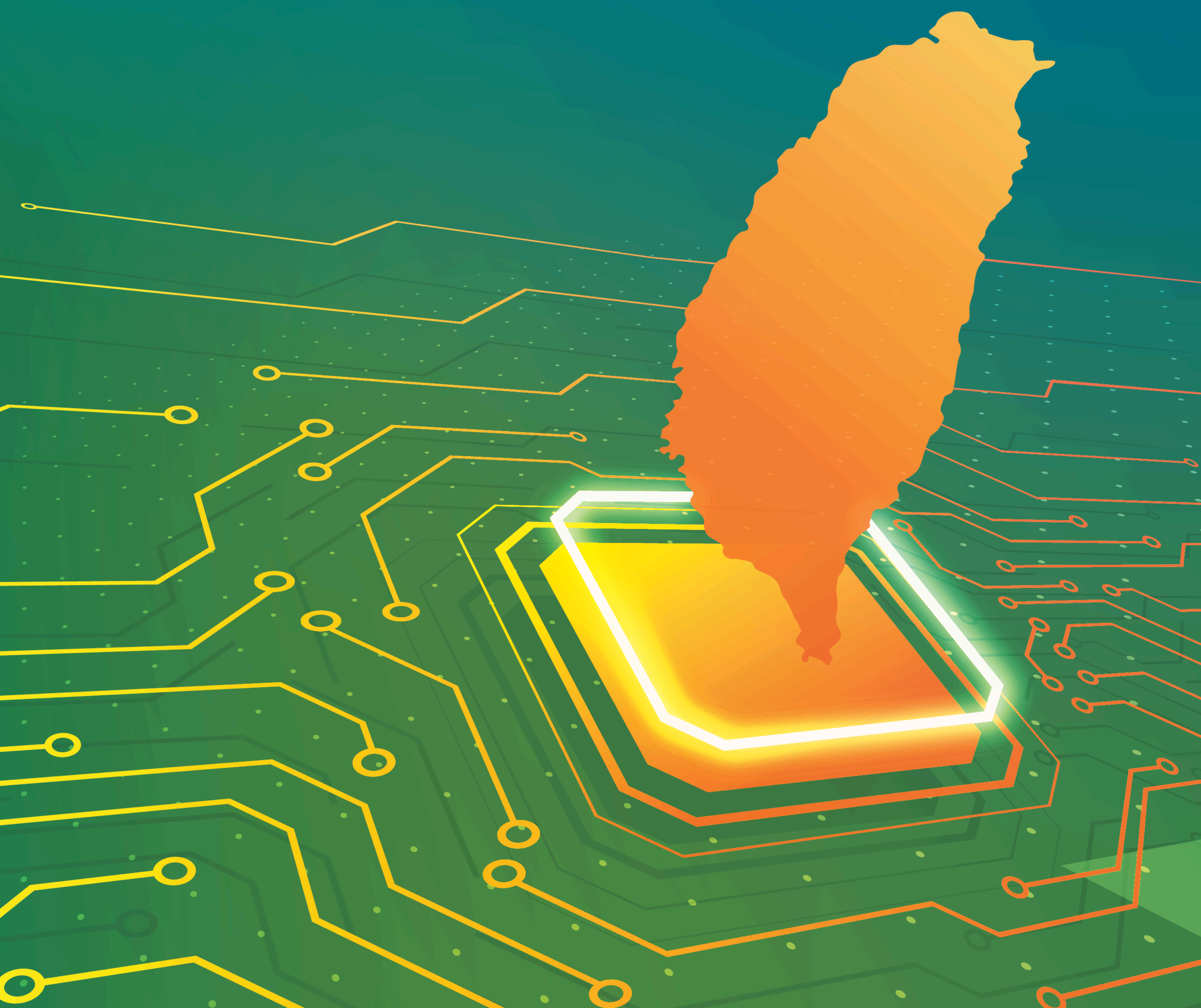
2026

Taiwan Startup Ecosystem and Investment Scene



Startup Island TAIWAN is the national startup brand of Taiwan. The brand embodies the transformative journey from a burgeoning ‘startup island’ to a formidable force on the global stage. It proudly showcases the unwavering ambition and prowess of Taiwan’s startup ventures, highlighting their dedication and ability to enhance startup ecosystems worldwide.

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TO THE WORLD
連結台灣，走向世界！

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1 Introduction to Taiwan

Taiwan is a beautiful island in the heart of East Asia. Filled with rich culture, important history, and stunning scenery, Taiwan has much to offer. Taiwan also stands as a global hub of innovation and technology. This section highlights features that make Taiwan attractive as an optimal destination for opening a business, fostering entrepreneurship, welcoming investment, and underscores Taiwan’s indispensable role in the global AI supply chain.

Taiwan at a Glance

Economy

The World Bank classifies Taiwan as a high-income economy

Renowned for its advanced computer microchip manufacturing, Taiwan is a leader in technological innovation. Manufacturing has long served as the cornerstone of Taiwan's economy, with small and medium-sized enterprises (SMEs) playing a pivotal role. In the 1980s, Taiwan made significant strides into the high-technology sector. Its information and communication technology industries stand among the most respected and recognized in the world.

GDP Per Capita

Comparable to nearby economies in Japan and Korea

According to the Directorate-General of Budget, Accounting, and Statistics R.O.C, Taiwan's nominal GDP per capita* was $39,492 USD in 2025, with a growth rate of 8.63%. Taiwan's GDP is on par with similar economies in Japan (GDP per capita $32,860 USD) and South Korea ($36,130 USD) respectively.

2025 GDP per capita*

$39,492 USD

Population

Population of 23.41 million people

Comparable to Australia (25 million) or the state of Florida (22 million) in the USA.

23.41 million people

Area

Taiwan is similar in size to the Netherlands or the state of Maryland in the USA.

35,980

square kilometers

Geography

Diverse coastal and mountain landscapes

Taiwan has diverse landscapes of beaches and mountains, making it ideal for various sports and outdoor activities. The island's terrain is predominantly mountainous, with a central range running from north to south. Yushan (Jade Mountain), the highest peak in Northeast Asia, towers at approximately 3,952 meters (12,966 feet) above sea level. Taiwan's coastline stretches for about 1,566 kilometers (973 miles), featuring sandy beaches, rocky cliffs, and numerous bays and harbors.

*2025 FY preliminary estimate as of February 2025
Source: Directorate General of Budget, Accounting, and Statistics, R.O.C.

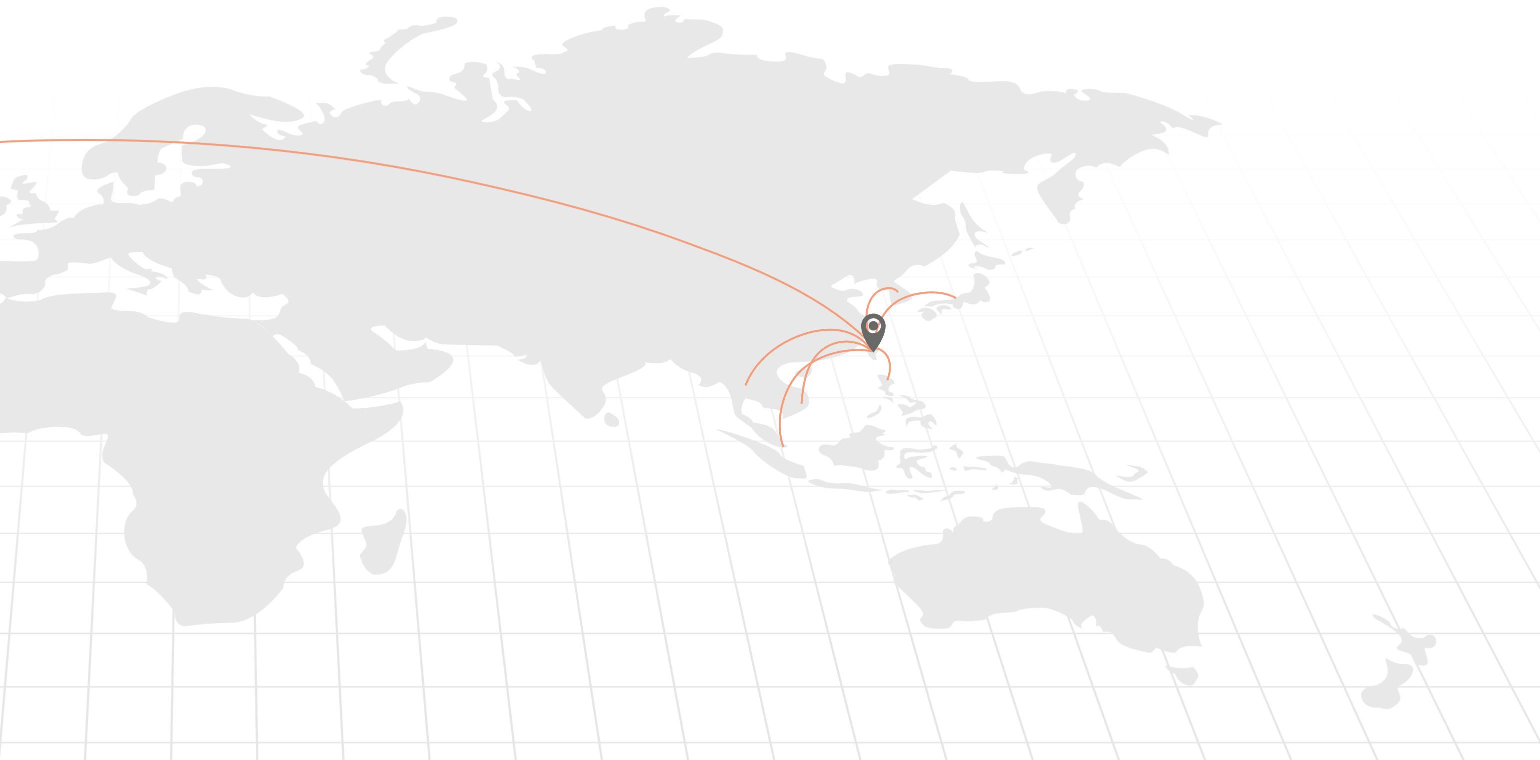
Location

Positioned centrally in Asia

Taiwan is home to three of the top 10 largest shipping companies globally: Evergreen, Yang Ming, and Wan Hai.

Taiwan occupies a strategic position in the Asia-Pacific area, bordered by Continental America to the east, Japan to the north, and the emerging markets of the Association of Southeast Asian Nations to the south. Its central location makes it an ideal gateway for both maritime and aerial shipments, facilitating connections to the vibrant Asia-Pacific and global markets. Consequently, Taiwan stands out as the preferred destination for multinational corporations seeking to establish operational headquarters in the Asia-Pacific region. Taiwan offers convenient access to several neighboring countries and key business hubs within a 4-hour flight time, including:

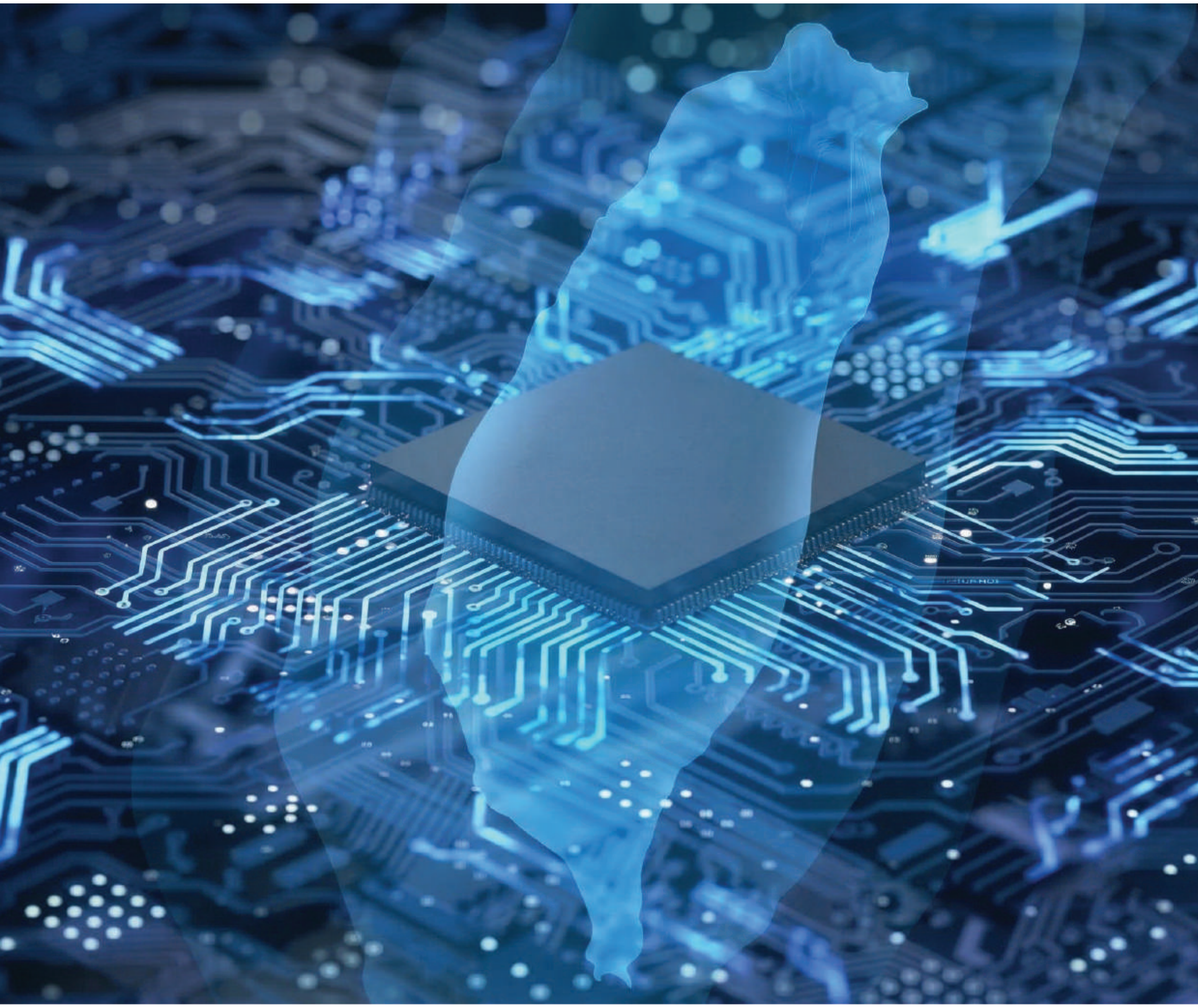
- **Japan: Tokyo, Osaka, Fukuoka, Sapporo, and Okinawa**
- **South Korea: Seoul, Busan, and Jeju Island**
- **Hong Kong**
- **Philippines: Manila and Cebu**
- **Vietnam: Ho Chi Minh City, Hanoi, and Da Nang**
- **Thailand: Bangkok and Phuket**
- **Malaysia: Kuala Lumpur and Penang**
- **Singapore**



Advantages of Choosing Taiwan

International entrepreneurs looking to enter the Asian market face several challenges. Language and cultural barriers, intellectual property concerns, unfamiliar and complex regulations, and a new customer base are just a few of the multitude of difficulties related to expanding or starting a business in Asia.

In addition to its thriving and innovative startup ecosystem, Taiwan boasts several advantages from a business and lifestyle perspective that make it an optimal place to start or expand a business in Asia. With quality infrastructure, qualified and skilled talent, strong regulations, high quality of life, and a strategic location, Taiwan stands out as a stable and innovative hub for conducting business in Asia.



Destination for Entrepreneurship

Taiwan is an exceptional destination for starting or expanding a business, offering a powerful combination of technological expertise, talent, infrastructure, and protection for innovation. With increasing national competitiveness, Taiwan has emerged as a key hub for innovation and entrepreneurship. As the global leader in IC packaging and testing, Taiwan's dominance in this sector provides access to cutting-edge technology and resources. Its highly skilled and creative workforce, ranked #17 in the world in the IMD Worldwide Talent Ranking 2025 and #3 in Asia, behind Hong Kong and Singapore, ensures a strong foundation for innovation and growth.

Additionally, Taiwan boasts world-class digital infrastructure, ranking #16 globally for fixed broadband speed and #10 in the IMD World Digital Competitiveness Ranking 2025, one of the highest in Asia, behind Hong Kong and Singapore. With strong intellectual property protection, Taiwan creates a secure environment for safeguarding and developing innovations, receiving a #20 global rank in the International Intellectual Property Index. These advantages make Taiwan the perfect place to launch and scale a business.

Technology Powerhouse

#1 Global market share and revenue for IC packaging and testing

Qualified and Innovative Talent

#17 IMD Worldwide Talent Ranking 2025

#3 In Asia

Quality Digital Infrastructure

#16 Global Fixed Broadband Speed

#10 IMD World Digital Competitiveness Ranking 2025

Intellectual Property Protection

#20 International Intellectual Property index

Life in Taiwan

Taiwan offers an excellent quality of life, with world-class healthcare, a safe environment, and an affordable cost of living. Taiwan's National Health Insurance (NHI) provides some of the most affordable and highest quality healthcare in the world, leading Taiwan to the #1 global rank in the 2025 Numbedo Healthcare Index. Taiwan's leading health infrastructure, in addition to readily available public transportation, sense of safety, and natural environment are significant factors in its #2 rank on the 2023 InterNations Quality of Life Index for Expats. Taiwan presents a unique blend of career development and personal well-being, making it a top choice for individuals seeking new opportunities and a better quality of life.

World Class Healthcare

#1 2026 Numbeo Healthcare Index

High Quality of Life

#2 InterNations Quality of Life Index for Expats 2023

Globally Acclaimed Innovation Hub

International startup indicators and innovation assessments are invaluable tools for gauging Taiwan's entrepreneurial landscape. In 2025, Taiwan ranked highly across several reports, demonstrating a strong environment for innovation and entrepreneurship.

#06 ▸ Most competitive economy in the world (IMD World Competitiveness Yearbook 2025)

#25 ▸ Global Startup Ecosystem Index (StartupBlink 2025)

#03 ▸ National Entrepreneurship Context Index (Global Entrepreneurship Monitor, 2025)

Taiwan's rank across several notable innovation reports has risen over time, demonstrating its growth into a premier global startup ecosystem and innovation hub.

