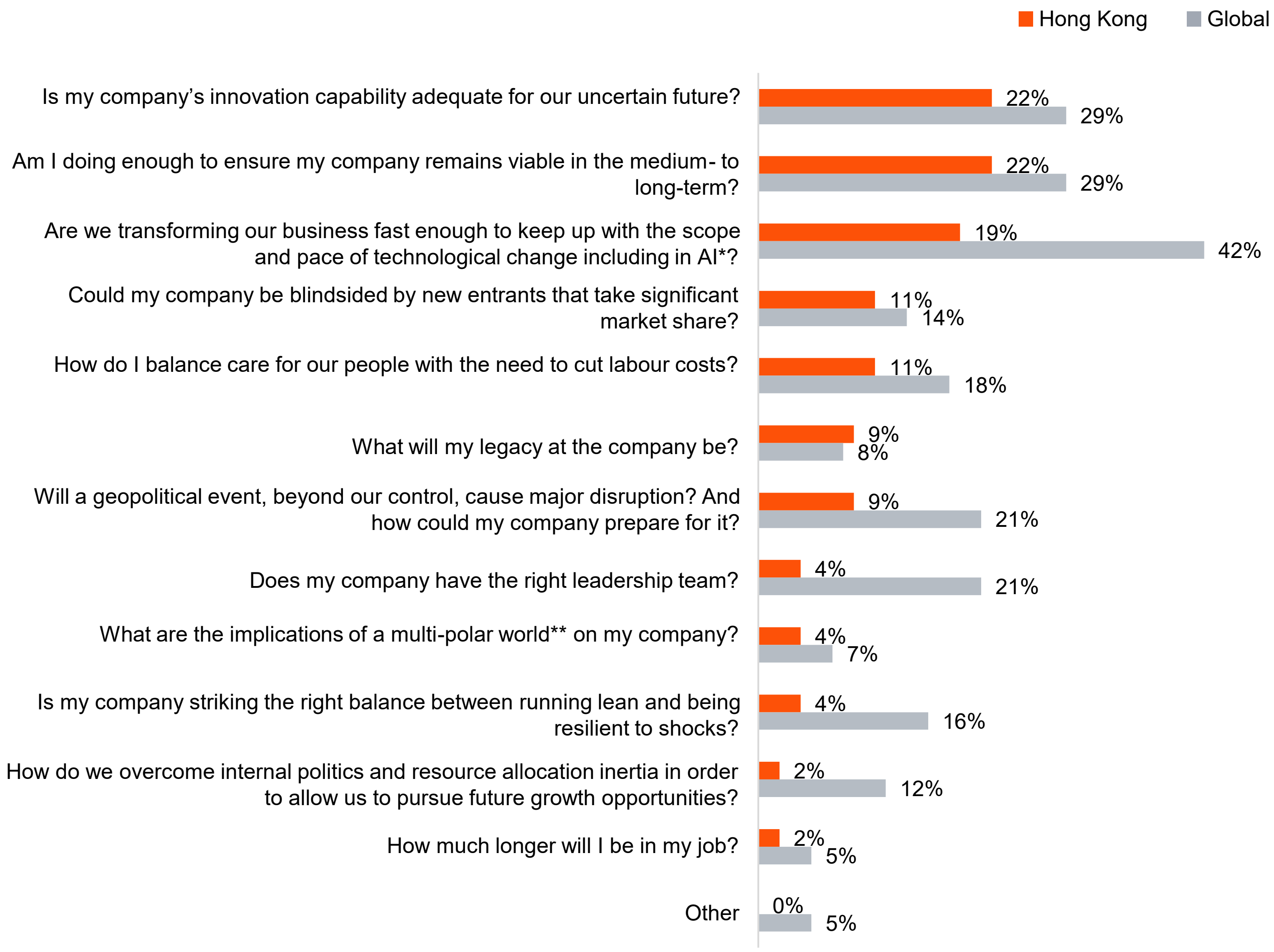
And this revenue edge is reinforced by broader, deeper deployment. Hong Kong CEOs report significantly higher AI application across core business functions than global peers — from demand generation and support services to product and service experiences, strategic direction, and fulfilment. In demand generation and support services alone, more than half report large-scale use, compared to just one in five globally. This breadth of application is what turns AI investment into commercial impact.

