

The Hong Kong University of Science and Technology

Operation Plan for

Technology Start-up Support Scheme for Universities (TSSSU) 2026/27 (大學科技初創企業資助計劃 2026/27)

Objective of TSSSU

1. In 2014-15, the Innovation and Technology Commission (“ITC”) set up, under the Innovation and Technology Fund (“ITF”), the Technology Start-up Support Scheme for Universities (“TSSSU”) to provide funding to six local universities¹ to support their teams in starting technology businesses and commercialising their research and development (“R&D”) results. Although no new business could guarantee success, the funding from TSSSU aims to provide better support for technology start-ups (“start-ups”) to translate new ideas into business opportunities. In case there is any disparity between the ITC Application and Reimbursement Guidelines for TSSSU, [July 2025 edition] (“TSSSU Guidelines”) and this operation plan, the former shall prevail.

Amount and Duration of Funding

2. To further strengthen the support for start-ups, in addition to the original component of the Scheme (which will be termed “TSSSU-O” hereunder and in TSSSU Guidelines), an enhancement measure has been introduced starting from 2023-24 to provide dollar-to-dollar matching funds to those start-ups which have demonstrated good growth potential through securing investment from private sector (which will be termed “TSSSU+” hereunder and in TSSSU Guidelines). In other words, from 2023-24 onwards, TSSSU comprises TSSSU-O and TSSSU+. The total annual funding provided to the Hong Kong University of Science and Technology (hereinafter referred to as “the University”) from 2026-27 onwards is up to HK\$12.8 million.

	<u>TSSSU-O</u>	<u>TSSSU+</u>
(a) Annual funding ceiling for the University	• HK\$6.4 million	• HK\$6.4 million

¹ The six universities are City University of Hong Kong, Hong Kong Baptist University, the Chinese University of Hong Kong, the Hong Kong Polytechnic University, the Hong Kong University of Science and Technology and the University of Hong Kong.

	<u>TSSSU-O</u>	<u>TSSSU+</u>
(b) Annual funding ceiling for each start-up	<ul style="list-style-type: none"> • HK\$1.5 million 	<ul style="list-style-type: none"> • HK\$1.5 million [A dollar-to-dollar matching fund will be provided to start-ups which have received at least the same amount of private investment² during the recognised matching period³]
(c) Maximum number of funding years for each start-up	<ul style="list-style-type: none"> • 3 consecutive years⁴, provided that the respective start-ups have not been funded under TSSSU+. 	<ul style="list-style-type: none"> • 3 consecutive years, irrespective of whether and, if so, the number of years the respective start-ups have been funded under TSSSU-O.

Funding will be provided on a reimbursement basis for expenses incurred in each Government financial year. (For example, expenses incurred from 1 April 2026 to 31 March 2027 will be reimbursed, subject to the requirements stipulated in relevant guidelines, in the 2027-28 Government financial year). The expenses should be accounted for on an accrual basis, i.e. funding will be provided if the expenses have been incurred within this Government financial year when the related activities have been conducted or the related services and goods have been delivered, regardless of whether payments have already been made by the start-ups.

² Private investment should come from independent third parties including venture capitalists, angel funds, private companies or individuals in the form of cash contribution received during the reimbursement period in return of shareholding in the start-ups. Please refer to the FAQs for further details on the eligibility and calculation of private investment.

³ The recognised matching period refers to the Government financial year immediately before the TSSSU+ reimbursable period. For example, for start-up which would like to have its expenses in 2026-27 be funded under TSSSU+, the recognised matching period for receiving private investment should be the 2025-26 financial year (i.e. 1 April 2025 to 31 March 2026). Start-ups and investors should avoid arranging injections of the private investments at the last minute of the required timeframe, so as to allow greater flexibility and manoeuvrability in the event of unforeseen circumstances.

⁴ If a funded start-up has made reasonable progress in its R&D and/or business performance, the University may recommend such start-up for continued funding for the second or the third year. The three-year period should count consecutively from the first year that a start-up is approved for TSSSU-O or TSSSU+ funding. If a start-up is first approved for funding in 2025-26 (Year One) and only applies for continued funding in 2027-28 (Year Three), it will not be eligible for seeking further funding in 2028-29 (Year Four).