	2019	2020	2021	2022	2023	2024	2025	2026
StartupBlink Global Ecosystem Index	-	30	26	25	24	22	25	*
GEM - NECI	4	6	3	-	3	-	3	2
IMD World Competitiveness Rating	16	11	8	7	6	8	6	*

Taiwan's rankings across various innovation reports from 2018 to 2026
Source: IMD, StartupBlink, GEM
* Startup Blink Global Ecosystem Index 2026 and the 2026 IMD World Competitiveness Rating have not been released at the time of publication

International research institution **StartupBlink** conducts an annual assessment of global startup ecosystems. Its Global Startup Ecosystem Index is based on the quantity and quality of startups, investors, coworking spaces, accelerators, events, size of investments, and other factors. StartupBlink also includes elements of the startup business environment such as infrastructure, language barriers, tax policies, and labor laws in their rankings.

Since its debut in the Global Startup Ecosystem Index in 2020, Taiwan has consistently performed well. In the 2025 report, Taiwan ranked 25th in the world.

The **Global Entrepreneurship Monitor (GEM) Report**, published by Babson College in the United States and London Business School in the United Kingdom, provides a long-term evaluation of entrepreneurial environments and their development around the world through its National Entrepreneurship Context Index (NECI).

In 2025, Taiwan ranked #3 in the world. GEM cited robust policy initiatives supporting innovation and entrepreneurship, such as the Asia Silicon Valley Development Plan, and improvements in entrepreneurship-focused education as key strengths leading to Taiwan's ranking.

The **International Institute for Management Development (IMD)** is a prestigious Swiss independent academic institution that publishes the annual IMD World Competitiveness Yearbook (WCY). The report ranks countries based on their competency management for long-term value creation across four focus areas: economic performance, government efficiency, business efficiency, and infrastructure. Since its inception, the WCY has evolved into a global reference point for evaluating countries' competitiveness.

Since 2021, Taiwan has been ranked as one of the top 10 most competitive economies in the WCY. In 2025, Taiwan was ranked 6th in the world and first among economies in areas with a population greater than 20 million people, and 10th for World Digital Competitiveness, which measures the capacity and readiness to adopt and explore digital technologies as a key driver for economic transformation.

Taiwan's recognition in international reports demonstrates its growing and thriving startup ecosystem and prowess for innovation. Active partnerships between government, corporations, investors, and the community continue to create an environment that fosters innovation and entrepreneurship.

Taiwan’s AI Action Plan

Taiwan is pivoting from its historical role as the world’s silicon foundry to a proactive leader in the artificial intelligence revolution. A series of government initiatives provide a clear policy roadmap for AI growth. The 2018 AI Taiwan Action Plan policy foundation was built upon by the AI Taiwan Action Plan 2.0 in 2023, and the Ten AI Initiatives in 2025. Through these policy initiatives, Taiwan is integrating its semiconductor strength with advanced software and "Sovereign AI" to secure its future as a premier global innovation hub.

A Legacy of Hardware, A Future in Intelligence

The 2018 AI Action Plan laid the groundwork by focusing on talent cultivation and industrial digital transformation. Taiwan’s advantage lies in its world-leading semiconductor supply chain. By leveraging this "silicon shield," the government’s "Chip-Driven Taiwan Industrial Innovation Initiative" (launched in late 2023) is fusing generative AI with cutting-edge chip design to drive breakthroughs across manufacturing, healthcare, and smart mobility.

The Five Strategic Pillars of AI Action Plan 2.0 (2023)

In 2023, the government unveiled the AI Action Plan 2.0, expanding on existing policies. The current policy framework is built upon five critical pillars designed to foster a resilient and ethical AI environment.

Talent Optimization & Expansion	Taiwan is shifting from a technical mindset to a nationwide "AI National Power" strategy. By optimizing higher education and expanding vocational training, Taiwan is promoting AI literacy throughout the workforce.
Technology & Industrial Development	Leveraging Taiwan's ICT clustering strength to fuse core AI software with chip technology, evolving from hardware dominance to a pioneer in industrial AI applications and digital transformation.
Optimizing the Operational Environment	Success is built on data governance and secure circulation, backed by high-performance computing resources. AI legal frameworks for high-impact sectors like healthcare and finance ensure "international-readiness."
Enhancing International Influence	Developing partnerships with global benchmark firms and R&D institutions to expand Taiwan’s “AI Operational Territory” positioning the local ecosystem to scale globally.
Addressing Humanities & Social Issues	This pillar aims to mitigate labor displacement while proactively deploying AI to solve existential challenges. With labor shortages, an aging society, and Net-Zero targets, Taiwan is committed to an inclusive transition where the benefits of AI are accessible to all.

Ten AI Initiatives

The newest AI-focused policy, "10 AI Initiatives" marks a capital injection of over NT$100 billion ($3.19 billion USD) into frontier technologies, across three themes: Smart Applications, Critical Technologies, and Digital Foundation. This includes a strategic focus on silicon photonics, quantum computing, and intelligent robotics. NT$30 billion ($950 million USD) is set to be initially deployed in 2026, marking the first major injection of capital from the initiative, with long-term goals to generate over NT$ 15 trillion ($477 billion USD) in output value, create 500,000 high-paying jobs, and push Taiwan’s global AI ranking into the top 5 by 2040.

This roadmap aims to promote economic development and a “balanced Taiwan,” with a focus on distributing AI resources and infrastructure across northern, central, and southern hubs. This ensures that the benefits of the smart technology revolution reach every corner of the island, promoting smart development throughout communities in Taiwan. Furthermore, the policy aims to strengthen Taiwan’s “sovereign AI,” securing independent AI technology development and data security.

Policy Timeline

2018 — AI Action Plan

2023 — AI Action Plan 2.0; Chip-Driven Taiwan Industrial Innovation Initiative

2025 — Ten AI Initiatives

Taiwan: Foundation of the Global AI Supply Chain

The global growth of Artificial Intelligence (AI) demand brings in a decade-long golden age for Taiwan's supply chain. Generative AI is now widely available for hundreds millions of consumers at the push of a button. AI chips power everything from cloud servers to autonomous vehicles, and Taiwan dominates the global AI supply chain in advanced chip manufacturing. Responsible for 90% of AI server manufacturing, 92% of the world's most advanced logic chip capacity, and over 80% of global foundry capacity, Taiwan's ubiquity as a chip manufacturing and innovation powerhouse positions it as an indispensable player in the global AI supply chain.

The training and deployment of AI rely on highly complex and capital-intensive global supply chains. Across upstream fabrication and midstream packaging and testing required to produce AI chips, Taiwan supplies more than 60% of the global semiconductor output. After the production and manufacturing of AI chips, Taiwanese ODMs integrate chips into complete server racks with boards, power systems, and cooling systems, accounting for 80% of global server shipments. Cloud providers install AI servers in data centers to run AI workloads where they train and deploy AI models for end-use.

Although AI software leadership is concentrated among U.S. cloud technology companies, their commercial success relies on Taiwan's advanced hardware and production capabilities. Without Taiwan's advanced chip manufacturing and packaging infrastructure and server assembly capabilities, the global AI ecosystem would lack physical components necessary to power increasingly sophisticated and complex AI applications.

The Global AI Supply Chain

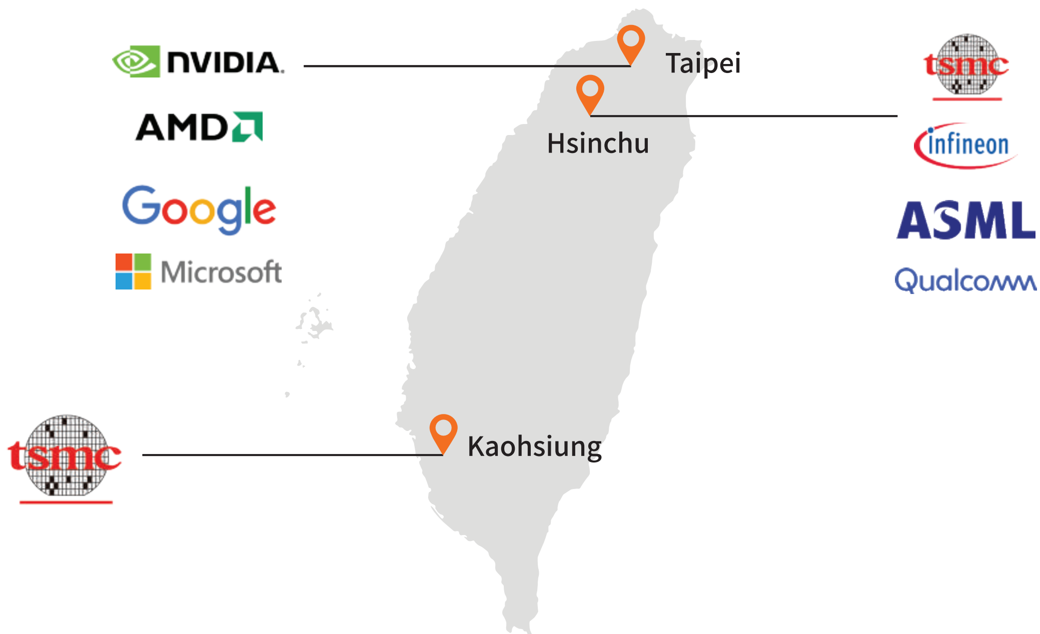
Upstream	Mid-stream	Deployment
Chip Design, Foundry/ Chip Manufacturing	Server Integration and Assembly (TW ODMs)	Cloud providers install servers to run AI workloads
tsmc, NVIDIA	Quanta Computer, FOXCONN	hp
ASE GROUP	GIGABYTE	aws, Gemini
DELTA	wiwynn	OpenAI

Taiwan’s AI hardware leadership combines three vital advantages: speed and density, integrated manufacturing, and global standardization. Taiwan’s geographic concentration gathers a full semiconductor supply chain from IC design to fabrication and packaging, positioning it as the center of AI semiconductor R&D and production. Taiwan is called a “one-stop shop” for AI-related hardware because the standardization reduces component complexity for global supply chains.

The global adoption of AI-related services has had a notably positive impact on Taiwan’s major manufacturing players. Wistron’s revenue for January to July rose 92.7%, while Quanta’s grew 65.6% in the same period. The numbers reflect a broader trend affecting the entire ecosystem of Taiwan’s original design manufacturers (ODMs). Taiwan’s AI driven exports hit a monthly record of US$ 64.05 billion in November, 2025 up 56% YoY. The Directorate General of Budget, Accounting, and Statistics forecasts that Gross Domestic Product (GDP) is expected to grow by 7.37% in 2025, fueled by increased global demand for AI chips and servers. Spikes in exports and revenue indicate that Taiwanese companies are already playing an outsized role in the global AI market that is projected to reach US$ 1.3 trillion by 2032.

As the global AI supply chain hub, Taiwan is attracting significant R&D investments to support further innovation and rapid development of new AI technologies. Announced at the end of 2025, AMD is investing over US$280 million to set up two new R&D centers in southern Taiwan, focused on silicon photonics and heterogeneous integration for AI-related applications. Nvidia will establish its Taiwan headquarters and the Nvidia Constellation in Taipei City, bolstering the partnership with Foxconn, TSMC and the Taiwanese government to build a large AI factory.

Taiwan’s tech industry has rewritten its narrative. The industry’s agility, from legacy expertise and strategic alliance to explosive revenue growth, makes Taiwan the central pillar of the global AI supply chain. Taiwan, with its leadership in semiconductor and AI hardware is driving this global shift as the cornerstone of the next wave of technology.



2 Mapping Taiwan's Startup Ecosystem

This section highlights Taiwan's strong foundation and support for start-ups, including R&D commercialization and CVC involvement. It also explores thriving startup industries, innovation bases, and government initiatives that support startups with internationalization and development of a global startup mindset.

Taiwan's Ecosystem by the Numbers

According to the FINDIT startup database published by the Taiwan Institute of Economic Research, at the end of October 2025, the cumulative number of startups in Taiwan has reached 10,028, with 8,902 currently in operation. In terms of corporate structure, 63.27% of these startups are registered as companies limited by shares, while 36.73% are limited companies.

Cumulative Number of Taiwan Startups	Number of Startup Hubs	Number of Accelerators
10,028	94	83

The growth of Taiwan's regional startup ecosystems depends on a strong partnership between industry, academia, and the government. Industry clusters provide the market demand and real-world scenarios that startups need to grow and collaborate with major companies. Academic and research institutions act as the foundation for talent and innovation; they help teams turn new technologies into real products and connect with customers. Meanwhile, government policies lower the barriers to starting a business by providing funding and community resources to assist startups. Together, these three forces create a positive cycle that makes Taiwan's startup environment more competitive.

Different regions in Taiwan have developed their own unique strengths and local ecosystems. By regional distribution, the majority of startups are located in Northern Taiwan, with 6,669 companies accounting for 69.6% of the total. Southern Taiwan follows at 15.1% (1,445 companies), while Central Taiwan represents 12.2% (1,166 companies). Other regions account for 1.9% (179 companies), while Eastern Taiwan represents 1.2% (117 companies).

FINDIT (TiER) Platform Data Definitions
Taiwan Startups: *Companies established in or after 2010 that feature technological or business model innovation. The definition excludes unincorporated businesses such as sole proprietorships and partnerships. Eligible entities must be registered in Taiwan or have Taiwanese founders if registered overseas. The coverage may vary between the startup database and investment research due to differing methodologies: one focusing on entity characteristics and the other on public investment transactions.*

Active Entities: *Companies classified as "Approved for Establishment" or "Registered" under Administration of Commerce, MOEA Business Registration.*

Inactive Entities: *Includes companies that are dissolved through merger, dissolved, or revoked. For other statuses, please refer to the Administration of Commerce, MOEA Business Registration.*

Startup Industry Breakdown

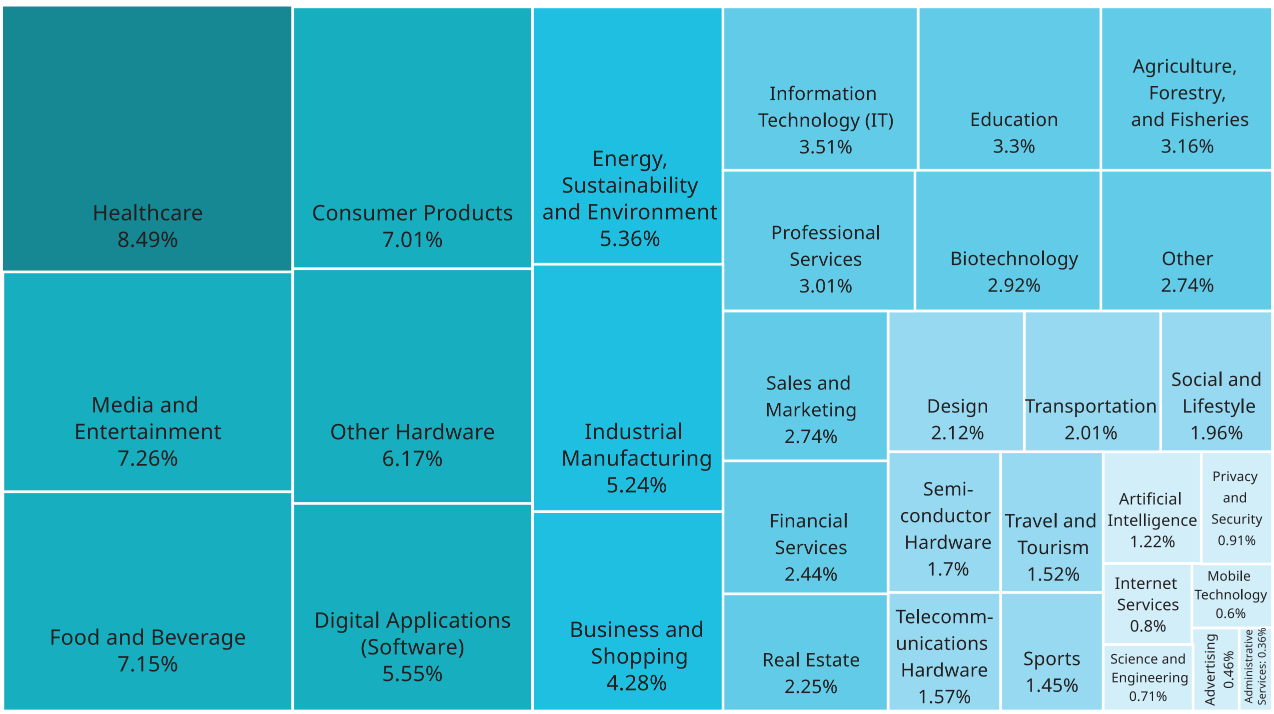
Taiwan's startups are spread across a variety of industries; however, several sectors dominate the landscape. Since 2010, the Healthcare sector had 813 companies (8.49%), Media and Entertainment had 695 companies (7.26%), Food and Beverage had 685 companies (7.15%), and Consumer Products had 671 companies (7.01%). Additionally, Hardware and Digital Applications (Software) played a key role, consisting of 591 companies (6.17%) and 531 companies (5.55%) respectively. The Electronics industry also drives significant growth in related hardware startups. Collectively, this group includes 904 companies (9.44%), which covers Semiconductor, Telecommunications, and other Hardware.

A comparative analysis of Taiwan's startup landscape between 2010 and 2024 highlights several structural evolutions. Artificial Intelligence (AI) has ascended the rankings as a direct result of the global cross-industry drive toward digital transformation. This growth is further propelled by the emergence of AI services, which have allowed enterprises to transition from exploring AI concepts to implementing practical, real-world solutions that drive operational efficiency and revenue.

The Energy, Sustainability, and Environment sector has experienced significant growth, aligning with the global commitment to net-zero emissions. Proactive government interventions, including tax reforms and investment incentives, have successfully channeled significant capital into renewable energy, energy efficiency, and the circular economy.

Furthermore, the Digital Applications (Software) sector continues to expand, benefiting from advancements in cloud computing and open-source technology. These developments have effectively lowered the barriers to entry and reduced development costs. Consequently, software-driven innovation is now penetrating diverse verticals, fostering growth in specialized fields such as PropTech (Real Estate), FinTech (Financial Services), Cybersecurity, and Tourism.

Distribution of Taiwanese Startups by Industry, 2010-2024



Date Period: 1/1/2015 - 12/31/2024
Source: FINDIT, Taiwan Institute of Economic Research (TIER)

AI in Taiwan: Hardware Foundation to Physical Intelligence

Taiwan is positioning itself to develop its AI industry into a leading hub for physical AI, the integration of large-scale models into machines that perceive, reason, and act in the real world. This transition is anchored by the Executive Yuan's 10 AI Initiatives policy, which specifically prioritizes intelligent robotics and silicon photonics. Rather than competing in general-purpose LLMs, Taiwanese startups are specializing in embodied intelligence, where AI is fine-tuned to solve specific physical challenges related to manufacturing, drones, and automated logistics.

Physical AI is a viable solution to address Taiwan's acute workforce shortage. As the working-age population continues to shrink, startups like Solomon Technology are deploying vision-guided robots that can navigate unstructured factory environments with human-like dexterity.