To what extent has AI* been applied in the following areas of your business?



Confidence is correspondingly high: only 22% worry about inadequate innovation capability (vs 29% globally), 19% about keeping pace with technological change (vs 42%), and 80% believe investment levels are sufficient (vs 40%).

What is the question that concerns you most these days?



Yet despite this confidence and early momentum, the full picture of AI impact is more polarised than the headline gains suggest. Sixty-three percent report cost increases — significantly higher than global levels (around 22%) — and 9% experience both higher costs and reduced revenue (vs 1% globally). This wider range of outcomes underscores the execution challenge of rapid scaling. Strong foundations and broad deployment are delivering momentum, but the polarisation suggests that current levels of investment and effort may not yet be translating into consistent, predictable value.

The next critical step is to deepen enterprise-wide execution — maturing governance, integration, change management, and structured value realisation. As PwC's 2026 AI Business Predictions underscore, companies that scale AI effectively with robust governance and business alignment are the ones pulling ahead to capture meaningful, reliable returns. Targeted investments in these areas can shift Hong Kong companies from early momentum to sustained, high-impact outcomes, turning leading foundations into consistent leadership in value creation.

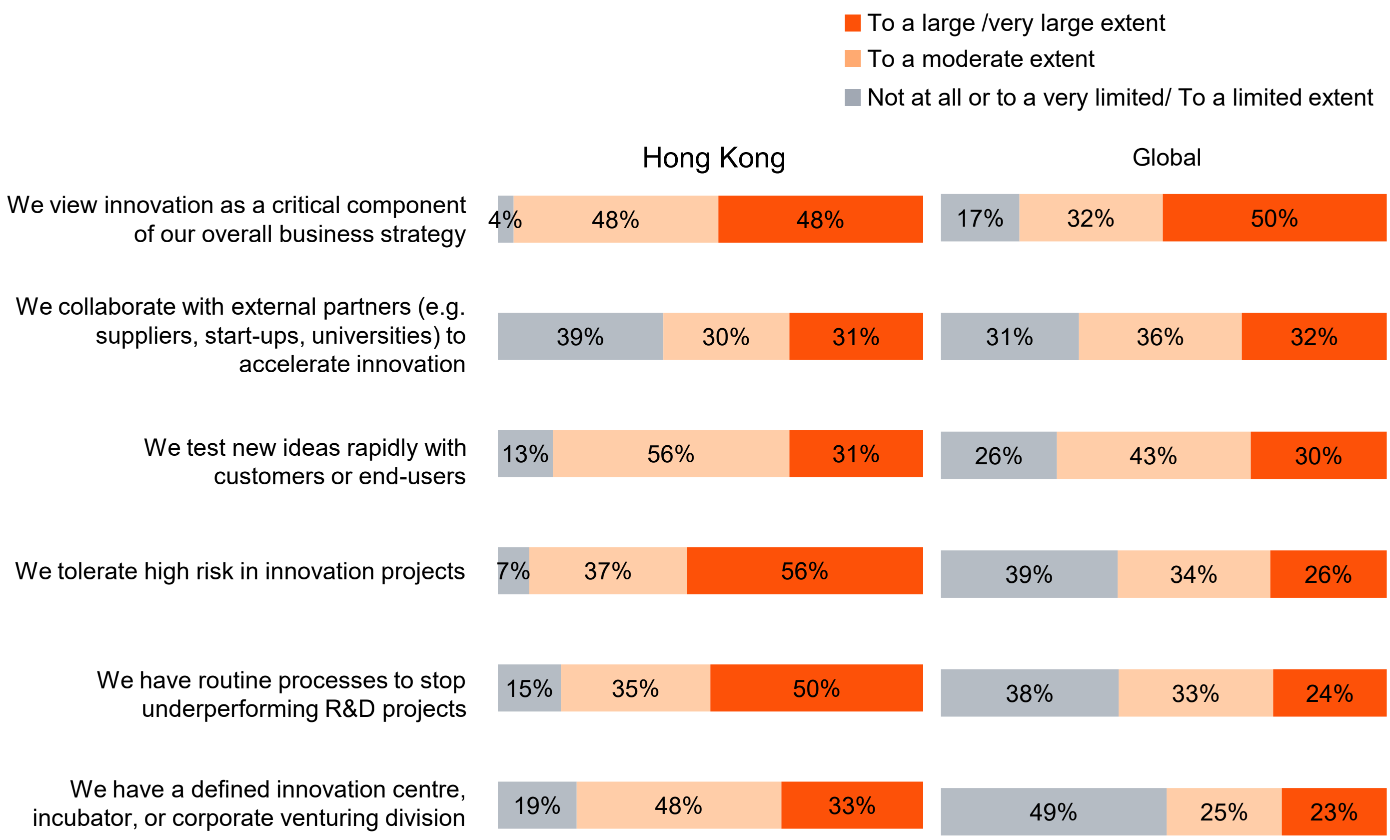
At the same time, worker sentiment remains more cautious. PwC's latest Hong Kong Workforce Hopes and Fears Survey finds that while AI has lifted productivity and work quality across regions, Hong Kong employees report smaller gains in job security and salary than Asia Pacific and global peers. In Hong Kong, 44% of executives and managers expect a reduction in entry-level roles, particularly in business strategy, customer services, and operations (including distribution and logistics). Only 21% anticipate increases, while 31% foresee little change — pointing to a mixed outlook where AI enhances capability and efficiency but has yet to build broad confidence in career stability or pay growth.