3. TSSSU funding will be provided to support the setting up of start-ups. While the University may recommend a start-up for continued funding under TSSSU for more than one year, priority of the TSSSU funding award shall be given to new applicants with licensed Intellectual Property (“IP”) from the University

Eligibility

4. The applicant start-up must be a company, regardless of size, registered under the Companies Ordinance. Details of the eligibility under TSSSU-O and TSSSU+ are as follows –

	<u>TSSSU-O</u>	<u>TSSSU+</u>
(a) Years of establishment	<ul style="list-style-type: none"> Registered for not more than two years as of the date of the application deadline stipulated by ITC (15 January 2026). The two-year eligibility requirement does not apply to a start-up which is recommended for TSSSU funding for the second or the third year. 	<ul style="list-style-type: none"> Registered for not more than seven years as of the date of the application deadline stipulated by ITC (15 January 2026). The seven-year eligibility requirement does not apply to a start-up which is recommended for TSSSU+ funding for the second or the third year.
(b) Secured private investment	<ul style="list-style-type: none"> Not applicable 	<ul style="list-style-type: none"> Start-ups should submit document proofs (e.g. signed agreement/letter of undertaking issued by the private investor, banked-in information, etc.) together with the applications.

5. The team forming the start-up may have any mix of the following members of the University –

- (a) Undergraduates, postgraduates or alumni; and/or



- (b) professor(s) or teaching / research staff members serving as consultant(s), providing technical expertise and direction of the R&D.

Member(s) of the University shall own at least 10% of the shares of the start-up.

6. The team forming the start-up is required to appoint a person-in-charge (“PIC”), who should be associated with the University as stipulated in paragraph 5 and engaged in the start-up’s business, to be responsible for –

- (a) overseeing the operations of the start-up; and
- (b) liaising with the University on matters relating to TSSSU funding.

The PIC is required to hold a senior position in the start-up and can be reached by the University during normal business hours. For the avoidance of doubt, the appointed PIC cannot concurrently join other active teams funded by TSSSU.

For full-time employee at the University who intended to be the Team Member of the start-up, prior approval of outside practice by the University should be obtained.

Scope of Funding

7. TSSSU funding should be used in a reasonable, proportionate and proper manner in the following areas for achieving the objective set out in paragraph 1 above –

- (a) to support man-power cost to perform the University Liaison Duty;
- (b) essential items for setting up and operating the start-ups (e.g. furniture and equipment, legal and accounting services, rental of necessary and suitable premises, manpower etc.);
- (c) expenditure on R&D (e.g. manpower, equipment, other direct costs, etc.); and
- (d) promotion of the start-ups and marketing of their project deliverables.



8. For manpower expenses, reimbursable amount shall be based on individual staff's academic qualifications and according to the following limit:

- (a) up to HK\$12,000 per calendar month for a non-degree staff or student internship for a student studying in one of the tertiary educational institutions in Hong Kong plus the employer's contribution to the Mandatory Provident Fund (MPF) (i.e. HK\$600 maximum);
- (b) up to HK\$18,500 per calendar month for a staff graduated with a Bachelor degree plus the employer's contribution to MPF (i.e. HK\$925 maximum); and
- (c) up to HK\$23,000 per calendar month for a staff graduated with a Master degree or above plus the employer's contribution to MPF (i.e. HK\$1,150 maximum).

However, funded start-ups can top-up the remuneration for the staff concerned with its own money or other funding sources subject to the respective rules and regulations.

9. Any expenditure item or part thereof which is already funded by the Government, a Government subvented body/institution or the University or third parties will however **not** be funded under TSSSU, i.e. no double payment is allowed for the same part of an expenditure item.

ITC also reserves the right to adjust downwards the funding amount approved to the start-up under TSSSU if any application for other funding schemes under the ITF lodged by it (or the related team) is subsequently recommended for approval before the end of the reimbursable period.

10. Some examples of items **not** to be funded under TSSSU are –

- (a) rental expenses that are irrelevant to the operations of the start-ups;
- (b) manpower expenditure on bonus, contract gratuities, voluntary contributions to Mandatory Provident Fund, annual salary increment as well as general fringe benefits and allowances such as expenses on housing (including nominal rental for quarters), education, training, passage and travelling, food, medical, dental, insurance, severance pay, overtime and untaken leave, etc.;
- (c) expenses on mass production activities;