Startups are also navigating public safety and privacy challenges, and developing tools to effectively train physical AI. 2026 CES Innovation Award winner DeCloak Intelligence has pioneered "Privacy-Preserving Physical AI," which allows robots in hospitals and airports to perform autonomous navigation and event detection without ever recording identifiable personal data, setting a global standard for ethical robotics. NVIDIA Inception Program startup MetAI is using its digital twin technology to develop datasets foundational to the training and real-world deployment of physical AI.

AIoT Powering Taiwan’s Smart Cities and Manufacturing

Taiwan’s AIoT (Artificial Intelligence of Things) technology provides the data foundation for responsive infrastructure across a variety of sectors, including smart manufacturing, agritech, smart cities, and transportation. Taiwan’s AIoT sector is shifting from simple sensor manufacturing toward integrated AIoT and software solutions, enabling high-level analysis and leveraging of AIoT device-collected data. This evolution is powered by the Asia Silicon Valley Development Plan (ASVDP) 3.0, which prioritizes trusted AIoT solutions that are not only connected but also secured against global cybersecurity threats.

The sector is enhancing domestic and global urban resilience. Taiwanese startups are building the AIoT infrastructure that manages the energy grid, public safety, and transportation of a super-aged society, and exporting these solutions to the world.

Taiwan’s AIoT strength lies in seamless hardware-software integration and its ability to apply AI at the edge, enabling next-generation smart products in industrial IoT, smart mobility, and health/fitness technologies. The ecosystem benefits from deep manufacturing supply chains, enabling rapid prototyping, quality control, and cross-industry synergies. Taiwanese startup Epic Tech, recognized at CES 2026 in the sustainability and energy transition awards, has revolutionized residential infrastructure. Its G.Talk smart system replaces high-carbon hardware with digital software tags, significantly reducing electronic waste.

Taipei City: The AI-Driven Future

Taipei City’s "AI-Driven Future Taipei" initiative emphasizes high-tech integration across all aspects of public life to promote a more livable urban environment. Through the Taipei Smart City Project Management Office (TPMO), the city uses a bottom-up Proof of Concept (PoC) framework to integrate generative AI and AIoT into public services. Key projects include AI-managed smart buildings in public housing initiatives, 5G-enabled emergency response systems at the Taipei City fire department, and "virtual power plants" designed to enhance energy resilience across the urban core.

Kaohsiung City: Industrial & Green Transformation

Kaohsiung’s smart city roadmap is centered on digital transformation, industrial upgrades, and livability, capitalizing on its status as a global manufacturing and maritime hub. A flagship project is the 5D Digital Twin Platform, which monitors underground pipelines and building safety in real-time. The city is also pioneering a hydrogen demonstration zone, deploying hydrogen-powered buses and zero-carbon vessels in the Asia New Bay Area to lead Taiwan’s heavy industry toward a net-zero future.

Health Care and Medtech Industry

Taiwan's robust healthcare industry development is a result of abundant industry resources, including regional biotech clusters, robust IT infrastructure and high-quality medical data through the National Health Insurance (NHI) Database. NHI covers about 99% of the population, creating one of the world's largest longitudinal health data pools and a high-performing healthcare system.

Taiwan's biomedical clusters, with hospitals, universities, and research institutes, plus transparent regulations under the Ministry of Health and Welfare and the Taiwan FDA, make it attractive for R&D and clinical trials. The cost-efficient clinical trial infrastructure and proximity to APAC markets create an attractive launchpad for scalable healthcare startups. Taiwan excels where clinical R&D, semiconductor-grade engineering, and AI intersect, especially in precision health, medical hardware, digital health, AI diagnostics, medical IoT, and smart-hospital solutions.

Innovation also spans biopharmaceutical development and commercial biotech brands. OBI Pharma is advancing oncology drug candidates with U.S. regulatory milestones, while Daiken Bio, a publicly traded Taiwanese biotech company, emphasizes scientifically validated nutritional products with international lab testing and global branding.

Traditional life sciences remains strong, with vaccine CDMO leader Adimmune serving both domestic and export markets. Meanwhile, accelerator programs like SparkLabs Taiwan's health tech-focused demo days attract international investors and cross-border collaborations, underlining Taiwan's value as a regional healthcare tech hub.

SPARK Taiwan

National Science and Technology Council

Launched in alignment with Taiwan's biotechnology planning, SPARK Taiwan bridges the gap between academic research and commercial success. In collaboration with Stanford University, the program has provided translation training, seed funding, regulatory support, and expert mentorship to over 600 biomedical projects. Across seven Taiwanese anchor universities, it cultivates industry-ready talent, transforming high-potential drug and medical device discoveries into market-ready healthcare solutions.

Taiwan-Berkeley Health Innovation Accelerator

National Development Council
National Science and Technology Council

The Taiwan-Berkeley Health Innovation Accelerator is a strategic partnership between UC Berkeley School of Public Health, SkyDeck, and the Taiwanese government. This elite program provides medical technology startups with intensive coaching, Silicon Valley investor access, and regulatory guidance. By bridging the Taiwan and Berkeley ecosystems, it empowers entrepreneurs to scale research into sustainable, high-impact global health solutions.

Sponsoring Government Ministry/Department

New Materials and Green Energy

Taiwan’s green energy and new materials industry is anchored in national net-zero policy, strong industrial bases, and public research institutes like ITRI that spin off deep-tech ventures. Energy has become one of the highest funded startup sectors as companies explore power storage and increasing energy expenditure from AI usage. Advanced materials are emerging around batteries, green processes, and high value-added industrial applications, improving overall resource efficiency and reducing environmental impact.

Taiwan’s energy sector has transitioned from a reliance on imported fuels to a focus on resource productivity and recovery. Taiwan’s research institutions emphasize materials science and clean tech, translating lab-scale breakthroughs in battery materials, composites, and flexible electronics toward commercial use, drawing attention from overseas partners seeking advanced substrates and next-generation energy systems.

Because Taiwan is a resource-scarce island, its startups have become world leaders in circular economy, turning industrial byproducts into high-value materials. Companies are leveraging high-precision material science that integrates with the semiconductor and textile supply chains to meet global ESG mandates like the EU’s Carbon Border Adjustment Mechanism (CBAM).

The impact is felt most in global green supply chains, with Taiwanese startups helping global brands achieve zero-waste targets. Startup Grandetex Development has pioneered the "SECAO" upcycling process, turning agricultural waste (like cacao shells) into high-performance functional textiles. Companies like Green Reliable Energy Auto Technology (GREAT) are leveraging AI for smart energy storage and forecasting energy demand, crucial as Taiwan navigates grid transitions toward renewables and electrification. Ampvolt Power Technology is another startup applying advanced control systems and battery management, reflecting the integration of new materials with power systems engineering.

R&D Commercialization Catalyzing Startup Growth

Research and development (R&D) serves as a fundamental driver of growth and long-term sustainability within Taiwan's startup ecosystem. Through sustained investment and longer development cycles, startups are able to develop cutting-edge and transformative technologies that enhance overall industrial competitiveness. The dynamic and multifaceted nature of R&D delivers value across the ecosystem, benefiting industries, startups, and investors alike.

From an industry perspective, R&D-intensive startups attract highly educated talent, contributing to the formation of a mature and integrated supply chain. For startups, embedding R&D capabilities into core operations enhances scalability and long-term viability of their product, strengthening their ability to secure investment. For investors, strong R&D initiatives indicate technological innovation and market readiness, as these efforts address the alignment of real-world demand and commercial expectations. The organizations listed below are supporting founders with commercializing and conducting further research.

ITRI
Industrial Technology
Research Institute

ITRI (Industrial Technology Research Institute)

The Industrial Technology Research Institute (ITRI) serves as the primary architect of Taiwan's industrial transformation. ITRI drives innovation through a structured process of R&D, technology transfer, and spin-offs, acting as a vital technology broker and hardware incubator. It provides startups with high-tier laboratory access and a vast intellectual property portfolio, effectively bridging the gap between laboratory concepts and large-scale enterprise production.

FROM IP TO IPO PROGRAM
創新創業激勵計畫

FITI (From IP to IPO Program)

Under the National Science and Technology Council (NSTC), the FITI (From IP To IPO Program) supports researchers and early founders with commercializing existing research. By targeting academic researchers and graduates in ICT, Biotech, and Engineering, FITI refines raw technical talent through a six-month business immersion. With incentives including a NT$1 million ($31,000 USD) seed fund, the program prepares high-potential teams for secondary acceleration by private capital and industry leaders.

University Accelerators and Innovation Programs

Universities in Taiwan are establishing accelerators, alumni angel investment networks, and university-affiliated venture capital funds, supporting the emergence and commercialization of university-based startups. NTU's Entrepreneurship Center, NCCU's Center for Industry Collaboration and Innovation Incubation (CICII), NYCU's IAPS, NCKU's Startup Accelerator, and NTHU's AI Innovation Center exemplify university-led platforms that combine deep-tech specialization, patent and testing support, and strong corporate partnerships to move research teams from lab to market and connect them with global capital and customers.

Active University Accelerators and Innovation Programs in Taiwan:

Corporate Venture Capital Supporting Startups

Corporate venture capital (CVC) plays a pivotal role in Taiwan's startup ecosystem, accounting for a significant portion of total startup investment in Taiwan. Major contributors include Cathay Venture, Wistron, Taiwan Mobile, and ASUS. Beyond providing financial capital, these CVCs offer startups access to proof-of-concept (PoC) opportunities, strategic partnerships, and integrated industrial resources, accelerating commercialization and market entry. Taiwan's disproportionately high CVC participation grants corporate investors greater bargaining power and influence over investment direction and target selection. CVC players provide startups with capital activation, operational validation, market intelligence, and global connectivity.

Active CVC players in Taiwan:

Accelerators and Innovation Bases

Taiwan is home to 83 startup accelerators and 94 innovation bases. These serve as community spaces, providing entrepreneurs with resources, knowledge sharing, and a network to expand their business in Taiwan and global markets. Several of these organizations are highlighted below, showcasing a variety of government and private sector entities providing essential support in the ecosystem.

Taiwan Tech Arena (TTA)

Taiwan Tech Arena (TTA), backed by the National Science and Technology Council, was launched in 2018. TTA has nurtured over 1,054 startups, with nearly half being international teams. TTA primarily serves growth-stage tech startups across diverse domains, including AI, semiconductors, 5G, and biotech. Its strategic hubs in both Taipei and Tainan (TTA South) provide coworking space, working facilities, and resources for funding, international market expansion, accelerator partnerships, and global mentorship to scaling startups.

Startup Terrace

Startup Terrace, backed by the Small and Medium Enterprise and Startup Administration (SMESA, MOEA), Ministry of Economic Affairs, has hosted over 160 startups and top-tier accelerators, fostering a vibrant hub for high-growth ventures. With locations in Linkou (North) and Kaohsiung (South), Startup Terrace offers startups unique opportunities for on-site validation and Proof-of-Concept in real-world environments, in addition to its International Pilot Program and Soft Landing Program. Its industrial focus spans AI, IoT, 5G, and SaaS.

AppWorks

AppWorks Accelerator provides mentorship, fundraising assistance, go-to-market support, and corporate partnerships. It remains Taiwan's only startup accelerator that is completely free to join, with no fees, rent, or equity. AppWorks has incubated over 650 startups from across Asia, with a collective ecosystem valuation exceeding 37.7 billion. AppWorks Accelerator leverages a "Request for Startups" strategy, to narrow the focus of each accelerator batch and anticipate future demands by leveraging Taiwan's unique strengths as the market evolves.

BE Health VC & Accelerator

BE Health Accelerator bridges medical innovation and clinical adoption through partnering directly with institutions like Taipei Medical University and the Show Chwan Healthcare System. They integrate resources from strategic partners such as AstraZeneca, Sanofi, Google, and Qualcomm, and primarily support Pre-Seed to Series A/B startups in fields including precision medicine, digital health, and AI-driven healthcare. To date, BE Health has supported over 170 startups, facilitating seamless market entry and product validation for both international and local teams.

Epoch Garage+

Epoch Garage+, backed by the Epoch Foundation, offers the Starship Program for early-stage Taiwan startups that have not yet raised funds and the Startup Global Program with two tracks for local and international startups. These programs focus on high-growth sectors, including AI & Data Analysis, IoT, Digital Health, CarTech, 5G, Robotics, Smart Energy, and E-Mobility. Over 60% of startups in the 2025 Spring Batch successfully secured investment or partnership opportunities with Taiwanese corporations. The Epoch Foundation also provides university student entrepreneurship training through its "Epoch School" program, cultivating the next generation of innovators.

Mosaic Venture Lab

Mosaic Venture Lab is a high-engagement venture capital firm and deep-tech accelerator scaling East Asia's most innovative startups from Taiwan, Korea, and Japan to the global stage. Mosaic focuses on high-barrier technologies across Mobility and Automotive, Semiconductors and Photonics, Digital Health, AI Applications in smart manufacturing, and Sustainability solutions. Mosaic provides startups with manufacturing, sourcing, and OEM channel access through its strategic partnership with FSP Group. Additionally, its strong ties to global automotive leaders such as Audi, VW Group, and Continental, enables startups to rapidly enter international supply chains.

SparkLabs Taiwan

SparkLabs Taiwan provides a three-month accelerator program, investing $100,000 USD for up to 7% equity. To date, SparkLabs has invested in over 60 startups, primarily concentrated in Seed to Series A funding stages. Beyond capital, the program offers a robust support system, including free legal and accounting resources, one-on-one mentorship from serial entrepreneurs, and specialized guidance on product-market fit and data-driven scaling strategies. This year, SparkLabs collaborated with the Taiwan Stock Exchange (TWSE) to host strategic forums on Edge AI applications and Smart Healthcare, highlighting how AI-driven innovation addresses critical real-world challenges.

886 Studios

886 Studios, named after Taiwan's international dialing code, is a venture studio and accelerator bridging Taiwan's top talent with global markets. Its Ikigai Launchpad is a 12-week program accelerating product development, market validation, and alignment to global industry standards. Each selected team receives $100,000 USD in funding in exchange for 8% equity. Beyond capital, 886 offers direct mentorship from veteran Silicon Valley entrepreneurs and strategic support from Pre-Seed to Seed rounds to prepare founders for top-tier global accelerators and the "Silicon Valley vocabulary" necessary to effectively articulate their vision and win over international investors.

The National Development Fund

National Development Fund (NDF) promotes industrial innovation, economic transformation, and improving R&D capacity in line with various policy objectives. Currently, the NDF has a variety of projects primarily focusing on catalyzing high-tech and AI development, renewable/green energy, biotechnology, new agriculture, national defense, and Internet of Things. The NDF provides government-sponsored financial support for domestic industrial innovation, R&D, and technology upgrading, assuming some of the risk associated with early-stage investment in these key areas in order to attract additional investment from other domestic and international entities.

The NDF makes several different types of investments to support Taiwan's startup ecosystem:

Venture Capital Investment Enterprises (VCIEs)

The National Development Fund invests in VCIEs who, in turn, reinvest in promising companies in key industries. At the end of 2025, the NDF had invested approximately NT$36.39 billion ($1.167 billion USD) in 113 domestic and overseas VCIEs.

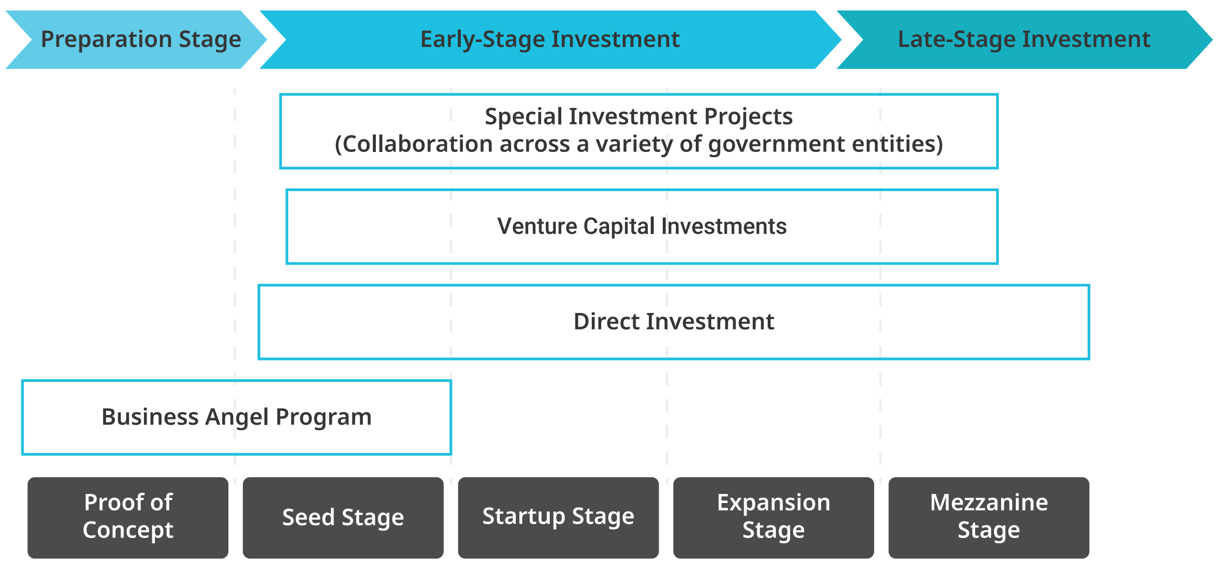
Implementation Project for Strengthening Investment in AI Startups

As one of its several special investment projects in 2025, the National Development Fund approved the "Implementation Project for Strengthening Investment in AI Startups" to promote the development of AI startups and digital economy-related industries. A budget of NT$10 billion ($318 million USD) has been allocated for this initiative, with the Administration for Digital Industries, Ministry of Digital Affairs, responsible for executing investments in domestic AI startups and digital economy related industries.

Business Angel Investment Program

The Business Angel Investment Program under the National Development Fund provides funding opportunities for startups in their angel stage. In addition to funding, startups also receive consulting services, business guidance, and access to a robust network of partners and entrepreneurs. The program, launched in 2017, has invested NT$4.305 billion ($136.9 million USD) in 236 domestic and overseas startups, spurring further investment from other angel and private investors. Notable companies that received funding from the Business Angel Investment Program include CuboAi, Pinkoi Inc., IDWATER Co. Ltd., Hahow, SEEING Display Technology, Aztron Medtech, and Cancer Free Biotech.

