

Overview
Hong Kong Advantages
A Vibrant Business Environment
Opportunities in the Greater Bay Area, Asia and Belt & Road
■ InvestHK's Role



### Hong Kong Advantages

#### **Heart of Asia**

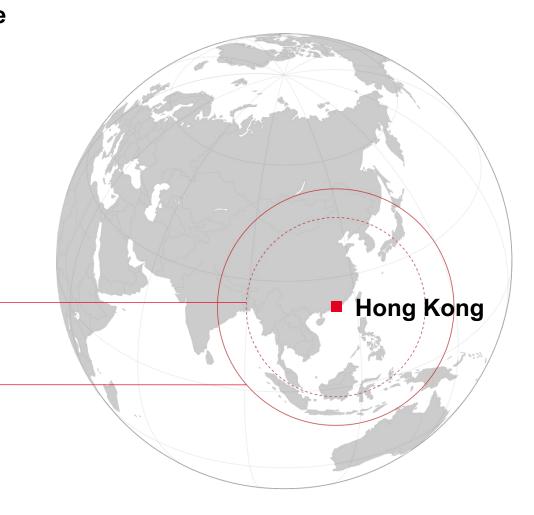
Around 120 airlines operate flights to around 220 destinations worldwide

#### 4 hours

from Asia's key markets

#### 5 hours

from half the world's population





### **One Country, Two Systems**



#### **Competitive & Simple Tax System**

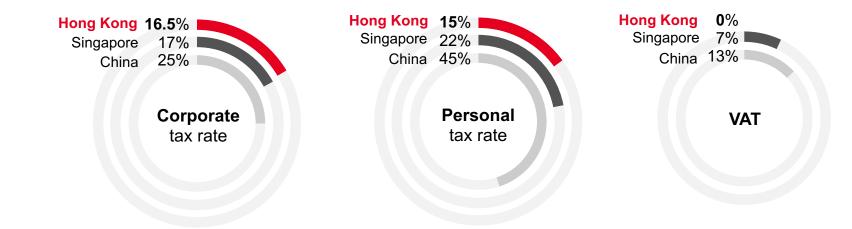
Reducing tax burden on enterprises and fostering a favourable business environment with **two-tiered tax system** 

16.5% Profits above HK\$2M

**8.25%** First HK\$2M of profits



- VAT/GST/Sales tax
- Capital Gains tax
- Withholding tax on investments
- Estate duty
- Global taxation
- Wine duty





Hong Kong has signed Comprehensive Double Taxation Agreements (CDTAs) with **46** jurisdictions



Negotiations with 13 jurisdictions are in progress

(as at Nov 2022)