03

Reinvention – Strengths in Place, Potential Untapped

Hong Kong firms show higher risk tolerance in innovation (56% vs 26% globally) and stronger infrastructure, with more innovation centres, incubators, and venturing units (33% vs 23%). Supported by Cyberport, Hong Kong Science and Technology Parks, and Greater Bay Area collaboration, they are well positioned to experiment

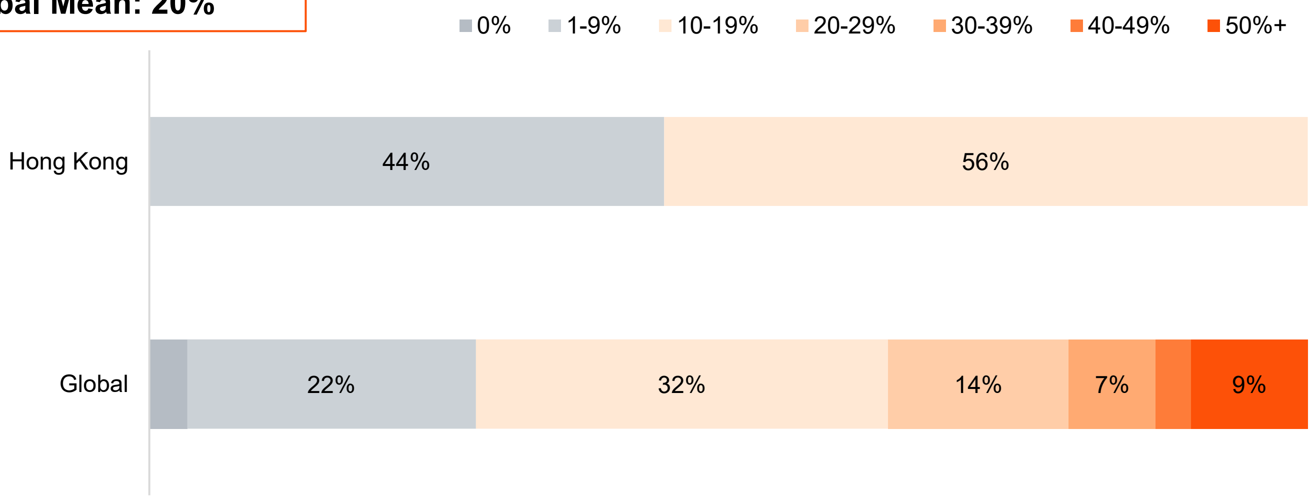
To what extent do each of the following statements characterise your company's approach to innovation? (Please select one response for each statement)