- (d) expenses on offering gifts (e.g. cash coupons) for marketing and/or promotion purposes;
- (e) expenses incurred as matching fund for other schemes of the ITF;
- (f) costs of forming associations;
- (g) investment of any kind except for deposit of funds in the bank accounts of the funded start-ups;
- (h) repayment of any loan (including but not limited to student loan) taken out by the funded start-ups and their members and employees;
- (i) any trip that is unnecessary or irrelevant to the operations of the funded start-ups;
- (j) any entertainment expenses;
- (k) fees charged to start-ups arising from general services (e.g. office administrative services, etc.) provided by the University;
- (l) any expenditure item that is unnecessary or irrelevant to the operations of the funded start-ups;
- (m) any expenditure item already funded from other funding source as indicated in paragraph 9; and
- (n) any events or activities that are inconsistent with the laws or regulations of Hong Kong or other applicable jurisdictions.

11. Activities of funded start-ups should primarily be conducted within the territory of Hong Kong. However, given the objective of TSSSU to support start-ups, up to 50% of the TSSSU funding provided to each start-up in each Government financial year can be incurred outside Hong Kong.

12. The University will notify ITC if it has equity position in any funded start-up.

Application Arrangements

Application

13. Start-ups interested in TSSSU shall complete the application package (**Annex A**). A template of the application form for 2026-27 is at **Annex A** and the required supporting documents are stipulated in its Section C. Funded start-ups must submit new



applications to the University for continued funding considerations for the second or the third year. The applications should go through an assessment and selection process, after which the University will decide on the list of recommended start-ups for TSSSU funding.

14. (For TSSSU+) Copies of the relevant documentary proofs for private investments used to match with TSSSU+ funding (e.g. the legally binding investment agreements, bank statements of a bank account opened with a bank in Hong Kong with the name of the account holder identical to that of the name of the funded start-up, which should show the cash injection during the recognised matching period, the returns to Company Registry on its latest capital status and/or allotment of company shares, etc.) are required to be submitted to the University no later than **17:00 of 31 March 2026**. To allow sufficient time for internal processing, fully executed and legally binding investment agreements are required to be submitted by **31 January 2026**, and cash injections are required to be completed by **28 February 2026**.

Assessment and Selection

15. The University devises its assessment and selection mechanism in a fair, open and objective manner. The University and ITC generally look for compliance with the eligibility requirements and relevant laws or regulations of Hong Kong or other applicable jurisdictions, reasonableness of the budgets, etc.

The University has established a selection panel comprising a mix of assessors with relevant expertise and experience, including the following:

- Representatives from the University including Associate Vice-President for Research and Development (Knowledge Transfer) (Chairperson), or his/her delegate(s)
- At least two domain experts

In assessing an application, the selection panel will take into account, including but not limited to, the following:

- (a) Innovation and Technology Content of the Business (30%);
 - Preference will be given to applicants that have licensed IP(s) or plan to license IPs from the University;



- (b) Capability of the Technology Start-up and its Team Composition to Undertake the R&D Work, and Manage the Company (25%);
- (c) Commercial Viability and the Business and Technology Barrier (20%);
 - Each start-up should provide supporting arguments that it has a viable business model; and
 - Each start-up should provide details on the target customer, market size, competitive landscape, their product/service advantages based on unique technology barrier, pricing strategy, marketing tactics, etc.
- (d) Social and/or Community Impact of the Technology Start-up's Business and R&D Work (15%)
- (e) Business Plan Write-up / Completeness (10%)
 - Each start-up should provide a clear description of its operation plan, hiring plan, financial projection including cash flow projection, etc.

The number of projects to be recommended and the funding amount per project are outlined below:

	Number of Projects to be Recommended	Typical Funding Amount per Project
TSSSU-O	18	HK\$250,000 – HK\$460,000
TSSSU+	9	HK\$500,000 – HK\$820,000
Total	27	HK\$12,800,000

Priority of the TSSSU funding award shall be given to new applicants with licensed IP from the University. As such, Year 2 applicants for TSSSU-O and TSSSU+ funding will receive a 5% reduction in their final score; while Year 3 applicants for TSSSU-O and TSSSU+ funding will receive a 10% reduction in their final score.

The University will not disclose the rationale, rankings and scores for recommendation, or non-recommendation to any applicant. The University reserves the right to make the final decisions regarding the selection process of TSSSU, including the number of



projects recommended and allocation of funds, provided that such decisions comply with the terms outlined in the TSSSU Guidelines.