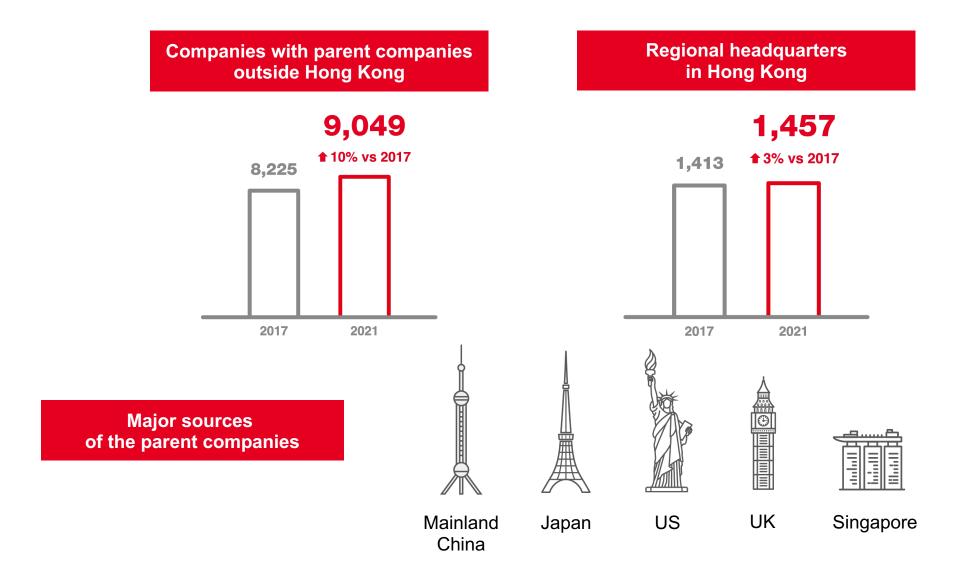
### A Vibrant Business Environment

#### **Ideal Business Base**

- Highly dynamic city serves as the perfect platform into Mainland China and Asia
- Preferred location for over 9,000 businesses and companies who have set up their strategic functions, including sales, operations, research and development (R&D), distribution, regional headquarters and corporate treasury centres in the city.

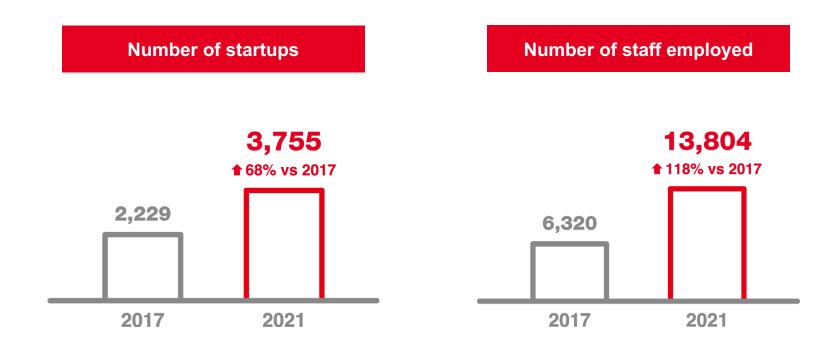
#### **Attracting Global Businesses**

2021 Annual Survey of Companies Operating in Hong Kong with Parent Companies Located Outside Hong Kong



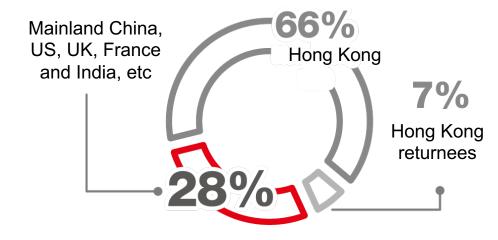
#### Hong Kong's Startup and FinTech Ecosystem

- Skyrocketed in the last few years
- Strong network of incubators and accelerators
- A pool of experienced angels and venture capitalists
- A range of government-backed programmes
- Welcoming community of startups, knit together by plenty networking events, seminars and associations throughout the year



#### Hong Kong's Startup and FinTech Ecosystem (cont'd)

#### **Origin of founders**

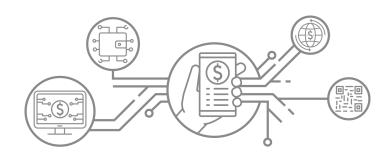


**Number of FinTech companies** 

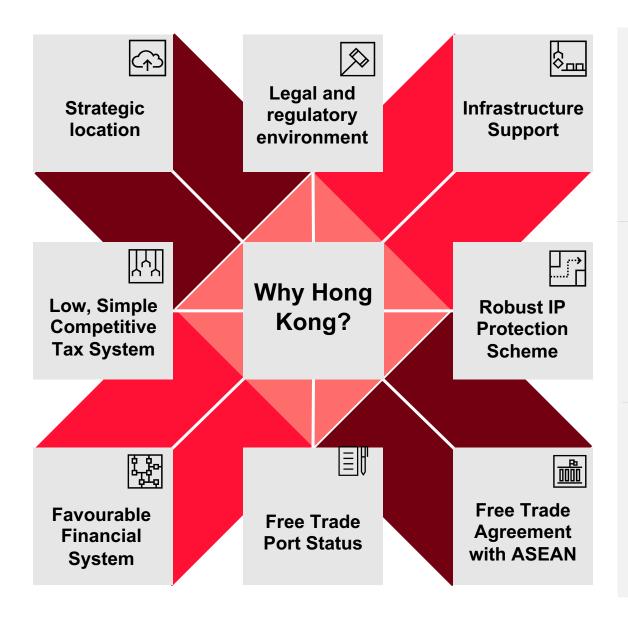
600+

#### Top business sectors

- FinTech
- eCommerce / supply chain management / logistics technology
- Professional or consultancy services
- Information, computer and technology
- Design