Source: National Development Fund, Executive Yuan 2025 Q4 Report



Government-Run International Startup Programs

IC Grand Challenge

IC Taiwan Grand Challenge (ICTGC), organized by the National Science and Technology Council (NSTC) and implemented by the Taipei Computer Association (TCA), is Taiwan's international computer and deep-tech acceleration platform, supporting global innovators in semiconductor, AI, and emerging technology fields. By connecting startups with Taiwan's world-class industrial ecosystem, ICTGC accelerates the journey from prototype to global commercialization.

The competition supports innovators from early-stage startups to research teams by providing mentorship, access to manufacturing, corporate partnership opportunities, and pathways to scale globally. Selected teams receive mentorship and industry guidance tailored to their technology and business model, manufacturing and prototyping resources within Taiwan's complete semiconductor supply chain, corporate and ecosystem partnerships with leading technology companies, and free showcase opportunities at COMPUTEX & InnoVEX in Taipei.

Learn more: **https://ictaiwanchallenge.org**

Startup Terrace Soft Landing Program

The Startup Terrace Soft Landing Program supports international startups with their first entry to the Taiwanese market. The four-week program provides industry-focused training, 1-1 business matching and introduction to local industry partners, accelerators, and investors. In addition, selected startups are provided with free exhibition opportunities in Taiwan's local startup exhibitions and provided with a flight subsidy to offset the cost of traveling to Taiwan. The Startup Terrace team also assists with entrepreneur visa applications and applications to the Startup Terrace coworking space and residence, which startups can use for one year as a business base in Taiwan.

Learn more: **https://www.startupterrace.tw/en/cp.aspx?n=1675**

Talent Taiwan

ENGAGING TALENTS CONNECTING FUTURES

Talent Taiwan is a comprehensive resource hub under the National Development Council that works to attract foreign talents across various fields and offers support to foreigners when they arrive in Taiwan. The organization works to address common challenges that foreigners face while living in Taiwan. It is the go-to destination for anyone beginning their journey in Taiwan and provides support with employment, housing, banking, education, taxes, visas, and more.

TALENT TAIWAN

Talent Taiwan provides comprehensive consultation and support services for foreigners looking to settle in Taiwan, including facilitating connections to industry contacts, offering job matching and relocation assistance, and helping overseas professionals settle in Taiwan. It also provides connections with Taiwan's wealth of resources available to help professionals achieve their personal and professional goals and make Taiwan into a second home.

Talent Taiwan Bilingual Help Desk

Available to support visa applicants and current residents for any questions about moving to Taiwan or life when you arrive.

+886 2-7733-7660

For more information

Talent Taiwan Website

Talent Taiwan Instagram

On-Site Consultation by Appointment

Talent Taiwan Taipei Office
2F, No. 9, Lane 85, Songjiang Road, Zhongshan District, Taipei City

Talent Taiwan Central Taiwan Office
2F, No. 40, Jinping Street, North District, Taichung City

Talent Taiwan Southern Office
8F, No. 6, Zhengnan Street, Lingya District, Kaohsiung City

Visa Programs

Taiwan hopes to attract up to 400,000 global talents across various fields by 2030. A variety of visa opportunities are available to foreigners looking to settle in Taiwan. Whether to start a business, seek long-term employment, or live as a digital nomad, Taiwan has a visa to fit an array of needs.

Taiwan Employment Gold Card

The **Taiwan Employment Gold Card**, overseen by the International Talent Taiwan Office, was launched in 2018 and is the most flexible visa option for foreigners looking to set up their life in Taiwan. The 4-in-1 Employment Gold Card includes a resident visa, work permit, Alien Resident Certificate (ARC), and a re-entry permit. The work permit allows cardholders to freely seek employment, obtain employment at any time, legally work any part time job, and freely change jobs, offering a higher level of employment flexibility than a regular work permit. The resident visa allows cardholders to stay in Taiwan for more than 180 days. The Alien Resident Certificate (ARC) is a physical ID card proving the cardholder's legal residence status in Taiwan. The re-entry permit allows unlimited exit and entry from Taiwan during the card's validity period of 1-3 years.

Eligibility for the Taiwan Employment Gold Card is based on professional skills and does not require the applicant to have already secured a job in Taiwan. Benefits of holding the Taiwan Employment Gold Card include open and flexible employment options, eligibility for a 50% tax exemption on salary income exceeding $3 million NTD in their first five years, and a three year fast track to permanent residency in Taiwan. Employed cardholders can directly join Taiwan's National Health Insurance (NHI) and bypass the six month waiting period.

To learn more about the Taiwan Employment Gold Card, visit
goldcard.nat.gov.tw/en

Taiwan Entrepreneur Visa

The **Taiwan Entrepreneur Visa** is designed for entrepreneurs looking to develop their business in the Taiwan market or start a business in Taiwan. Applicants do not need to have an existing company to receive the visa which is valid for up to two years and eligible for renewal. Entrepreneurs seeking the Entrepreneur Visa can apply as an individual or with a team. To qualify for the Entrepreneur Visa, applicants must have gained investment, been admitted to an approved startup accelerator, been awarded a patent, gained plant or animal naming rights, been awarded prizes from a recognized competition, been recommended by the government, or established a recognized startup business.

To learn more about the Taiwan Entrepreneur Visa, visit
www.sme.gov.tw/article-en-2618-7911

Taiwan Digital Nomad Visa

Taiwan's Digital Nomad Visa offers a six month stay in Taiwan designated for remote workers, renewable for up to two years. Applicants must hold a passport from existing visa-exempt countries, provide proof of income, an overseas work contract, and proof of international health insurance in addition to other supporting documents.

To learn more about the Taiwan Digital Nomad Visa, visit
https://www.boca.gov.tw/cp-158-7718-c0382-2.html

3 Taiwan Open For Investment

Early-Stage Investment Overview

Investor Features

Taiwan's robust early investment scene holds many opportunities for investors to drive cutting-edge innovation across different industries and startup stages. With insights drawn directly from the Taiwan Institute of Economic Research and Taiwan's investors, this section portrays the strengths, advantages, and challenges within Taiwan's investment landscape.

Taiwan's Early-Stage Investment Landscape: A Decade of Resilience

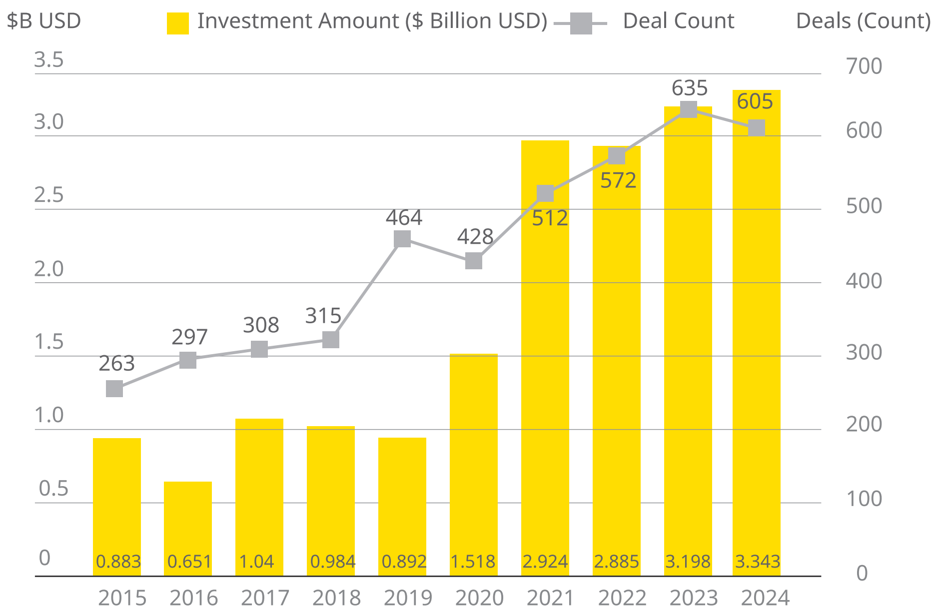
Since 2021, Taiwan's startup investment landscape has entered a period of robust expansion. Defying the "funding winter" that cooled global markets, Taiwan's early-stage investment ecosystem reached a historic peak of $3.34 billion USD in 2024. This counter-cyclical growth underscores a maturing ecosystem anchored by Taiwan's deep industrial expertise and proactive policy frameworks.

Over the past ten years, Taiwan has recorded 4,500 investment deals with a cumulative value of $18.95 billion USD. The market's evolution has been defined by two critical inflection points. In 2019, the The National Development Fund (NDF) launched its Business Angel Investment Program, acting as a catalyst that sparked a surge in early-stage deal flow. From 2020-2021, the global push for a net-zero transition funneled significant capital into energy efficiency, renewables, and storage solutions, driving a sustained upward trajectory in Taiwan's total investment volume.

Taiwan's momentum remained strong in 2024, with 605 deals and a cumulative funding amount of $3.34 billion USD. Notable investment cases in 2024 included: Full-Heart Medical (Healthcare), AP&C Energy (Renewables), KKday (Travel Tech), Botrista (Robotics/F&B), and TXOne Networks (Cybersecurity).

The first quarter of 2025 saw $640 million USD in funding deployed across 101 deals. Investors are focusing on startup quality, allocating capital to startups with high-growth and global market potential. Notable 2025 Q1 deals include Taiwan Bio-Manufacturing Company (TBMC), Graid Technology, Health2Sync, and Graphen AI.

2015-2024 Taiwan Early-Stage Investment Value and Deal Count



Data Period: 1/1/2015-12/31/2024
Source: FINDIT, Taiwan Institute of Economic Research (TIER)

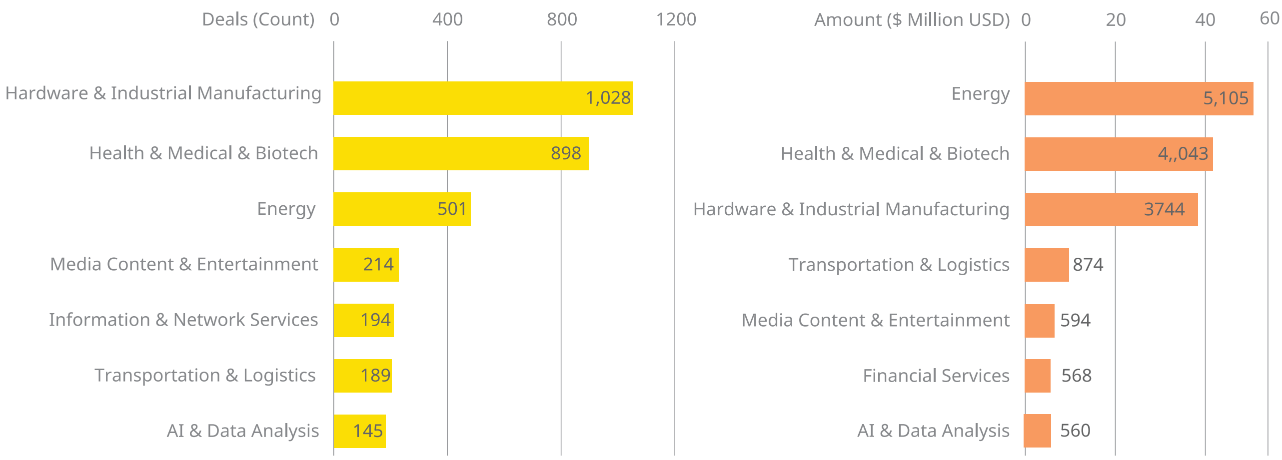
Sector Dominance and Evolving Investment Trends

From an industry perspective, Taiwan's startup ecosystem is anchored by three primary pillars: Hardware & Manufacturing, Health & Biotech, and Energy. Hardware and Industrial Manufacturing remains the most prolific by volume, recording 1,028 deals and a transaction value of $3.74 billion USD between 2015 and early 2025. Leveraging Taiwan's electronics infrastructure, this sector has expanded from established players like Hon Precision and Global Magic into AI-driven growth with MG Cooling and AionChip, alongside emerging drone specialists like Tron Future Tech and Manta Ray.

The Health, Medical, and Biotechnology domain leads in total capital deployment at $4.04 billion USD across 898 deals, driven by high barriers to entry and AI-driven clinical research. Benchmark firms such as AltruBio, Syncell, and Jubo Health reflect a market shift toward sophisticated, data-driven, and scalable healthcare solutions.

Taiwan's Energy sector has seen the most dramatic surge, accumulating $5.11 billion USD across 501 deals, notably exceeding $1 billion annually in 2023 and 2024. This growth, led by companies like APh ePower and Hydrogen Green Energy, aligns with a broader rise in Sustainability and Impact initiatives, signaling that green energy and circular economy projects have become essential to the Taiwanese investment narrative, and responding to the global mandate for net-zero emissions and green energy transition.

2015-2025 Q1 Early-Stage Investment Deal Count and Value by Top Sectors



Data Period: 1/1/2015-3/31/2025, excluding convertible bonds
Source: FINDIT, Taiwan Institute of Economic Research (TIER)

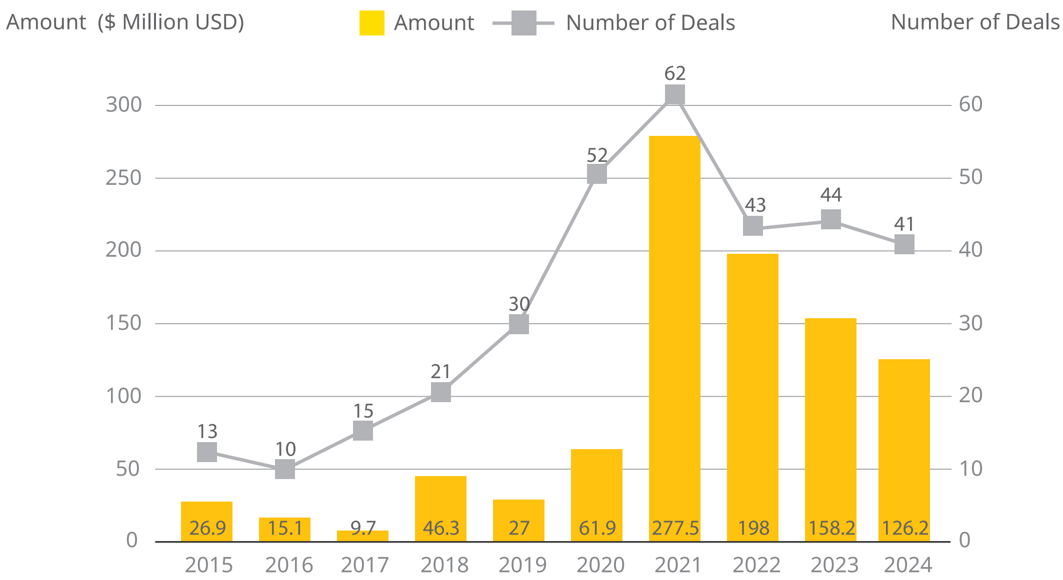
Angel Investment Landscape

Angel investors play a pivotal role in Taiwan's innovation economy, providing not only essential seed capital but also the strategic mentorship and networking required to navigate the high-risk early stages of venture building. In this ecosystem, investment decisions are primarily driven by the founding team's execution capabilities, the scalability of the market, and long-term industry outlooks.

Taiwan’s angel community is structured around two distinct pillars: alumni-driven networks and professional private organizations. The former is represented by deep-rooted groups such as the NCTU Angel Club, Taipei Angels Investment (TA), and the National Taiwan University Entrepreneurship Center Angel Investor Club, while the latter includes influential private syndicates like Smart Capital (識富天使會) and AVA Angels (安發天使投資). Beyond these organizations, individual high-net-worth investors, often successful entrepreneurs themselves, remain the primary engines of deal flow. Of the 338 angel deals recorded between 2015 and Q1 2025, individual angels participated in nearly 50%, with activity accelerating significantly in recent years.

During the decade leading up to 2025, Taiwan’s angel investment scene has seen a marked professionalization. After peaking at 62 deals in 2021, the market has settled, averaging approximately 42 annual deals since 2022. In 2024 alone, angel investors deployed $126.2 million USD across 42 deals. Notably, the momentum is heavily weighted toward the present; nearly half of all deals since 2015 occurred within the last three years. The vast majority of this capital is concentrated in the earliest phases of growth, with over 60% of transactions classified as Seed or Angel rounds, and the remainder largely falling within the pre-Series A bracket.

2015-2024 Taiwan Angel Investment Deal Count and Value Change



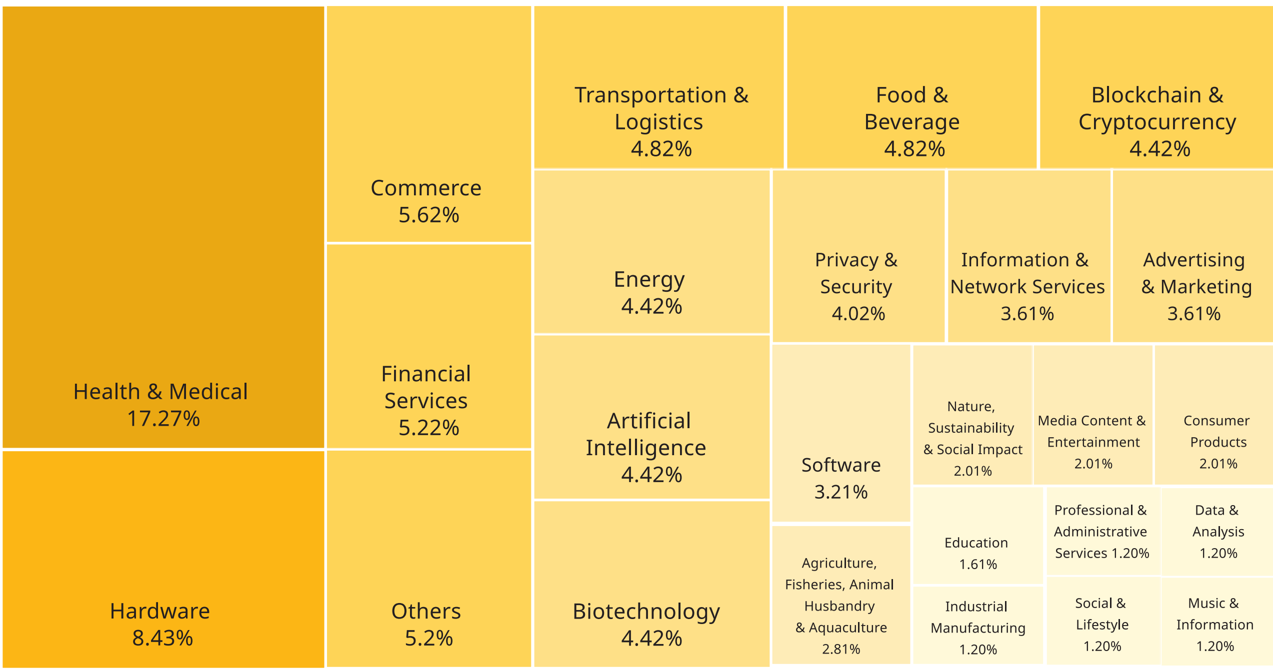
Data Period: 1/1/2015-12/31/2024
Source: FINDIT, Taiwan Institute of Economic Research (TIER)

Between 2020 and the first quarter of 2025, angel investment activity in Taiwan centered on six key domains: Health and Medical, Hardware, Commerce, Fintech, Transportation & Logistics, and Food & Beverage. Health & Medical accounted for 17.27% of all angel investment deals. Within this vertical, medical devices accounted for a quarter of the sector's deal flow. Individual angels were particularly active, closing eight distinct deals, including Juyang Medical Device (巨暘醫療器材), Precisely Printed Medical (品醫生技), and EndoSemio (安德斯醫學科技). Hardware followed with 21 deals, spanning semiconductors, electronics, and drones.