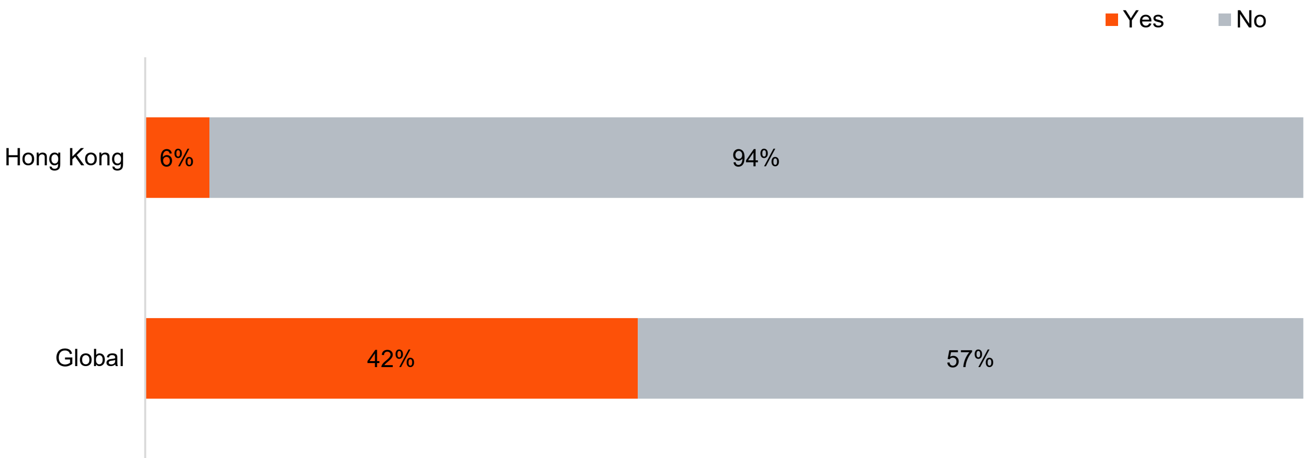
Yet results remain muted. New products introduced in the past three years contribute only 9% of revenue (vs 20% globally). Entry into new industries is rare: 6% in the past five years (vs 42%), and 93% have no plans in the next three years (vs 41%).

What percentage of your company's total revenue from this fiscal year are attributable to new products or services introduced in the last three years?