16. Each start-up's application will have to go through the below assessment and selection process:

- 1) Applications open by August 2025;
- 2) Application submission deadline is 4-6 weeks after applications open;
- 3) Applicants must submit their applications online and ensure that all sections are completed. It is the applicant's responsibility to submit their application before the stated closing time. Please consider factors such as file size, internet speed, and potential electronic transmission delays when submitting your application;
- 4) Upon receiving the complete applications, the University will verify compliance with the eligibility requirements and shortlist the companies for selection panel interview.
- 5) The shortlisted start-ups will be invited to give presentations on their business plans, including their plans on the deployment of the funding if awarded, to the selection panel. Only shortlisted applicants will be informed of the panel interviews and no change to the interview schedule is allowed;
- 6) Recommendations will be made to ITC for final approval no later than 15 January 2026;
- 7) A letter of agreement will be signed between the University's designated unit and the approved start-ups after ITC notifies the University on the funding support and the reimbursable period⁵.

Monitoring and Review

⁵ The reimbursable period refers to the period from the date of ITC's funding approval to the end of the relevant Government financial year (i.e. 1 April 2026 to 31 March 2027).



17. The reimbursement arrangements aim to safeguard that TSSSU funding would be used in a reasonable, proportionate and proper usage of TSSSU funding. Each funded start-up should provide a Half-yearly Reporting Package (deadline: see paragraph 19) and an Annual Reporting Package (deadline: see paragraph 19) on the progress of its business to the University in the Government financial year, following the format and requirements as prescribed by the University (**Annex G**). All funded start-ups should also complete the relevant sections in **Annex D(ii)** when submitting the half-yearly and annual reporting package to the University⁵.

18. Each funded start-up should handle the keeping of books and records as well as other necessary documents, including bank statements, to facilitate auditors to conduct the reasonable assurance engagement in accordance with the requirements stipulated in ‘Notes for Auditors’ (**Annex C**). The Commissioner for Innovation and Technology and any authorised person acting on behalf of the Government, and the University may conduct random checks of the documents, records, etc. of the funded start-ups to ensure their compliance with the guidelines and requirements relevant to TSSSU funding.

Funding Deployment and Reimbursement Arrangements

19. The University will release an initial instalment up to 25% of the awarded annual funding to respective funded start-ups after receiving the following:

- (a) A signed letter of agreement as indicated in paragraph 15 between the University’s designated unit, HKUST R and D Corporation Ltd, and the funded start-up;
- (b) A copy of the signed agreement of assurance engagement between the start-up and its appointed auditors as indicated in paragraph 17;

⁶ If any funded start-up fails to comply with the requirements stipulated by ITC and/or the University including submission of the required documents [e.g. reimbursement request (i.e. Annex B), copies of supporting documents for expenses listed in Annex B such as suppliers’ invoices, payment receipts, employment contracts, payroll records, NAR1, Articles of Association, or other relevant documents, the audited accounts of expenditure and the auditor’s report, half-yearly/annual assessment of the start-up’s performance (i.e. Annex D(ii)) and half-yearly/annual reports (i.e. Annex G) etc.] in good time and in good quality, its subsequent application(s) for TSSSU funding support and other ITF funding support might be affected.



- (c) Documentary proof of a bank account opened with a bank in Hong Kong with the name of the account holder identical to that of the name of the funded start-up;

20. To receive further funding instalment within the approved financial year after the initial instalment, each funded start-up should submit to the University the Reporting Package, which includes:

(a) reimbursement documents

- i. a completed Reimbursement Request (**Annex B**) listing all eligible expenses incurred during the reimbursable period (i.e. up to 30 September 2026 or up to 31 March 2027);
- ii. copies of supporting documents for expenses listed in **Annex B** such as suppliers' invoices, payment receipts, employment contracts, payroll records, NAR1, Articles of Association, or other relevant documents; and
- iii. the statement of Expenditure and the Auditors' Report prepared in accordance with the 'Notes for Auditors' (**Annex C**).

- (b) completed relevant sections in **Annex D(ii)** when submitting the Half-yearly / Annual Report; and

- (c) a completed Half-yearly / Annual Report (**Annex G**).

The Reporting Package shall be submitted to Office of Knowledge Transfer of the University within one month after the end of the respective period of reimbursement request (i.e. Half-yearly Reporting Package on or before 17:00 of 30 October 2026; Annual Reporting Package on or before 17:00 of 30 April 2027. Funded start-ups should strictly follow the submission deadline).