Consumer-facing and service sectors rounded out the top rankings, with Commerce (5.62%) and Financial Services (5.22%) showing strong early-stage momentum. 80% of Commerce deals were concentrated in the seed round. Notably, Direct Current (直流電通) and ViewEC (視宇股份有限公司) progressed beyond Seed to Series A funding rounds. In contrast, the fintech space remained almost entirely pre-series A, with RobinsTech (羅賓斯科技) as the representative case of 2024.

Transportation & Logistics and Food & Beverage, each captured 4.82% of Angel investment deals from 2020 through the first quarter of 2025. Transportation reached the top five Angel investment industries for the first time, fueled by 12 deals primarily clustered between 2020 and 2023. Representative Angel investment cases in this sector included Jesper (捷博股份有限公司) and LOOP Car Share (路朋科技). Meanwhile, the Food & Beverage industry had the same deal volume, also capturing 4.82% of Angel investment cases. While startups such as 3 SQUARE (三食櫃) and Lypid (活優科技) previously secured million-dollar rounds, the former has since undergone liquidation, highlighting the volatility of early-stage hospitality tech.

2020-2025Q1 Angel Investment Sector Distribution



Data Period:1/1/2020-3/31/2025, Excludes convertible corporate bonds
Source: FINDIT, Taiwan Institute of Economic Research (TIER)
The FINDIT platform underwent a reclassification of startup sectors in 2025; therefore, the sector categories differ from those in previous analyses.

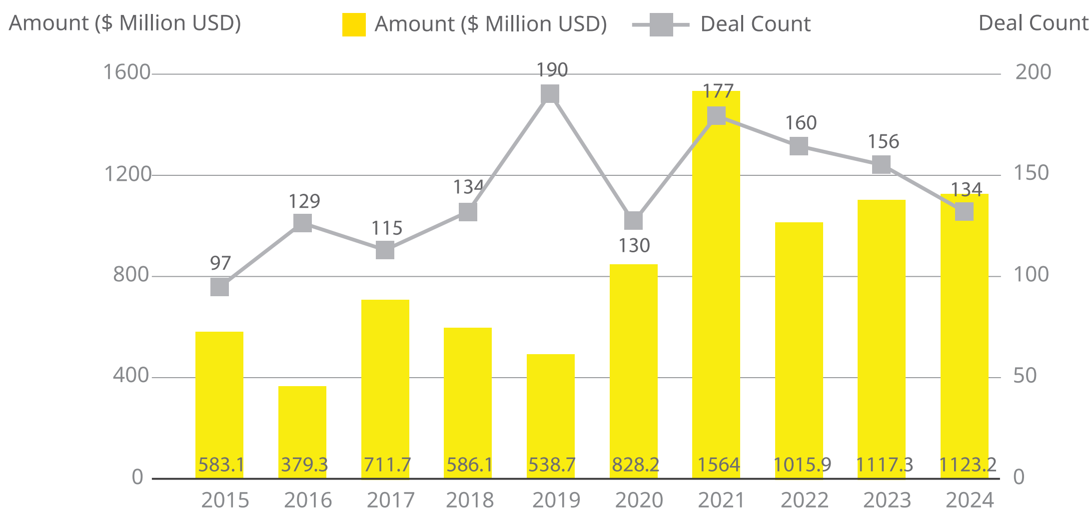
Venture Capital Investment Landscape

Taiwan's venture capital market has undergone a fundamental structural transformation over the past decade, with 2021 serving as a definitive turning point for the ecosystem. During 2021, total investment deals reached 177, driving the total market value to a historical high of $1.564 billion USD. Prior to this shift, the annual investment scale of Taiwan's VC market typically averaged approximately $600 million USD; however, between 2022 and 2024, the annual average surged to roughly $1 billion USD. Although the absolute number of transactions has seen a slight decline in recent years, the sustained increase in total value indicates a significant rise in the average investment size per deal compared to previous years.

This trend toward larger capital injections is especially pronounced in deals exceeding $10 million USD. Between 2015 and 2020, such high-value transactions accounted for only 9% of total market activity. From 2021 through the first quarter of 2025, this proportion has surged to 19%, signaling that high-value investment cases have become more normalized in the current market. In 2024 alone, Taiwan's venture capital sector participated in 134 startup investment deals with a cumulative value of $1.123 billion USD. The Health & Medical sector has emerged as a forerunner, capturing approximately half of the large-scale investment cases between 2023 and 2024.

Key venture capital transactions in the Health & Medical sector include Acepodia Biotechnologies (育世博生物科技), which completed its Series D funding, and AltruBio (全心醫藥), which finalized a significant Series B round. This momentum continued into the first quarter of 2025, where Health & Medical accounted for six of the eight largest deals, the most substantial being the Taiwan Bio-Manufacturing Company (TBMC). Beyond the medical sector, significant capital flows have been directed toward diverse technology fields, including notable 2022 investments in TXOne Networks (睿控網安) and Phoenix Pioneer Technology (恆勁科技), followed by more recent 2025 funding rounds for Graid Technology (圖睿科技) and Semisils Applied Materials (光宇應用材料).

2020-2024 Venture Capital Investment Deal Count and Value Change



Data Period: 1/1/2015-12/31/2024

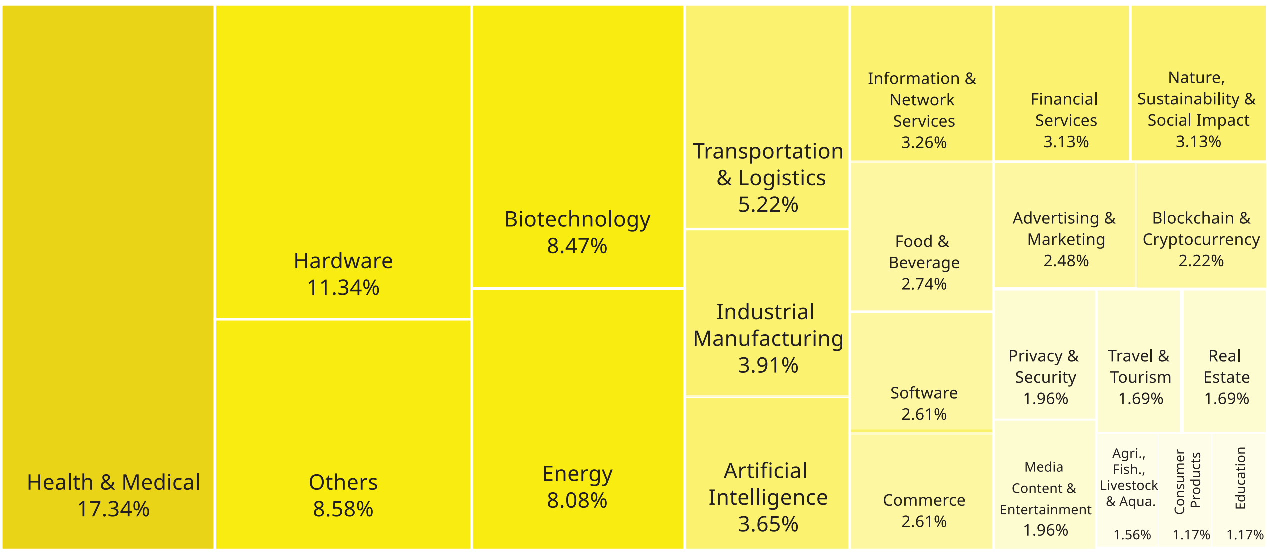
The Taiwanese venture capital market has been led by four primary fields over the past four years: Health & Medical (17.34%), Hardware (11.34%), Biotechnology (8.47%), and Energy (8.08%).

The Health & Medical sector saw 136 total investment deals, driven largely by robust activity within the medical device and biotechnology sub-domains. Within the medical device segment, deal flow was heavily concentrated during the post-pandemic recovery period of 2022 to 2023. By 2024, activity shifted toward more mature, later-stage investments, featuring prominent deals for APrevent Medical (宇康生科), Win Coat Corporation (怡定興科技), Horien Biochemical Technology (海昌生化科技), WeMED Bio-Tech (聯創生醫), and Juyang Medical Device (巨暘醫材). Key institutional players driving this domain include Taiwania Capital, CDIB Capital, and BE Health Ventures.

The Hardware domain follows as the second most active sector, representing 11.34% of the market with 89 deals. This field is characterized by high-capital intensity, with approximately 30% of investments exceeding $10 million USD, predominantly focused on semiconductors and electronics. Notable 2024 transactions included Hon.Precision (鴻勁精密), LINCOTEC (淩嘉科技), and CSMC Technology (中顯電子), with consistent backing from ITIC, Taiwania Capital, and Fubon Financial Holding.

Biotechnology and Energy maintain significant market presence as the third and fourth most active sectors respectively. The Biotechnology sector recorded 44 deals over the last five years, with a concentration of activity between 2021 and 2023 focusing on post-Series A funding. Recent 2024 cases include Full-Heart Medical and Yoda Pharmaceuticals (思捷優達), supported by Darwin Ventures and Harbinger Venture Capital. Meanwhile, the Energy domain accumulated 66 deals. A notable deal was GreenRock Energy (綠岩能源) securing a $10 million USD Series B in 2024. The sector's momentum has accelerated into 2025 with three deals exceeding $100 million USD, fueled by the participation of major financial entities including Fubon, Cathay Venture, and E.SUN Venture Capital.

2020-2025Q1 Venture Capital Industry Domain Distribution



Data Period:1/1/2020-3/31/2025, Excludes convertible corporate bonds
Source: FINDIT
The FINDIT platform underwent a reclassification of startup sectors in 2025; therefore, the sector categories differ from those in previous analyses.

Corporate/Corporate Venture Capital Investment Landscape (C/CVC)

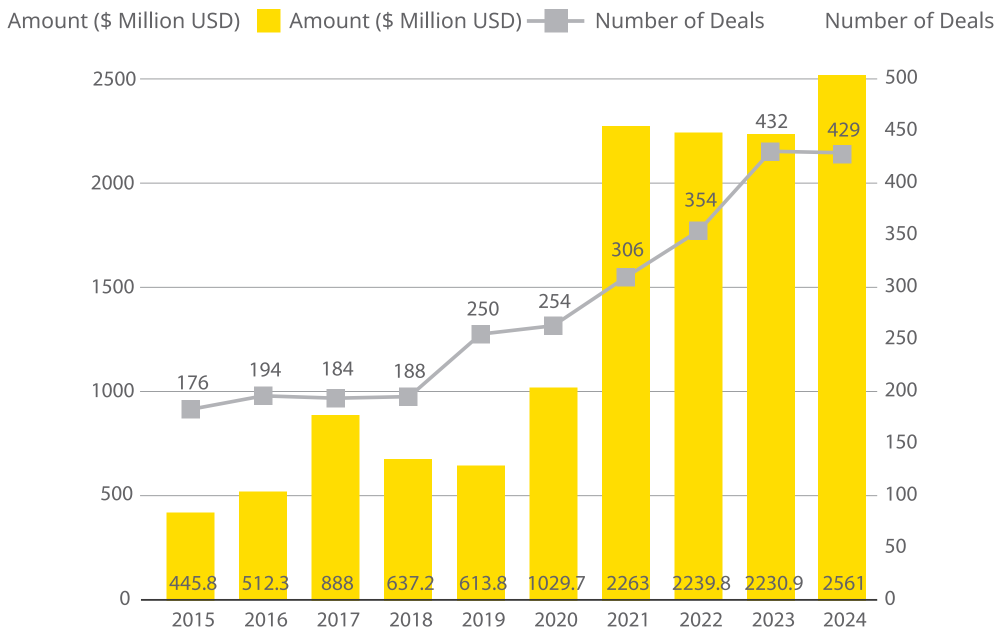
Corporate entities and CVC arms serve as a vital capital foundation for Taiwan's startup ecosystem, prioritizing strategic synergy and resource sharing over purely financial returns. By leveraging proprietary technology and established channels, these investors accelerate startup scaling while helping corporations diversify their market reach. Despite global fluctuations and a cooling deal climate across Asia, Taiwan has remained a resilient outlier.

Between 2021 and 2024, Taiwan's CVC momentum intensified as deal volume and value nearly doubled compared to pre-2020 levels. In 2024, annual deal counts reached 429, highlighted by 64 "mega-deals" exceeding $10 million USD. These were primarily concentrated in the Energy and Healthcare sectors, which acted as the market's primary engines with a combined investment value exceeding $1 billion USD.

The hardware sector also maintained high deal frequency, signaling a renewed corporate focus on semiconductor-related innovations. Furthermore, CVCs are increasingly active in early-stage financing, participating in 40% of seed and angel rounds between 2020 and 2023, a rate that often outpaces traditional venture capital firms. This reflects a significant strategic appetite for startups even before they reach market validation.

In 2025, the ecosystem matured further as successful mature startups like 91APP and KKCompany began acquiring or investing in newer ventures. These consolidations, including the merger of LINE TV and KKTV, indicate a shifting tide where first-generation successes are now becoming the strategic investors of the future.

2015-2024 C/CVC Investment Deal Count and Value Change



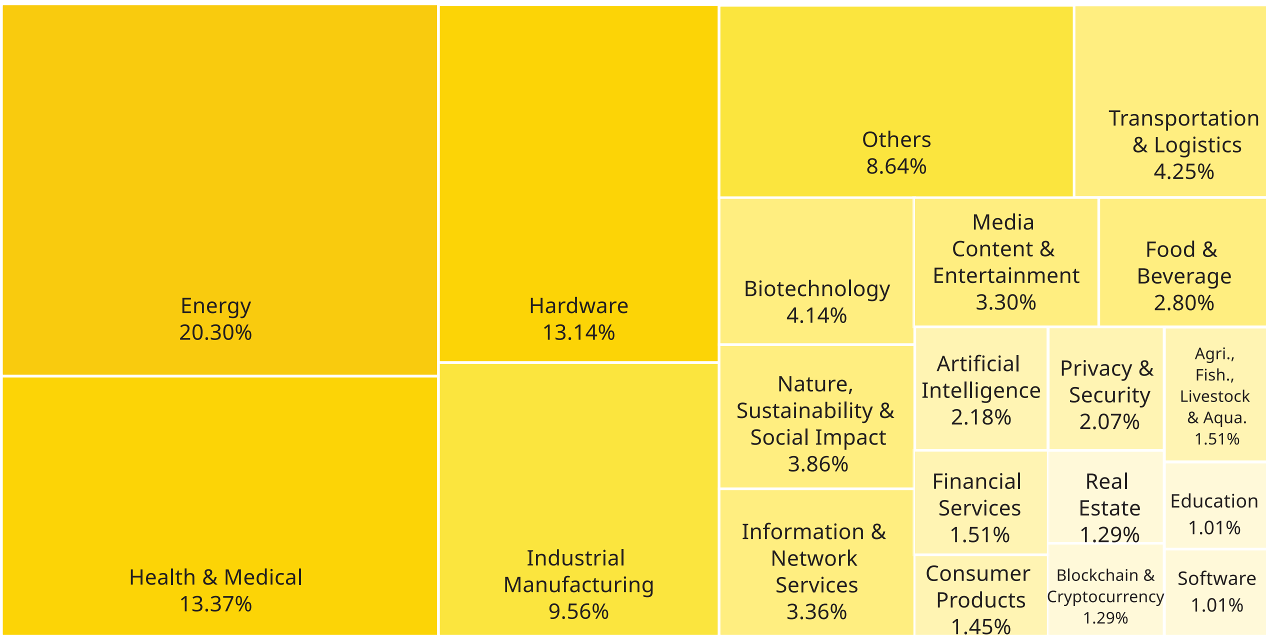
Data Period: 1/1/2015-12/31/2024
Source: FINDIT, Taiwan Institute of Economic Research (TIER)

An analysis of the CVC investment industry distribution reveals a trend of corporate focus consisting of Energy (20.30%), Healthcare & Medical (13.37%), and Hardware (13.14%). These three attract a high concentration of CVC deals, creating a significant statistical gap between them and other industries. The fourth-ranked Industrial Manufacturing sector accounts for 9.56% of deals, while the fifth and sixth positions, Transportation & Logistics and Biotechnology, both account for less than 5% of CVC deals.

A closer look at specific domain shifts shows that Energy investment grew by nearly 2% from 2023-2024. This sector has successfully attracted capital from major life insurance providers like Shin Kong, Fubon, Cathay, and China Life, alongside optoelectronics leaders such as AUO and LITEON. Most activity is centered on renewable energy, with solar power and battery-related technologies as the primary focus. While the deal count in the Healthcare & Medical domain closely rivals that of Energy, there is a notable disparity in capital allocation. Biotechnology attracted a cumulative $508 million USD, more than double the $225 million USD directed toward medical devices. Meanwhile, Hardware investment remains deeply rooted in the electronics sector, drawing broad participation from active investors like Etron Technology and LITEON Technology.

Regarding individual corporate performance from 2022 through the first quarter of 2025, several entities have demonstrated strong investment momentum. Wistron and its subsidiaries stand out as premier CVC players, executing over 20 deals within the last three years alone. While their core focus remains on Healthcare & Medical fields, they maintain a diverse reach into Artificial Intelligence, Energy, Hardware, and Advertising. Anji Technology has also been a prolific investor with approximately 20 recent deals; since 2015, their cumulative portfolio exceeds 30 cases, primarily focused on Industrial Manufacturing. Additionally, firms like Taya Electric Wire & Cable and its venture arm, Taya Venture Capital, have also surpassed the 20-deal milestone in this recent three-year window, solidifying their roles as major catalysts in Taiwan's investment landscape.