Hong Kong Mean：9%
Global Mean: 20%

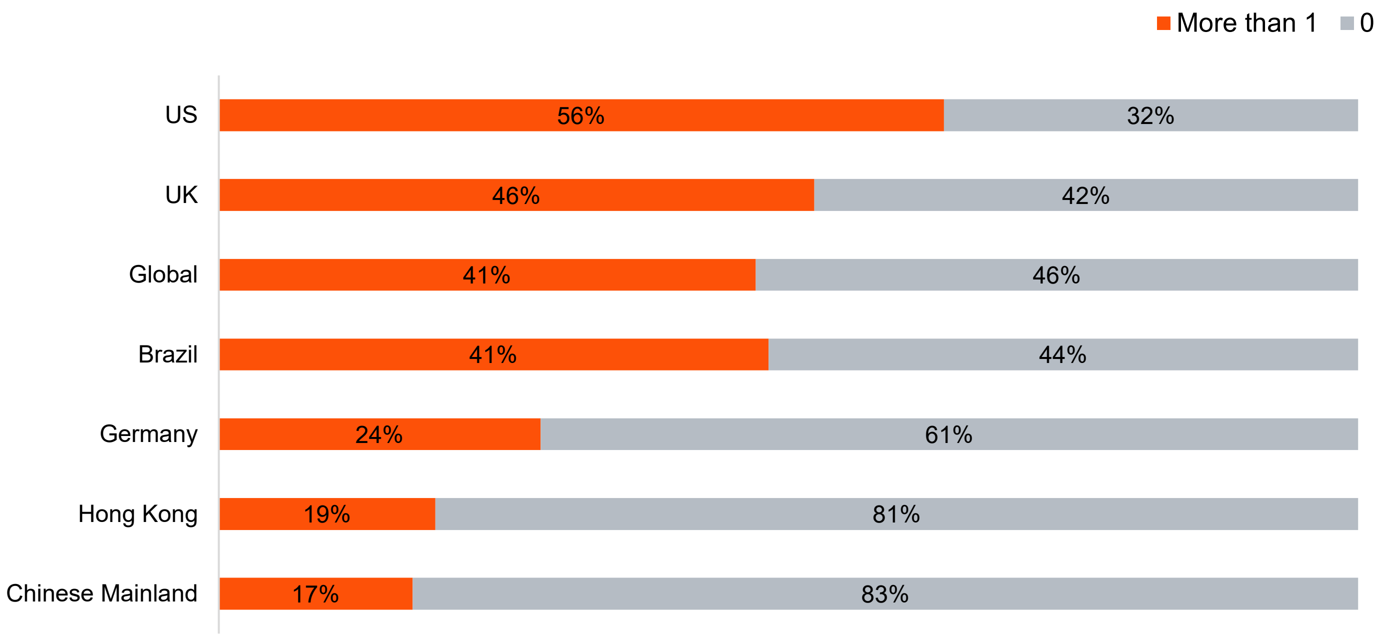


In the last five years, has your company begun competing in new sectors or industries in which it hadn't previously competed?



M&A tells a similar story. 81% have no plans for major acquisitions — sharply up from 31% in 2025 and 11% in 2024, and well above the global 46%. This disciplined focus on core execution delivers results today but risks leaving long term capability gaps unaddressed.

How many major acquisitions, worth more than 10% of your company's assets, is your company planning to make in the next three years? (Please select one response)



Yet in the AI race, M&A can be a powerful accelerator. It enables firms to reshape organisational capabilities rapidly — acquiring technologies, talent, and platforms that complement internal foundations. At the same time, AI itself is transforming business models, opening avenues for new products, services, and capabilities.

PwC research shows acquisitions add most value when focused on complementary strengths rather than market power. Targeted M&A could help Hong Kong firms defend against disruption and capture adjacent high-growth areas more quickly, ensuring they don't miss the upside of the AI-led transformation.

04

Implications – Execution Will Decide Winners

Hong Kong CEOs are selectively bold: investing aggressively in AI, but holding back on reinvention. This strategy delivers results now, but risks leaving growth untapped as disruption accelerates.

The territory's open economy, AI momentum, and stakeholder scrutiny create both challenges and opportunities. To sustain outperformance, leaders should:

- **Accelerate AI value capture.** Hong Kong companies lead globally, with the highest dual benefit rate (17%) and strong revenue momentum (47% report increases). Scaling responsible AI governance, enterprise wide cybersecurity, cross functional transformation, and talent depth can convert early momentum into consistent revenue growth and cost control. Reassessing investment alignment — and increasing targeted spending where needed — will be critical to maximising returns.

- **Accelerate capability building through M&A, partnerships, and GBA leverage.** With new offerings contributing only 9% of revenue and entry into new sectors limited (6% in the past five years), selective M&A, strategic partnerships, and closer Greater Bay Area collaboration are powerful levers to acquire new technologies, talent, and market access rapidly. In the AI race, M&A is not just about scale — it can reshape organisational capabilities at speed, complement internal AI foundations, and enable faster adaptation to shifting industry boundaries. At the same time, AI itself is transforming business models, opening avenues for new products, services, and capabilities. PwC research shows acquisitions add most value when focused on complementary strengths rather than market power.