21. On receipt of the complete set of Annual Reporting Package, the University will release the reimbursement after verification of the required documents and examination of the information by both the University and ITC (for annual reimbursement only but not the half-yearly one) (e.g. the expenses are within the approved funding level and scope, the amounts of expenses are reasonable and proportionate, the payments were handled in a proper manner, etc.).



22. Under the circumstances that the reimbursement approved and released by the University to the start-up(s) is later classified as not qualified for reimbursement by ITC, the University shall reserve the right to claw back the released amount from the corresponding start-up(s). Also, any unspent initial instalment shall be returned to the University at the end of the funding year.

23. The Office of Knowledge Transfer of the University would be the contact point with ITC on operational matters such as reimbursement processing, and the Associate Vice-President for Research and Development (Knowledge Transfer) would be the contact point for the oversight of the overall TSSSU program such as annual reporting by the funded companies.

Modifications to Business Proposal

24. Each start-up funded by TSSSU is required to conduct its business and R&D work in accordance with the business proposal submitted to the University. Any material modification to the submitted business proposal of a start-up (including but not limited to change of PIC and key team members of the start-up, cancellation of milestones, change of business scope, expected overspending on any broad category of the budget, etc.) will require prior approval from the University. Start-ups should fill in **Annex E(i) and/or Annex E(ii)** for any material modification when seeking the approval from the University. The University would have to notify ITC of the modifications. No retrospective approval should be granted for any material modification after the end of the Government financial year in which the application of the start-up is approved.

Publicity and Acknowledgement

25. Acknowledgement of ITF support should appear on all equipment, facilities, publications, publicity and media events related to a TSSSU-funded start-up.

26. The following disclaimer should also be included in any publications and media events related to an ITF-funded start-up –

“Any opinions, findings, conclusions or recommendations expressed in this material/publication (or by members of this company) do not reflect the views of the Government of the Hong Kong Special Administrative Region or the Innovation and Technology Commission.”



Handling of Information

27. Subject to the provisions below, information provided by the start-ups and the universities in their applications and reports will be kept by ITC in confidence and all personal data will be handled in accordance with the relevant provisions of the Personal Data (Privacy) Ordinance (Cap.486). In this regard, the Government shall have the right to disclose, without further reference to the start-ups and the universities, whenever it considers appropriate, Discloseable Information ⁶ to other Government bureaux/departments, statutory bodies or relevant third parties for the purposes as prescribed in the application forms/reporting templates or other related purposes. Relevant information will also be posted on the ITF website for public access. In submitting the application/report, the start-up and the University irrevocably and unconditionally authorise the Government to make and consent to the Government making any of the aforesaid disclosure.

28. By submitting the application/report, the start-up and the University are regarded to have agreed to, and to have obtained from the entities and each individual whose information (including personal data) is provided in the relevant document, their consent for the disclosure, use and further disclosure by the Government of the information (including personal data) for the purposes set out above.

Important Note

29. The funded start-ups shall conform in all respects with all legislation (including the Laws of the People's Republic of China on Safeguarding National Security in the Hong Kong Special Administrative Region), regulations and by-laws of the Hong Kong Special Administrative Region.

30. The Government may at any time and with immediate effect, revoke the agreement to provide TSSSU funding, revoke the related reimbursement requests, withhold the payment and require refund of any funding disbursed under the TSSSU funding to ITC on occurrence of any of the following events –

⁷ “Discloseable Information” means any information provided by the start-ups and the universities to the Government in their applications and reports including without limitation, information in connection with, their applications under the TSSSU, the names and addresses of and other information on the start-ups including past applications, other ITF projects they are undertaking / proposes to or will undertake, details of the applications and the projects, the project costs and the TSSSU funding, and any other information provided by the start-ups and the universities to the Government.



- (a) the start-up has engaged or is engaging in acts or activities that are likely to constitute or cause the occurrence of offences endangering national security or which would otherwise be contrary to the interest of national security;
- (b) the continued provision of TSSSU funding to the start-up is contrary to the interest of national security; and
- (c) the Government reasonably believes that any of the events mentioned in (a) or (b) above is about to occur.

Enquiries

31. If the funded start-ups have any enquiries about this set of Guidelines, please contact the Office of Knowledge Transfer of the University through any of the following means –

Telephone: (852) 3469 3194
Email: tsssu@ust.hk
Fax: (852) 2358 1493