2020-2025Q1 C/CVC Investment Industry Domain Distribution



Data Period:1/1/2020-3/31/2025, Excludes convertible corporate bonds
Source: FINDIT, Taiwan Institute of Economic Research (TIER)
The FINDIT platform underwent a reclassification of startup sectors in 2025; therefore, the sector categories differ from those in previous analyses.

Taiwania Capital: Prescription for Globalizing Taiwan's Biotech

台杉投資
TAIWANIA

Founded in 2017 under a presidential directive, Taiwania Capital is frequently subject to a fundamental misunderstanding. "A lot of people mistake us as a sovereign fund," explains Michael Huang, Managing Partner of the Bio Fund. While the government-backed National Development Fund (NDF) acts as a crucial anchor investor, Huang clarifies that Taiwania is a "national investment company" operating as a private fund managed by professionals, with the goal to generate returns for its private limited partners. Today, the firm manages over $1.1 billion across 8 funds, with approximately 43% of that capital dedicated to a diverse healthcare portfolio.

A Robust Ecosystem with a Scaling Problem

Assessing the landscape in 2025, Huang describes Taiwan's startup ecosystem as "robust and vibrant," observing a particularly energetic transformation within the Healthcare and Biotech sectors. This momentum is driven by a significant cultural shift among the nation's scientific elite. Historically, academia was a comfortable end-goal for researchers and biotech scientists. Now, Huang observes that professors and Principal Investigators are increasingly willing to leave their "comfort zone" to commercialize their research.

The ecosystem boasts distinct strengths: high-quality human capital, reasonable costs compared to the U.S., and a work ethic where teams are willing to put in longer hours. However, a critical gap remains. Unlike Japan, which possesses industry titans like Takeda or Astellas, Taiwan lacks domestic "Big Pharma" companies to acquire startups. This absence creates a "glass ceiling" for exits; while U.S. biotechs might sign billion-dollar licensing deals, Taiwanese companies often settle for deals in the hundreds of millions due to a lack of business development intelligence regarding what global pharma giants actually need.

The Necessity of Cross-Border Partners

To bridge this gap, Taiwania Capital advocates a strategy of active integration with international venture capital networks and global strategic partners. Huang views venture capital as a "very local industry," meaning that successfully entering a foreign market requires local guides. Consequently, co-investing with foreign capital is not just a luxury, it is a "necessity." Whether leading deals in the U.S. or bringing Japanese investors to Taiwan, Huang argues that diversity in the investor base brings the "different perspectives" required to navigate complex regulatory and commercial landscapes.

Elixiron's pre-IPO briefing, ahead of its official listing on the Emerging Stock Market on January 13.
Right 1: Michael Huang, Managing Partner of Bio Fund, Taiwania Capital Management.
Right 2: Jerome Shen, General Partner of Bio Fund, Taiwania Capital Management.
Right 5: Hung-Kai Chen, Founder, Chairman, Chief Executive Officer, and Chief Medical Officer of Elixiron Immunotherapeutics.

The Human Element of Due Diligence

In a sector often obsessed with technical data, Huang's approach to due diligence is deeply human-centric, shaped by his past experience as a CEO of a drug development company. He empathizes with the operational "ins and outs" of negotiating manufacturing contracts and the grueling months required to secure ISO certifications. However, empathy does not equal leniency. "If [you] have good technology but an unqualified team, then that will be very challenging to succeed," he asserts. He looks for financial discipline, specifically, whether a team spends capital on essential talent rather than unnecessary expenses. Crucially, he tests for honest communication between founders, the board, and partners within an organization.

A Global Lens on Startup Cultures

Taiwania's global footprint has given Huang a comparative view of startup cultures, revealing a mosaic of distinct regional characteristics. In the United States, high professionalism and entrepreneurship are the norms, though the high cost of talent leads to rapid burn rates, and professional managers sometimes lack the "grit" of founders when facing crises. This contrasts sharply with Japan, which is historically conservative; while the quality is high, a cultural fear of failure often makes scaling difficult, though the market is gradually opening up. Meanwhile, China has evolved from a manufacturer of generics to a sophisticated "second mover," utilizing vast resources and speed to modify and scale innovations like ADCs and PD-1 inhibitors. In Europe, investors must navigate cultural nuances regarding labor laws and work-life balance, such as extended summer holidays that can slow operational momentum. Finally, Taiwanese founders are characterized by their entrepreneurial spirit but sometimes suffer from being too "frugal." Huang frequently finds himself in the unique position of telling portfolio companies to "spend faster" to reach their milestones effectively.

From left to right: Louise Chang, Managing Director, Chief of Staff to President & VP of New Markets of Rakuten Medical; Minami Maeda, President of Rakuten Medical; Michael Huang, Managing Partner of Bio Fund, Taiwania Capital Management; Jerome Shen, General Partner of Bio Fund, Taiwania Capital Management

The Path Forward

Looking toward the future, Huang identifies a strategic opportunity for Taiwan to replicate its semiconductor success in biology through Contract Development and Manufacturing Organizations (CDMOs). Just as TSMC became the world's foundry, Huang believes Taiwan's manufacturing DNA positions it to become a global hub for biotech production. However, the ecosystem is evolving beyond its manufacturing and hardware foundation into a new era of innovative product creation.

This shift is evident in Taiwania's investment in Syncell, a Taiwanese biotech company with breakthrough "pickable" microscopy technology. Syncell proves that even with world-class science, Taiwanese startups still run into the same wall: a home market that is just too small for specialized tech to truly take off. Taiwania's role was to help them navigate corporate governance and push for global sales in the U.S. market, as the local market was insufficient for their ambitions.

For founders looking to go global, Huang offers advice grounded in realism. "Not everybody can be Elon Musk," he says, urging founders to check their egos. He encourages founders that resilience is the most valuable asset. "Always be ready for rainy days," Huang warns, noting that in the biotech sector, "crap happens, and it happens on a daily basis."

WI Harper: Bridging the Gap Between Ambition and Execution

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WI HARPER GROUP

SAN FRANCISCO | TAIPEI | BEIJING

For over three decades, WI Harper Group has focused on building history rather than just companies. With more that $1 billion USD under management and managing 13 funds and a diverse portfolio from hubs in San Francisco, Taipei, and Beijing, the firm balances the boldness of venture capital with the prudence of seasoned execution. WI Harper is among the earliest venture capital institutions in Asia to operate with a truly cross-border mindset. WI Harper has consistently backed frontier technologies long before they became market consensus, demonstrating a willingness to take bold, long-term bets while maintaining exceptional discipline in execution.

The Global Mindset Gap

Kelvin Sun, a Partner at WI Harper identifies a recurring challenge known as the global mindset gap, where vision exists without a corresponding roadmap. Many founders articulate strong international ambitions and impressive Total Addressable Market figures without acknowledging the competitive landscape or the milestones required to capture value. Kelvin notes that, in order to find success in overseas markets, founders must demonstrate a well-researched and realistic awareness of the local market, including their local competitors, the local business landscape, and their uniqueness within the market. When founders cannot articulate where they stand globally, their ambitions risk remaining aspirational rather than executable. WI Harper's role is to sharpen this positioning, helping founders realize the clarity of purpose and self-awareness necessary to execute their ambitions into durable scale.

The Structural Advantage: Simultaneously Global and Local

The structural strength of WI Harper lies in its ability to operate as both a global and deeply local investor. Each local team in its offices in San Francisco, Beijing, and Taipei develops unique local market intelligence, enabling the firm to navigate the complexities of global expansion unique to each market, such as regulatory constraints, institutional incentives, customer adoption behaviors, and monetization mechanisms. Bridging this knowledge deficit turns international growth into a process of careful engineering rather than a leap of faith, allowing WI Harper to sync resources across the United States, Taiwanese, and Chinese markets to act as a bridge that a purely local firm could never access.

The Investment Thesis: Seeing Value Beyond the Trend

This philosophy of grounded growth extends to how WI Harper evaluates new technology. WI Harper prioritizes economic fundamentals over market consensus, seeking out AI applications that create new revenue streams rather than just marginal efficiency gains. For instance, when evaluating startups creating AI applications, the firm prioritizes metrics like margin generation over mere automation. Kelvin emphasizes that the best startups “know their AI is actually helping their business to thrive,” and leverage AI to fundamentally improve their business model, generating more value, higher margins and enhancing a startup’s competitive advantage.

Case Study:
Guiding AIM's Global Ambition

This was particularly relevant during WI Harper’s investment in AIM (Artificial Intelligence Medical), a startup focused on osteoporosis screening. AIM leverages AI to conduct osteoporosis screening via standard X-rays at local clinics, creating a mechanism for early detection in super-aged societies like Taiwan and Japan. AIM’s team has deep industry knowledge and experience, featuring an orthopedic surgeon and a CEO with a deep connection with Japan. Early on, however, AIM sought to expand simultaneously into multiple international markets, including Taiwan, Japan, and Vietnam, despite having a relatively small organization. WI Harper identified this as a moment where ambition risked outrunning structural readiness.

Rather than discouraging globalization, the firm advised a change in sequence, encouraging AIM to focus first on validating its business model in a primary market to strengthen pricing discipline, operational workflows, and revenue predictability. Only after establishing repeatability would international expansion become defensible. This guidance reframed globalization from a race of speed into a process of structural maturity, preserving AIM’s long-term ambition while reducing near-term execution risk.

Kelvin Sun, Partner, WI Harper

Avoiding the Knowledge Deficit

Through this careful sequencing, WI Harper ensures that their portfolio companies are not just chasing trends, but are building sustainable enterprise value. When AIM considered entering the Chinese market, WI Harper’s Beijing investment team provided an early insight into a significant mismatch between the startup's model and the commercial realities of the local healthcare landscape. This local market intelligence helped AIM bridge a market “knowledge deficit,” avoiding a costly misallocation of capital and time. By distinguishing theoretical opportunity from practical readiness, WI Harper ensures that when their startups finally do go global, they possess the structural maturity to compete and endure.

Conclusion

WI Harper’s team emphasizes that a successful ecosystem requires more than just capital; it requires discipline. The key to sustainable growth lies in finding the precise balance between ambition and execution. Founders must pursue a global mindset from day one, but they must balance global expansion with local validation. They must be bold, but strengthen boldness with structure in order to build lasting growth.

AppWorks: Community and Capital Across Asia

AppWorks

In the hardware-heavy landscape of Taiwan's economy, shaped by 1980s-era semiconductor success, software founders used to be outliers. When AppWorks launched in 2009, it bet on these founders, aiming to support a software sector that was largely ignored by traditional investors. Today, that bet has matured into a unique dual-model powerhouse that functions as both a community-driven mentor and an experienced global venture capital player. Principal at AppWorks, Sophie Chiu, spearheads the firm's AI investment team, and supports founders through a landscape of intense technological change and regional economic shifts.

The Dual Model: A Community Without a Price Tag

What sets AppWorks apart from traditional accelerators is its foundational philosophy of being equity-free and cash-free. Since its inception, the organization has prioritized a community-first orientation, welcoming over 2,000 founders into its ecosystem without the immediate pressure of dilution. "When you don't have a price tag, you can serve founders regardless of their stage," Sophie explains, noting that the accelerator serves as a parallel engine to their investment arm. This model has proven sustainable and highly successful, with an alumni pool of over 650 startups from its accelerator program. Drawing on this pipeline, AppWorks recently closed its fourth fund at $165 million USD, backed by highly active sovereign wealth funds including Taiwan's National Development Fund, the Korean Investment Corporation, and Malaysia's Kazana. This allows AppWorks' Venture Capital arm to act as an independent financial driver, making global early-stage investments in AI and Web3.

The Unique Advantage of Taiwan's Capital Markets

While much of the global focus has traditionally been on Hong Kong or Southeast Asia, Sophie points out that Taiwan's capital markets offer a unique, often underappreciated, advantage for startup exits. Despite being half the size of Hong Kong's market in terms of total market capitalization, the Taiwan Stock Exchange (TWSE) has a turnover rate of 135.4% in terms of trading value, ranking it higher than Hong Kong, Singapore, New York, NASDAQ, and Japan markets, reflecting high liquidity. "Taiwan's capital market is much stronger in visibility compared to Singapore or Indonesia," Sophie says, noting that global asset managers are already active in Taiwan to trade giants like TSMC. This liquidity supports earlier startup exits via IPOs, providing a viable path for companies that might otherwise struggle to find acquirers in the less acquisitive Asian market.

Team AppWorks at Taipei Headquarters

Navigating the Southeast Asian "Capital Winter"

This stability stands in stark contrast to the Southeast Asian market, which Sophie describes as entering a "capital winter." Following a period of hyper-investment between 2015 and 2021, the region has cooled significantly due to interest rate hikes and risk aversion. The shift reveals a harsh reality: many markets were smaller than investors initially calculated, with VC returns in Southeast Asia averaging just 1.3x over the last decade, compared to 2x in China. "Taiwan's unique economic structure continues to support investment appetite into innovation," Sophie observes, contrasting this with the current hesitancy seen in neighboring domestic markets.

The Vetting Process: 3H + Delta

To identify the leaders capable of navigating these global shifts, AppWorks utilizes a screening framework known as "3H plus Delta." The framework begins with "Heart," representing the ambition and determination required to build a billion-dollar company. This is followed by "Head," which refers to strategic thinking and the ability to find unique insights, and "Hand," which focuses on execution and the speed at which a founder can deliver quality results. The most critical component is the "Delta," or the fourth dimension, which measures the speed of personal change and how fast a founder learns from their mistakes. Sophie believes that while a founder must be a dreamer to believe in the low odds of startup success, their ambition must eventually drive them to face challenges and iterate rapidly.

AppWorks Accelerator #30 on Yangmingshan in Kick-Off Retreat

Advice for future entrepreneurs

As a final word of guidance for those building in this new era, Sophie Chiu offers a straightforward perspective: "Listen to the market. Don't listen to the investor." In an environment of shifting investment trends, she argues that founders must remain "cold-blooded" about their approach and prioritize actual market demand over the projections of financiers.

To support startups in staying closely attuned to the evolving market, AppWorks hosts ongoing technology knowledge-sharing initiatives. These sessions, such as the monthly AI Founder Circles (hosted in collaboration with Google Cloud), provide a platform for founders to exchange best practices on system architecture and execution, helping them stay grounded in the technical realities required to scale successfully while cutting through the hype.

Beyond AI-focused discussions, AppWorks also cultivates an active founder community through a wide range of thematic and stage-specific programs, including Smart Manufacturing Startup Meetups, CEO Workshops, and B2B Strategy Workshops. These community-driven activities bring together founders, operators, and industry experts to share practical insights on go-to-market strategies, organizational scaling, and cross-industry collaboration, reinforcing peer learning and long-term network effects across the AppWorks ecosystem.

Darwin Ventures: Increasing Valuation Through Cross-Border Capital

Darwin
達盈管顧

Founded in 2009 by Stanford PhD classmates Dr. Simon Fang and Dr. Yaoting Wang, whose collective experience spans Texas Instruments, UMC, and successful NASDAQ exits, Darwin Ventures is a premier cross-border venture firm led by a diverse partnership of Stanford alumni and "new economy" veterans. Drawing on deep roots in the island's hardware heritage, the firm's early investments naturally mirrored Taiwan's strengths in ICT and semiconductor design. However, as their focus has evolved along with the global technology landscape. The firm first invested in Japan in 2018 and solidified its presence in Japan by establishing a Tokyo office in 2023. Darwin has rapidly scaled its Japanese portfolio to 12 companies, bridging the gap between Taiwan's hardware expertise and Japan's market opportunities. Today, the firm maintains a balanced portfolio split between biotech and healthcare, digital sectors such as AI, data and security, and deep tech, including advanced materials and semiconductor equipment.

Taiwan's Ecosystem Challenges

Jason Lu, Director at Darwin Ventures, views the current landscape with a mix of optimism and pragmatism. He observes that Taiwan is finally emerging from a "lost decade" in the mobile internet era, a nearly 20-year gap between the early dot-com boom and recent successes like 91APP in which the ecosystem saw almost no significant software exits. Despite this recovery, a lower concentration of late-stage funding remains a critical gap in the ecosystem.

"In the United States, mega funds can support $100 million or $1 billion investments," Jason explains. "But in Taiwan, the largest investments for emerging industries are often within $30 to $50 million." While late-stage funds are less concentrated within Taiwan, Jason notes that capital is not unavailable. Instead, the burden of proof lies on the startups; companies that demonstrate significant growth potential and global scalability remain highly capable of attracting substantial investment from overseas investors, who may have a higher willingness to deploy larger amounts of capital needed in later stages.

While Taiwanese startups sometimes encounter challenges with valuations, Jason views startup valuations as a matter of alignment with market expectations. In an efficient capital market, valuation is a reflection of a company's revenue velocity. If a company scales quickly and proves its market reach, the market is highly effective at reflecting that value; conversely, valuations may lag if growth and scalability do not accelerate to meet global standards. To overcome this, Jason argues that founders must focus on growing their companies to be significantly larger and obtain more revenue to justify the higher valuations necessary for global competitiveness.

Investment Evaluation and Market Alignment

Darwin's strategy tracks the broader evolution of business models in the region. Jason observes a shift away from the traditional agency-based 'supply chain mindset' toward more sophisticated structures. Darwin prioritizes teams navigating this transition, specifically those building robust ecosystems, Direct-to-Client (D2C) models, and modernized supply chain integrations that allow for higher margins and direct market influence.

In response, Darwin utilizes a holistic evaluation process that prioritizes the innovation of a business model alongside the founder's background, looking specifically for technical skill, critical industry experience, and a strong professional network. Beyond these initial markers, the firm closely monitors team engagement, specifically observing how a team interacts with its clients and develops its products over time. Darwin specifically seeks teams that address common market weaknesses by demonstrating the ability to educate the market and engage directly with end-customers.

Darwin Ventures' Angel Fund as a Strategic Pipeline

To support teams in their earliest stages, Darwin established an evergreen angel fund in late 2022. A prime example is their 2023 investment in PopChill, a luxury secondhand e-commerce platform. By leveraging the Angel Fund's capital and Darwin's strategic guidance, PopChill successfully pivoted from a general apparel model to a specialized direct-to-consumer luxury resale platform with built-in authentication. Their pivot allowed them to scale rapidly beyond Taiwan; within just six months of launching in Hong Kong, it accounted for 20% of their total revenue.

Conclusion: The Global Future of Taiwan

Looking forward, Darwin views foreign talent as the essential tool for global expansion. To overcome high competition in overseas markets, Jason argues that startups must hire local experts who understand the cultural and business nuances of target regions. Darwin leads by example, employing Japanese staff in their Tokyo branch to bridge cultural gaps. For Taiwan to move forward, it must transition from a purely local talent pool to one that embraces "international friends" to lead the charge into the global arena.