- **Strengthen long term resilience and reinvention.** With only 56% confident in near term growth but 98% confident over three years, leaders should pressure test strategies against geopolitical tensions, tariffs, cyber threats, and economic volatility. Disciplined scenario planning ensures near term resilience while positioning organisations to capture multi year growth opportunities.

05

Policy Implications – Enabling Sustained Advantage

Beyond firm-level execution, government support can play a catalytic role in sustaining Hong Kong’s AI advantage. Hong Kong’s strong AI momentum and high exposure to cyber risks highlight areas where policy can amplify business outcomes and broaden participation:

- **AI adoption costs.** With 63% of firms reporting higher costs from AI investment, targeted support could help especially SMEs scale adoption without eroding margins. Options include co funding pilots, tax incentives for AI deployment, or shared infrastructure to reduce duplication. Lowering the cost barrier would broaden participation and sustain Hong Kong’s leadership in AI returns.

- **Cyber resilience.** With 56% of CEOs citing cyber risk as a top threat — nearly double the global average — policy can play a catalytic role. Expanding public private collaboration on threat intelligence, subsidising SME access to advanced cybersecurity tools, and strengthening regulatory frameworks for resilience would help companies manage exposure while maintaining trust.

- **Shaping employment and skills.** AI is reshaping entry-level opportunities, with many Hong Kong executives anticipating fewer junior roles in areas such as strategy, customer service, and logistics. Policy can help tilt the balance by investing in reskilling, expanding training pathways, and enabling mobility — ensuring that productivity gains translate into stronger career prospects and livelihoods.

- **Capability building.** Beyond firm level execution, government can encourage reinvention through incentives for M&A, partnerships, and Greater Bay Area collaboration. Support for cross border innovation hubs and talent mobility would accelerate the creation of new products, services, and industries.

By putting focused execution and scaling behind these strong foundations, Hong Kong businesses can convert near term pressures into lasting advantage — leveraging open economy agility, AI readiness, and Greater Bay Area connectivity to deliver transformative growth in 2026 and beyond.

About the survey

We surveyed 4,454 CEOs in 95 countries and territories (including 1,766 from Asia Pacific) from 30 September through 10 November 2025. The global and regional figures in this report are weighted proportionally to countries' nominal gross domestic product, ensuring CEOs' views are broadly representative across all major regions. The industry- and country-level figures are based on unweighted data from the full sample of 4,454 CEOs. Further details by region, country, and industry are available on request.

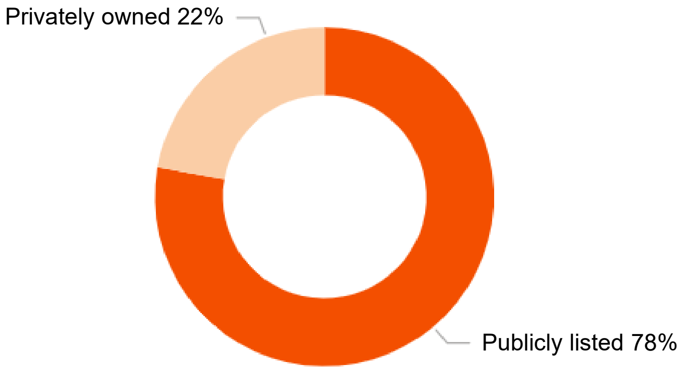
The Hong Kong cut is based on responses from 54 CEOs, providing a focused view of local sentiment and priorities within the broader global and regional context.