Finally, regarding the AI boom, Jason moves beyond the hype, framing it as a tool for revenue generation rather than mere integration. The challenge is no longer just using AI, but finding the "AI product-market fit" that allows a company to monetize the technology effectively. Successful monetization is seen as a key solution to the valuation issue; by proving that AI can drive meaningful revenue growth, startups can increase their overall worth and attract the larger, later-stage capital the ecosystem currently lacks.

Jason Lu, Director, Darwin Ventures

4 Taiwan on the Global Stage

The Global Mindset

M&A Catalyzing International Growth and Valuation

Startup Features

A global mindset is a necessity for Taiwan's startup to find long-term success. This section explores how the global mindset and M&A can fuel startup growth, and highlights startups that have leveraged global markets and M&A to expand their business.

The Global Mindset: Why it Matters in Taiwan

A global mindset has always been essential for Taiwanese startups. As the island strengthens its reputation as a hub for innovation, the ability to operate beyond local borders is not optional, but rather a necessity for sustainable startup growth and long-term success. Taiwan benefits from sophisticated high-tech infrastructure and strong engineering talent, but its domestic market presents structural limitations. With a population of approximately 23 million, the market lacks the scale required to support multiple large startups within specialized verticals. To reach the valuations needed for meaningful M&A activity or eventual IPOs, Taiwanese startups must look outward and capture regional or global market share.

Taiwan is also a highly price-sensitive market. Although this environment trains founders to operate with discipline and capital efficiency, it simultaneously imposes a ceiling on average revenue per user (ARPU). As a result, even well-adopted products can struggle to achieve sustainable growth and high valuation within the local market. This dynamic pushes startups to pursue higher-margin opportunities in overseas markets to better support long-term scaling.

Outbound Investment Trends

Recent data from the Ministry of Economic Affairs (MOEA) highlights a major shift in the deployment of Taiwanese capital and talent. Between January and September, the MOEA recorded 634 outbound investment projects (excluding Mainland China), marking a 17.6% year-on-year increase. Even more striking is the sharp decline in investment toward Mainland China, which fell by over 70% during the same period. These trends reflect a strategic realignment, as startups and investors increasingly target emerging regional markets and new cross-border opportunities.

A Supportive Ecosystem for Global Leaps

Recognizing the challenges within the domestic market, the Taiwanese government is implementing robust policies to lower the barriers to internationalization. Through initiatives like the National Development Council's (NDC) Startup Island TAIWAN brand and various MOEA subsidies for international exhibitions and overseas marketing, Taiwan's policy environment supports startups with global expansion. These programs provide critical soft-landing resources, including overseas workspaces and market-entry support, that enable founders to establish local networks, understand local business cultures, and accelerate overseas market validation.

M&A as a Catalyst for Global Startup Growth

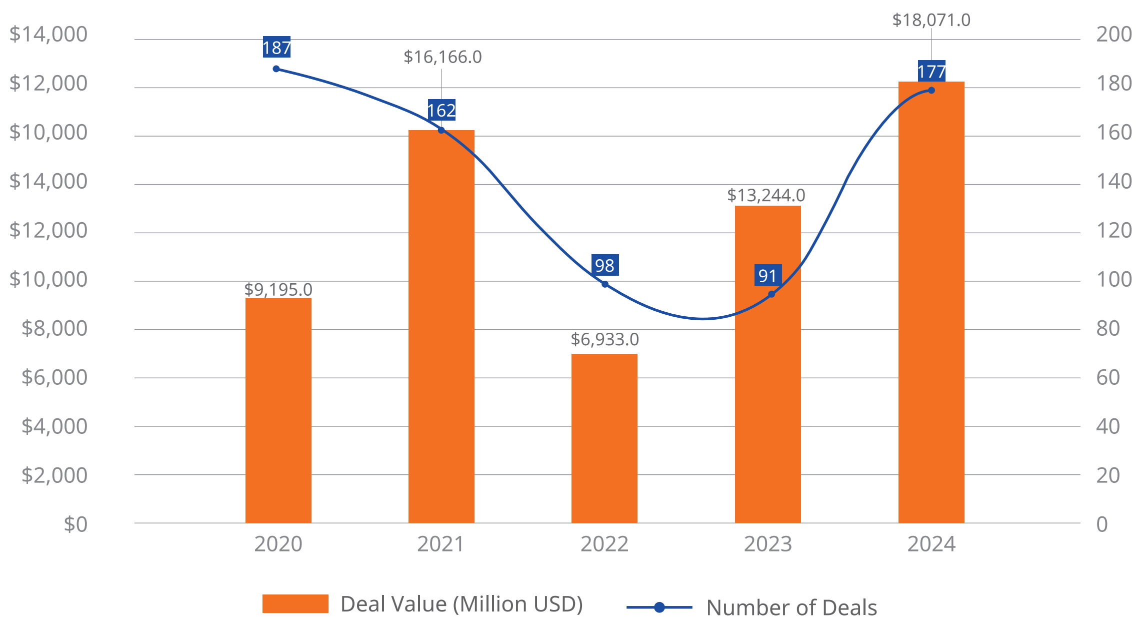
Taiwan's startup ecosystem has matured into a strategic engine for industrial innovation and cross-border M&A. Reflecting a blend of geographic diversification and financial consolidation, domestic firms are increasingly scaling internationally. This momentum remains centered on high-tech sectors, specifically semiconductors, electronic components, and AI, which have accounted for nearly half of Taiwan's major deals over the last decade.

Driven by global supply chain reshaping and TSMC's international expansion, Taiwanese companies are aggressively pursuing partnerships in Europe and Southeast Asia. In 2024, 177 outbound deals worth US$18 billion were recorded, already surpassing surpassing recorded deals in 2022 and 2023.

Overall, the surge in outbound M&A among Taiwanese startups in 2025 reflects a proactive, forward-looking strategy. By leveraging government support, technological expertise, and international expansion opportunities, Taiwan's startups are building a more resilient, globally competitive ecosystem. As they continue to pursue overseas acquisitions, these firms are not only strengthening their global market positions but also shaping Taiwan's reputation as an innovation-driven hub in the global economy.

In the following pages, we highlight several Taiwanese startups that have successfully leveraged these resources to drive international growth and facilitate cross-border M&A and global expansion, demonstrating how government support and entrepreneurial ambition together are shaping Taiwan's next generation of global companies.

Acquisition activity in Taiwan from 2020 to 2024



Source: Dealogic;
Data Period: January 1, 2020 - December 31, 2024

Building the Future of Physical AI with MetAI

MetAI

Daniel Yu's journey to founding MetAI began while managing his family's manufacturing business, where he experienced the challenges of digital transformation firsthand. It was during this time that he recognized a critical gap: AI adoption is far from "plug-and-play." "You need to put immense domain expertise and knowledge into these models for them to actually solve industrial problems," he notes.

Founded in 2023 and a member of the NVIDIA Inception Program, MetAI bridges the gap between industrial complexity and AI deployment. The company develops a simulation infrastructure capable of generating digital replicas of real-world industrial environments. This approach allows physical AI systems to be trained, optimized, and validated entirely in virtual settings, offering a safer, faster, and more scalable path for industrial AI adoption. By enabling simulations at scale, MetAI helps industries overcome data insufficiency problems in training physical AI.

Training AI for the Physical World

Physical AI refers to artificial intelligence that interacts with the real world, such as robots, robotic arms, or autonomous vehicles capable of solving practical problems. Unlike generative AI, which can be trained on textual data, Physical AI requires a fundamentally different approach. In industrial settings, deploying a robot directly into a live factory for training is very risky and expensive. MetAI provides the essential infrastructure for safely training these systems in virtual environments, including rare cases and complex tasks that would otherwise be difficult to replicate.

Focusing on infrastructure rather than end-user applications gives MetAI a critical scalability advantage. Its platform can generate multiple simulation environments tailored to the specific requirements of advanced manufacturing, logistics, and other industrial sectors, where processes and machinery vary widely. This flexibility allows MetAI to serve as the foundation for industrial AI adoption across diverse operational contexts.

From R&D to Commercial Value

Transforming MetAI's technology from R&D to commercial applications involved several key milestones. A major breakthrough came with a collaboration with one of the world's largest semiconductor fabs, validating that their technology could deliver tangible industrial value. Additionally, securing a successful $4 million USD seed funding round, supported by industry giants such as NVIDIA and Kenmec, provided the resources necessary to scale the technology and advance MetAI's vision globally.

Met AI Founding Team

Building on this momentum, MetAI officially launched the beta release of MetGen at CES 2026, marking a significant step in bringing its technology to the global stage. Built on NVIDIA Omniverse, MetGen is MetAI's scalable simulation engine that transforms factory blueprints into simulation-ready digital twins. MetGen is purpose-built for real physical AI training, system optimization, and operational decision-making.

Scaling Challenges in Taiwan

Moving from proof-of-concept to full-scale deployment presented unique challenges, particularly in Taiwan. Local clients often demand end-to-end solutions rather than specialized "point solutions," expecting a single vendor to address problems across the entire industrial pipeline. Daniel emphasizes that startups must protect their core technical edge to remain scalable. To address this, MetAI accelerated full-stack development, bridging the gap between its specialized simulation technology and the comprehensive requirements of industrial partners.

Targeting the U.S. Market

By contrast, U.S.-based customers place a higher value on specialized software and point solutions. The United States serves as the primary target for MetAI's international expansion, driven by the rise of automated warehouses, advanced manufacturing, and data centers. With commerce giants like Amazon and Walmart and a push toward domestic semiconductor fabrication, the U.S. offers both market density and high-profile proof of concept opportunities for MetAI's solutions. MetAI is currently actively fundraising from U.S. investors, aiming to deepen its presence in the U.S. market and accelerate enterprise adoption of MetGen.

Met AI Founding Team

Cultural Insights for Global Expansion

Operating internationally has highlighted the cultural nuances of global startup ecosystems. Daniel observes that Taiwanese founders are often very humble, sometimes under-pitching their achievements, whereas U.S. founders excel at pitching ambitious ideas, even before the product is fully realized. He also notes that founders in Taiwan often emphasize technical validation, while U.S. founders focus more on vision and market potential. To navigate these differences, MetAI leveraged programs like the TREE Program sponsored by the National Science and Technology Council and Berkeley SkyDeck, gaining exposure to U.S. market expectations and refining their storytelling and pitching approach. This international perspective has been essential for validating MetAI's go-to-market strategy and building their brand to compete globally.

Taiwan's Structural Advantage and Lessons for Founders

Taiwan holds a unique structural advantage in the AI era, with deep domain expertise and concentrated industrial data. Daniel believes that "Physical AI will be realized in Asia," because it is where manufacturing is most concentrated. However, he also notes Taiwan's limitations in scaling solutions. For research teams aiming to commercialize their work, Daniel emphasizes the importance of ambition and communication. By effectively conveying vision and highlighting the impact of their technology, Taiwanese founders can move beyond just being "problem solvers" to become global industry leaders.

Turing Space: Pioneering Digital Identity on the Global Stage

TURING SPACE

Turing Space, founded in 2020 by Jeff Hu, has rapidly become a leader in cybersecurity solutions focused on digital identity and verifiable credentials, helping organizations issue and protect digital certificates. With a team of around 40 staff and operations spanning Taiwan, the United States, Japan, and now Europe, the company has successfully scaled its offerings to governments, educational institutions, banks, and healthcare organizations worldwide.

Europe vs Taiwan: Value-Driven vs. Cost-Driven Markets

Expanding internationally revealed a fundamental split in how the world views digital transformation. Jeff notes that the Taiwanese market remains largely cost-driven. "In Taiwan, people might argue over a few cents," Jeff explains. "They ask, 'Why is this digital certificate more expensive than paper?'" Success in Taiwan often depends on speed and highlighting "trendy" tech like AI or Blockchain to meet specific year-end budget goals, even if the solution isn't always actually solving a real business problem. Jeff notes that this comes with high price sensitivity: "If someone offers a solution slightly cheaper, companies can quickly switch partners," making Taiwan a fast but risky market for startups.

In contrast, the European market is value-driven. In the European Union (EU), digital transformation is a given. Clients prioritize privacy and data protection over the cheapest price point, meaning Turing Space prices its credentials between €2.5 to €5 per certificate. The sales cycles differ, too: while Taiwan can be fast and opportunistic, Europe follows strict, predictable protocols and RFPs that reward stability and long-term compliance.

Jeff and his team hosted an annual party to celebrate Turing Space's milestones with its industry, government, and academia partners.

The Expansion Blueprint: Why the Netherlands?

Turing Space bases its expansion decisions on a structured evaluation of key factors. Jeff's strategy focuses on three pillars: the number of competitors, government support, and "political will." The Netherlands became the company's European hub not just for practical reasons but also for strategic ones. It offers direct flights to Taiwan, English is widely spoken in professional environments, and the government is supportive of digital identity programs. Relationships with local technology industries and a general openness to Taiwanese businesses made it an ideal starting point compared to other European countries.

Beyond the practicalities of direct flights to Taiwan and a very high percentage English-speaking professional environment, the choice was about managing regulation and compliance. Turing Space's local team in Europe ensures full compliance with General Data Protection Regulation (GDPR) and other regulations, allowing Turing Space to operate as a credible European entity. "To be in the [European] game, you need an EU-registered entity," says Jeff. "We can't change our faces," Hu laughed, "but we can hire locally to make sure every angle is European-ready."

Turing Space's local team in Europe

Taiwan's Resources: Leveraging Local Support

Jeff credits Startup Island TAIWAN with helping Turing Space take its first steps abroad. Startup Island TAIWAN provided introductions to investors, media contacts, and local founders, giving the team a starter kit to navigate new markets like Japan. In Southeast Asia, Startup Island TAIWAN opened doors in Thailand, connecting Turing Space to local partners and events. "Going solo in a new market is hard," Jeff said. "Startup Island TAIWAN gave us our first circle of contacts, and that's invaluable when building [local] trust."

Jeff's Tips for Founders Looking to Go Global

For founders looking to go global, Jeff emphasizes the importance of firsthand experience. Entrepreneurs should spend time in their target markets, filling weekdays with meetings, coffees, and lunches to understand the ecosystem deeply before fully committing to expand. Approaching every interaction with the mindset of a student rather than a salesperson helps build relationships and uncover opportunities that might otherwise be missed.

Jeff also encourages aspiring entrepreneurs and early founders to leverage programs like grant-funded exchange opportunities and international fellowships, which allow young professionals to gain exposure and connections without personal expense. Reflecting on his own journey, he says, "Even if you know everything about Taiwan, you know very little about the world. Go out early, explore, and be curious."

FUNNOW Group Redefining the Occasion-Based Booking Economy in Southeast Asia

funnow

While many lifestyle apps cater to tourist-centric experiences, FUNNOW Group has found its competitive edge by looking inward, focusing on the spontaneous needs of domestic users. Operating across seven markets, Taiwan, Hong Kong, Singapore, the Philippines, Japan, Malaysia, and Thailand, FUNNOW Group provides on-demand reservations across more than twelve verticals, from dining and entertainment to family activities and glamping.

The Power of "On-Demand"

“We hope that in everyone’s daily life, they will think of using FUNNOW’s diverse brands to meet their needs at different times. Our goal is not just to provide a booking tool, but to ensure that at any moment, our specific brands are the consumer’s first choice,” says Jason, Head of Investor Relations at FUNNOW Group. What sets FUNNOW Group apart is its focus on domestic users rather than tourists. Instead of building a platform for short-term visitors, the team concentrates on serving local lifestyles. FUNNOW Group aims to understand how people in each of its operating markets spend their free time, and to make booking those experiences possible within just minutes.

Scaling Through Synergy

Strategic acquisitions allowed FUNNOW Group to accelerate its presence across Southeast Asia. By acquiring established players like Malaysia’s TableApp and the regional platform Eatigo, the company has bypassed years of organic growth to achieve immediate market leadership. Besides increasing user numbers, these strategic acquisitions also created powerful business model synergies, allowing for smooth integration into local markets. While FUNNOW Group excels at spontaneous booking, their partners often bring sophisticated yield management technology, allowing merchants to fill idle capacity at any timeframe.

Balancing Global Tech with Local Soul

Central to FUNNOW Group’s M&A success is what Jason calls the "Founder DNA." "We treat the acquired founders as regional partners and CEOs, not just employees," Jason explains. FUNNOW Group views its acquisition strategy through the lens of partner recruitment instead of obtaining an asset. Each acquisition brought experienced local founders and teams who understood their markets far better than any external operator could. This philosophy extends to FUNNOW Group’s operational model, which balances a centralized, world-class engineering hub in Taipei with empowered local teams who drive local marketing and business development.

Taiwan as FUNNOW Group's Global Engine

While FUNNOW Group's footprint spans all of Southeast Asia, the company remains headquartered in Taiwan. The local ecosystem is a home base and the primary engine driving their regional growth, supported by three core strengths: world-class engineering talent, robust government support, and a sophisticated market environment.

At the center of FUNNOW Group's cross-border operation is its centralized R&D center in Taipei. By leveraging Taiwan's high-density pool of world-class engineering talent, the company maintains a unified, high-quality technology stack that supports seven different markets. This concentration of technical expertise allows FUNNOW Group to innovate at a competitive cost while ensuring that data and product logic remain stable across diverse geographic boundaries. Institutional support and grants from entities like the National Development Council (NDC), Startup Island TAIWAN, and Taiwan Tech Arena (TTA) offered critical early-stage exposure and facilitated connections to international venture capitalists from Korea, Japan, and the Alibaba Entrepreneurs Fund.

Beyond talent and funding, Taiwan offers a unique "sandbox" environment for product development. As of 2025, Taiwan continues to be one of Asia's most digitally connected societies, boasting 22.1 million internet users (95.3% penetration) and 30.4 million mobile connections (131% penetration). This robust digital infrastructure and a mature e-commerce culture, which is a decade ahead of many neighboring regions, provide the perfect demographic for testing new features. The stability of the local network and the digital maturity of consumers allow FUNNOW Group to perfect new lifestyle verticals in Taiwan first, giving them the data-driven confidence to export these models successfully to the more fragmented markets of Southeast Asia.

The four co-founders of FUNNOW Group, each holding key leadership roles across different professional domains, jointly leading the Group's continued expansion and deepening presence in the Greater Southeast Asia market.

Preserving the Founder DNA in Global Expansion

Reflecting on FUNNOW Group's journey, Jason emphasizes that regional expansion is not about copying success from one market to another. Effective scaling comes from respecting local culture, empowering local leaders, and building trust before pursuing growth. "We don't force a Taiwanese way of doing business on the local market," notes Jason. This approach shifts the goal from mere growth to sustainable integration. Ultimately, FUNNOW Group's success suggests that in a globalized economy, the greatest competitive advantage isn't just a superior algorithm, but rather it's the ability to build a "network of trust" that respects local culture while leveraging a unified vision.