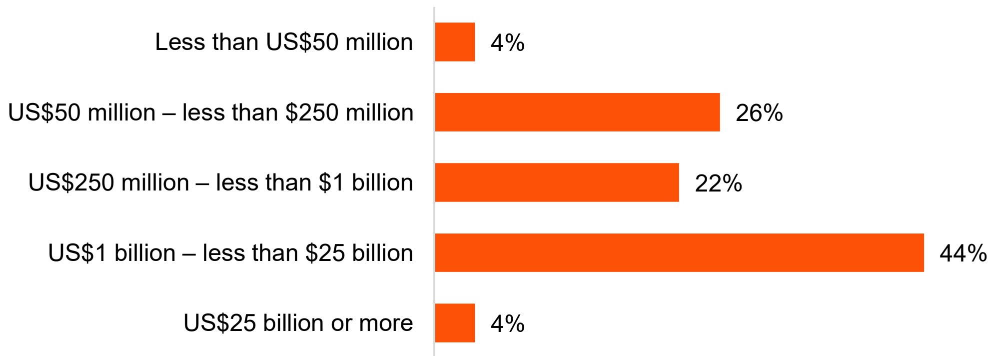
Note that percentages in the charts above may not add up to 100% due to rounding; multi-selection answer options; and the decision in some cases to exclude certain responses, including "Other," "Not applicable," and "Don't know" answers.

To give further context, the following charts show the composition of the Hong Kong sample by company type, revenue, size, and industry.

Ownership type

Share of respondents by company type

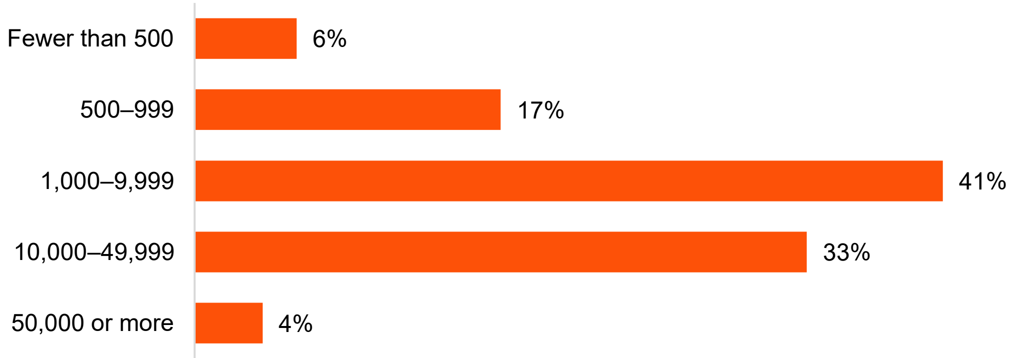




Revenue

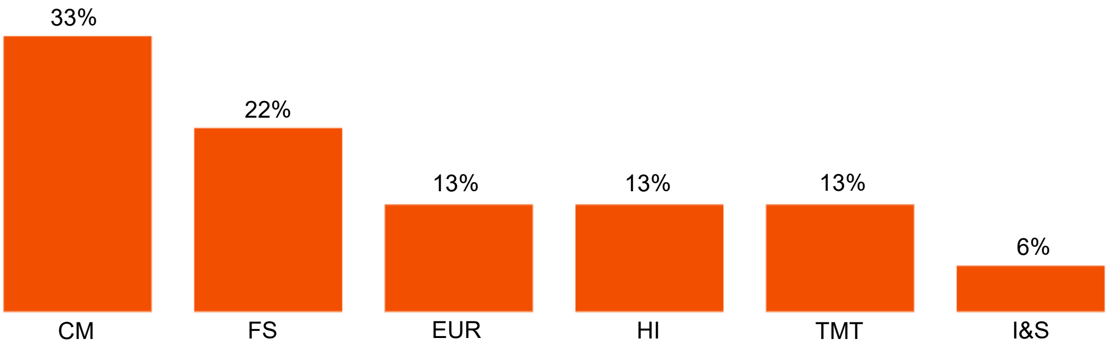
Company size

Share of respondent by company size



Industries view

Share of respondent by industry



Contact us

Charles Lee

Vice Chair and Managing Partner, PwC China
charles.lee@cn.pwc.com

Josene, Xing Zhou

Head of Public Affairs, PwC China
xing.zhou@cn.pwc.com

Loretta Fong

Sustainability Assurance Leader, PwC Hong Kong
loretta.wh.fong@hk.pwc.com

Jackie Yan

Economist, PwC China
jackie.z.yan@hk.pwc.com