How USPACE Is Redefining Cross-Border Smart Mobility

USPACE

For Allen Song, the founder and CEO of USPACE, parking is not just about finding a space, it is the most critical infrastructure of future mobility. Now on his third venture after two successful exits, Allen's vision for USPACE is centered on the "lifetime value" of the car owner. While platforms like Uber, Grab, and Bolt target those who don't drive, USPACE focuses on the individuals who own personal vehicles. From parking and EV charging to car washes, insurance, and airport transfers, the company aims to be an irreplaceable and complete mobility ecosystem. "Human beings never stop moving," Allen notes, arguing that even in a future of self-driving robotaxis, those cars will still need a place to park, wash, and charge; USPACE intends to own that destination and ecosystem.

Global Expansion: Invest, Acquire, or Compete

Allen approaches international growth with a clear philosophy: "You can either invest and acquire, or you can compete. The choice is yours." This mindset guides USPACE's expansion strategy, finding partners or opportunities where collaboration benefits both sides, rather than entering new markets blindly. By understanding the motivations of local operators and aligning incentives, USPACE ensures that partnerships are not just transactional but strategic.

“ You can either invest and acquire, or you can compete. The choice is yours.

Entering Japan Through Smart Acquisition

USPACE's first international move was the acquisition of Japan's Nokisaki in 2024, the country's third-largest parking operator with over 33,000 spaces. Japan was a natural choice for several reasons: parking fees in Tokyo are four to ten times higher than in Taiwan, the car-owning population is substantial, and cultural norms mean people follow rules meticulously, resulting in highly predictable usage. The Nokisaki acquisition was conducted as an all-cash transaction, and the original management team subsequently repurchased shares of USPACE Taiwan. The local team from Nokisaki largely remained with USPACE, easing the integration of USPACE's technology and driving further revenue. By offering tools to maximize earnings, Allen convinced Nokisaki's leadership that partnership was more profitable than competition, giving USPACE a strong foothold in the Japanese market.

USPACE Founding team

ASEAN Market:
Tailored Investment for Growth

Looking ahead, USPACE is focusing on Southeast Asia, where each market presents unique challenges and opportunities. Allen emphasizes that expansion is not about copying Taiwan's model but adapting it. For example, in markets with rapid EV adoption, charging infrastructure is a priority, while in others, parking operations need to be established first before additional services can be layered in. USPACE invests in local startups and carefully selects which business units to deploy based on each country's needs. USPACE has strengthened its Southeast Asia presence with a strategic investment in Jordas-buy, Thailand's leading smart parking startup, and an investment in Indonesia's Soul Parking, following the acquisition of Japan's Nokisaki, marking three international investments in less than a year. These investments are central to USPACE's plan to build a regional smart mobility ecosystem, leveraging IoT, AI-driven license plate recognition (AI-LPR), cloud computing, and other advanced technologies. "Success abroad means understanding culture, regulations, and local behaviors," Allen notes. By investing strategically and adapting to each market, USPACE is setting the stage for sustainable growth across the region.

Allen's Advice:
Know the Value You Bring

"Before you expand, know what problem you are solving for your partner and your market. You need to create value for them first, or your expansion will never stick." For Allen, this meant understanding what local operators wanted, offering them tools to grow revenue, and creating partnerships that benefited everyone. His advice is clear: strategic expansion is about empathy, preparation, and giving before taking. "M&A might feel like gambling," Allen explains, "but we don't take chances, we base every move on careful calculations." ■

From Taiwan to the United States, Aztron's Journey in Sports Medtech

Aztron Medtech was born from a unique intersection of global business and biomedical science. Co-founders I-Lin Tsai and Yi-Hsi Huang met during the National Taiwan University Global Innovation Program (GIP), a journey that took them across Japan, Taiwan, and France to identify unmet clinical needs. It was during this time they partnered with Dr. Wang, an orthopedic surgeon at Taipei TzuChi Hospital who had pioneered a technique for ultrasound-guided tendon repair but lacked the team to commercialize it. Founded in 2021, Aztron now specializes in minimally invasive surgical devices for sports injuries, featuring a surgical system that allows for tendon repair through a mere 1cm incision, a massive reduction from the traditional procedures which typically involve 10-15cm incisions. From its inception, the team was already looking toward the U.S. as the market where this technology could make a big impact.

Targeting The World's Largest Healthcare Market

For a Medtech startup, the decision to enter the U.S. was driven by clear market advantages. The U.S. leads the world in healthcare spending per capita, reaching approximately $12,400 (PPP) in 2022, reflecting a system with high reimbursement levels and strong commercial potential for medical technologies. "In terms of volume and reimbursement, the U.S. is the gold standard," says I-Lin Tsai. Beyond the sheer volume of cases and revenue opportunities, the U.S. offers a transparent regulatory pathway and a predictable reimbursement structure that allows for clear financial modeling. This makes the U.S. not only commercially attractive, but also the right place to bring a better solution to patients. Traditional tendon surgery can mean months of pain and frustration. Aztron's minimally invasive approach was built to change that. Aztron's technology reduces recovery time to just four months, allowing patients to return to the sports they love much faster.

Navigating the U.S.: Challenges and Strategic Resources

For Aztron, entering the American surgical environment was not just a technical challenge, but also a cultural one. Aztron utilized a series of high-level support programs to bridge this gap. Through the National Development Council (NDC) and Startup Island TAIWAN, the team joined the Berkeley School of Public Health (SPH) accelerator program. This experience was transformative, providing the team with over 60 interviews with surgeons and insurance providers to map out the U.S. healthcare system and business culture. "You have to be in the culture to do

Aztron Medtech at the 2025 Taiwan National Innovation Awards business," I-Lin explains. "Our mentors taught us that in America, sometimes the best business insights are shared over a game of golf or a casual social event."

Despite these resources, the "burn rate" of international scaling remains a significant challenge. Managing a network of 28 distributors across 10 U.S. states requires immense capital and a specialized workforce. Aztron's strategy has been to hire local regional managers to bridge the cultural divide. "Hiring a native professional to manage local distributors is essential for credibility," I-Lin notes, though he admits the cost of local talent is a heavy lift for a startup. To support its early-stage growth, the company has successfully leveraged a number of Taiwanese support programs, including the Startup Angel Fund, FITI (From IP to IPO), an entrepreneurship incentive program, where they won the Entrepreneurial Excellence Award, and multiple local grants from the Taipei City Government.

Built in Taiwan, Scaling in the U.S.: Taiwan as Aztron's Manufacturing Backbone

While the U.S. is the primary destination for sales, Taiwan remains the heart of Aztron's manufacturing operations. I-Lin credits the island's unique "manufacturing proximity" as a key factor in their quality control. In Taiwan, a founder can visit their contract manufacturer within an hour's drive and have a sterilized product prototype ready within a week. This proximity allowed Aztron to spend three years in Taiwan perfecting their device and documentation before seeking their FDA Class I listing in March 2025. "In the U.S., shipping between states takes days," I-Lin observes. "In Taiwan, our intensive industry partners allow us to maintain a speed and precision that is simply unmatched." This localized R&D foundation has allowed Aztron to complete 105 successful clinical cases in the U.S. so far, positioning them to redefine the future of sports medicine.

Learning, Scaling, and Mentoring with FITI and Paying It Forward in Taiwan's Startup Ecosystem

A pivotal moment in Aztron's journey was their participation in the From IP to IPO (FITI) program. Guided by the National Science and Technology Council (NSTC) and implemented by the Science & Technology Policy Research and Information Center (STPI), FITI is designed to transform academic research into viable tech companies. For Aztron, the benefits of FITI extended far beyond the crucial funding. The program provided a platform for interaction with other high-potential startups and access to a network of seasoned advisors. "The most valuable part was the community," I-Lin recalls. "We met alumni like Flat Medical, who introduced us to their own contract manufacturers and lawyers when we were just starting out." Today, the cycle of support continues as I-Lin now serves as a mentor within the FITI program, sharing his success stories and US market insights with the next generation of Taiwanese innovators. This "pay-it-forward" culture ensures that the wisdom gained during international expansion remains a permanent asset of the Taiwanese ecosystem.

Co-founders I-Lin Tsai and Yi-Hsi Huang at the FITI Awards Ceremony in 2021

5 Startup Island TAIWAN The National Startup Brand

Startup Island TAIWAN is the national startup brand of Taiwan. The brand embodies the transformative journey from a burgeoning 'startup island' to a formidable force on the global stage. It proudly showcases the unwaver-ing ambition and prowess of Taiwan's startup ventures, highlighting their dedication and ability to enhance startup ecosystems worldwide.

Who Are We?

Origin & Background

In the past decade, Taiwan's startup ecosystem has been on an upward trajectory, gaining international recognition and achieving remarkable success. With this backdrop, the National Development Council (NDC) wanted to create a unified identity system to represent the overall image of Taiwan's startup ecosystem.

To find the foundations of Taiwan's innovation and entrepreneurship DNA, the NDC held meetings and workshops with startup communities, key opinion leaders, and other government agencies. After rounds of discussions with stakeholders across the startup ecosystem, the NDC and the community decided to jointly create the national startup brand, Startup Island TAIWAN.

Concept & Vision

Taiwan is a society of diversity, tolerance, and freedom. Taiwan has long been an important partner in the global hi-tech industries, and many entrepreneurs have built their business empires on the island from scratch. With innovative and creative ideas taking root on the island, Taiwanese startups will continue to gain exposure to the latest trends, as well as be able to turn new challenges into tremendous opportunities and possibilities.

Startup Island TAIWAN symbolizes a journey from a startup island to the international arena. It demonstrates to the world the strong ambition and capabilities of Taiwan startup companies as well as their intention and ability to contribute to other startup ecosystems around the world. The vision for the brand is to become the destination for innovation and entrepreneurship for startups all over the world, and also a launchpad to expand globally.

The logo of Startup Island TAIWAN is of abstract mountains reflected in the ocean. The image also symbolizes infinity and DNA, which reflect the unlimited dynamism that Taiwan startups possess and the entrepreneurship that exists in the genes of Taiwan's people. As for the auxiliary designs which correspond to the four colors of the logo, the images of mountains and the ocean depict Taiwan's rugged terrain, representing leading edge technology and the adventurous spirit of Taiwanese entrepreneurs, respectively. The dancing butterfly represents Taiwan's cultural diversity, while the light bulb stands for Taiwan's endless creativity.

Diverse Culture

Daring Innovation

Leading-Edge Technology

Endless Creativity

What We Do

Global Presence

Elevating the international stature of Taiwan's startup ecosystem industry leaders

Ecosystem Connections

Cultivating a dynamic network where international startups flourish within Taiwan's dynamic entrepreneurial landscape and Taiwan's startups thrive in international ecosystems

Courses & Workshops

Providing enriching educational experiences and hands-on workshops to empower entrepreneurs with essential skills and knowledge

Business Development

Empowering startups with resources to accelerate their growth and impact, and to seize business opportunities through participation in international exhibitions

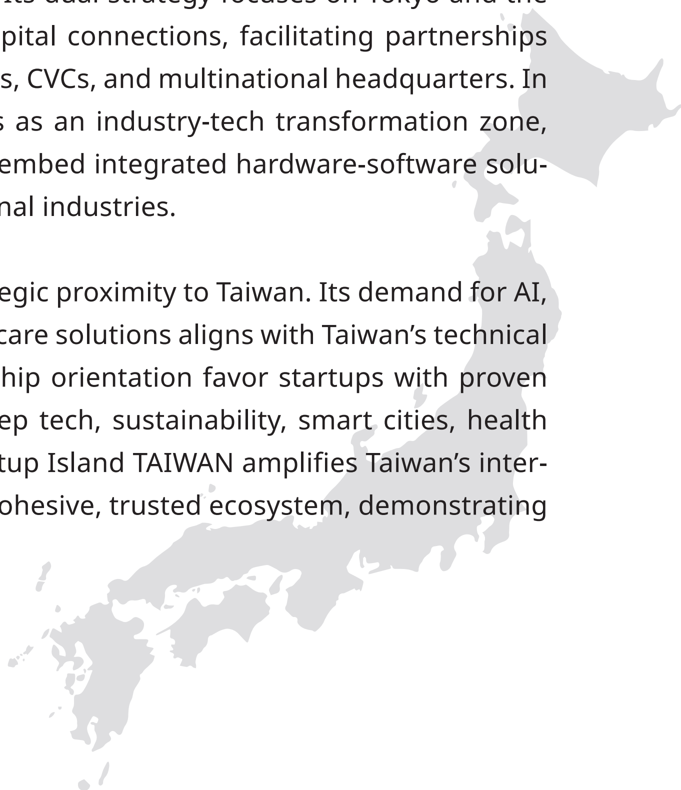
International Connections

Forging pathways for startups to engage globally, fostering collaborations and market expansion, and facilitating access to overseas resources

Startup Island TAIWAN in Japan

Startup Island TAIWAN positions Taiwan as a “value-accelerating catalyst” for innovation in Japan, leveraging national trust and extensive networks with local government and industry partnerships to bridge Taiwanese technology with Japanese industry. Its dual strategy focuses on Tokyo and the Kanto region as a hub for corporate innovation and capital connections, facilitating partnerships between Taiwanese startups and Japan’s large enterprises, CVCs, and multinational headquarters. In contrast, the Kansai region (Osaka, Kyoto, Kobe) serves as an industry-tech transformation zone, where Startup Island TAIWAN helps Taiwanese startups embed integrated hardware-software solutions into local manufacturing, life sciences, and traditional industries.

Japan’s market appeal lies in its scale, maturity, and strategic proximity to Taiwan. Its demand for AI, digital transformation, smart manufacturing, and healthcare solutions aligns with Taiwan’s technical capabilities, while cultural trust and long-term partnership orientation favor startups with proven PoCs and localized offerings. Key industries include deep tech, sustainability, smart cities, health tech, automotive, IC design, and renewable energy. Startup Island TAIWAN amplifies Taiwan’s international competitiveness by integrating startups into a cohesive, trusted ecosystem, demonstrating Taiwan’s value as a reliable long-term partner in Japan.



Japan 2025 GDP*

$4.28 trillion USD

Key Industries for Taiwan Startups

- Deep Tech
- Sustainability
- Green Technology
- Health Technology
- Fintech
- Smart Cities
- IC Design
- Semiconductors
- Energy and Environmental Protection

Startup Island TAIWAN Engagement

- Taiwan-Japan Innovation Summit
- SusHi-Tech
- Tokyo Hub

*Source: International Monetary Fund World Economic Outlook, Published October 2025

Startup Island TAIWAN in Southeast Asia

Startup Island TAIWAN strategically positions Taiwan as a trusted innovation partner in Southeast Asia, connecting deep tech, capital, and business collaboration throughout the region's sub-markets, with a focus in Singapore and Vietnam. Through strengthening Taiwan's innovative brand influence, exploring collaboration opportunities, and linking Taiwan's startups to local governments, industry leaders, and corporations, Startup Island TAIWAN is building a robust resource platform to bridge the Northeast and Southeast Asian markets.

Southeast Asia's rapid digital economy growth, supply chain diversification, young mobile-first populations, and government-led transformation agendas make it an attractive destination for Taiwanese startups. Taiwan's strengths in AI, semiconductor-adjacent technologies, industrial software, and engineering reliability align well with these markets, where institutional capital favors long-term, partnership-driven ventures. Successful startups in the region excel at deep local adaptation, enterprise and infrastructure focus, and governance readiness. Key sectors include AI infrastructure, smart manufacturing, energy management, smart cities, healthcare, and e-commerce enablement, reflecting Taiwan's role as a provider of technological backbone solutions.

Southeast Asia Population

680 million +

Key Industries for Taiwan Startups

- Digital Economy
- Consumer Tech
- Deep Tech
- Semiconductor & IC Design
- AI
- Smart Manufacturing
- Energy

Startup Island TAIWAN Engagement

- SuperAI
- SWITCH
- Taiwan Tech Solution Day Vietnam

Startup Island TAIWAN in the United States

Startup Island TAIWAN serves as a bridge between Taiwan's deep-tech ecosystem and the United States market, home to the world's most mature technology, capital, and enterprise markets, with a primary focus on Silicon Valley as a first point of entry. By providing a national-level platform and on-the-ground presence through the Silicon Valley Hub, Startup Island TAIWAN reduces U.S. market entry friction for Taiwanese startups through curated access to investors, enterprise customers, research institutions, and strategic partners, translating technological strengths into concrete outcomes such as pilot projects, commercial deployments, and investment.

The U.S. market is highly attractive to Taiwanese startups due to its market scale, capital depth, and role as a global reference market, particularly for enterprise, AI, and deep-tech solutions. Taiwan's strengths in AI, semiconductor-adjacent technologies, hardware-software integration, and engineering excellence align strongly with U.S. demand for scalable, reliable, and mission-critical technologies. Successful Taiwanese startups in the U.S. market demonstrate global product design, strong technical differentiation, local execution capability, and investor-ready governance. Key sectors include AI and data infrastructure, semiconductor-enabled solutions, enterprise software, cybersecurity, smart manufacturing, and energy technologies, reinforcing Taiwan's role as a critical technology partner within the global innovation ecosystem.

United States 2024 GDP

$29.18 trillion USD

Key Industries for Taiwan Startups

- Healthcare
- Aerospace
- Deep Tech
- Cybersecurity
- Smart Manufacturing

Startup Island TAIWAN Engagement

- Silicon Valley Hub
- Berkeley-SPH Accelerator
- Taiwan-Phoenix Strategic Technology Partnership (City of Phoenix, GPEC, Tesoro Venture Capital, Startup Island TAIWAN, ITRI)

Startup Island TAIWAN Overseas Hubs

In alignment with goals of the National Development Council (NDC) to support the global expansion of Taiwanese startups, the Startup Island TAIWAN overseas hubs form a strategic bridge connecting Taiwan's innovation strengths with global markets.

The Tokyo (opened September 2024) and Silicon Valley (opened January 2025) overseas hubs support Taiwanese startups that demonstrate innovative solutions, fundraising success, or market traction by offering consultations with industry experts, investors, and mentors, plus tailored resource matchmaking, event space, and community access. These services help startups strengthen networks, refine strategies, and accelerate international growth in Japan, the United States, and beyond.

The hubs also welcome international startups with ties to Taiwan, fostering two-way collaborations and mutual exchange between ecosystems.

Overseas Hub Services:

Co-working Space | Company Set-up | Event Space | Consulting

Tokyo Hub

9th floor, Matsunaga Building,
2-chome-1-17
Hamamatsucho, Minato City,
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References

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Note

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