#### **Launchpad into Mainland China and Overseas Markets**





### World-leading airport and air cargo facilities

- 4 hours flight to all key Asian markets
- Expansion to build Third Runway Systems



### Well-established port infrastructure

- International maritime center
- Regional transshipment hub port
- World-class container port

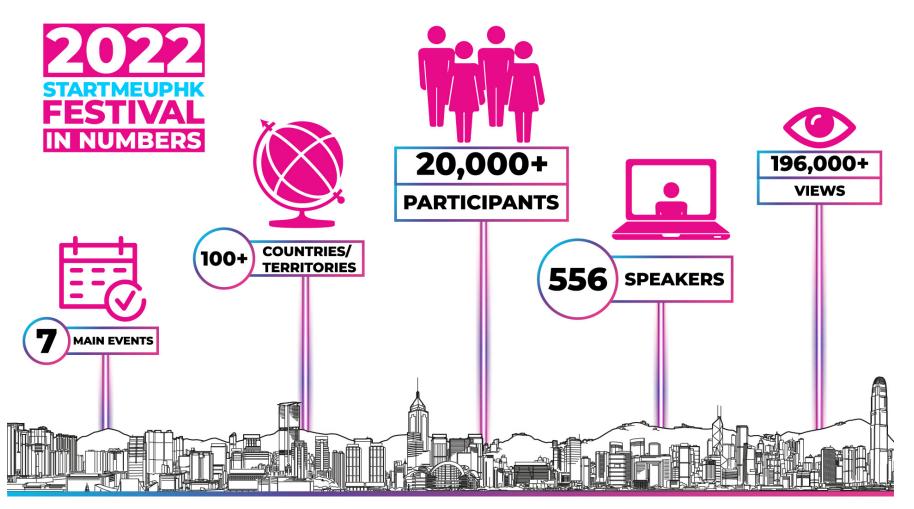


### Land connectivity with Mainland China and Macao

- The 55km long Hong Kong-Zhuhai-Macao Bridge
- The Express Rail Link connecting Hong Kong to key cities in Mainland China

### **StartmeupHK Festival**

### 5-10 Sep 2022





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### Hong Kong FinTech Week

#### 31 Oct - 4 Nov 2022

#### In Person & Virtual Events







#### In 2021 we achieved:

20,000+ 4 Million+ 300+ 400+

From 87 economies

Video views Speakers Sponsors & exhibitors Attendees

39 27 thousands+ 900+

39 21 thousands+ 900+

International delegations Satellite events Business meetings & representatives

Media coverages





#### **Government Funding Schemes & Support**



#### Set-up

- Waiver of Business Registration Fees
- Incubation Programmes
- Corporate Venture Fund



### Research & Development

- Enhanced tax deduction for R&D expenditures
- Enterprise Support Scheme (ESS)
- Innovation and Technology Support Programme (ITSP)
- Partnership Research Programme (PRP)
- Research and Development Cash Rebate Scheme (CRS)



#### Hiring

- Hong Kong Talent List
- Technology Talent Admission Scheme (TECHTAS)
- Reindustrialisation and Technology Training Programme (RTTP)
- Postdoctoral Hub



Scan for details:





### Business Expansion / Upgrading

- Trade and Industrial Organisation Support Fund (TSF)
- Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund)
- General Support Programme (GSP)
- SME Export Marketing Fund



### **Business Development**

- Innovation and Technology Venture Fund (ITVF)
- Technology Voucher Programme (TVP)



### **Guangdong-Hong Kong-Macao Greater Bay Area**





Zhuhai

Macao

**Hong Kong** 

Jiangmen



Population<sup>1</sup>
86 million



Land Area<sup>2</sup> 56,000km<sup>2</sup>



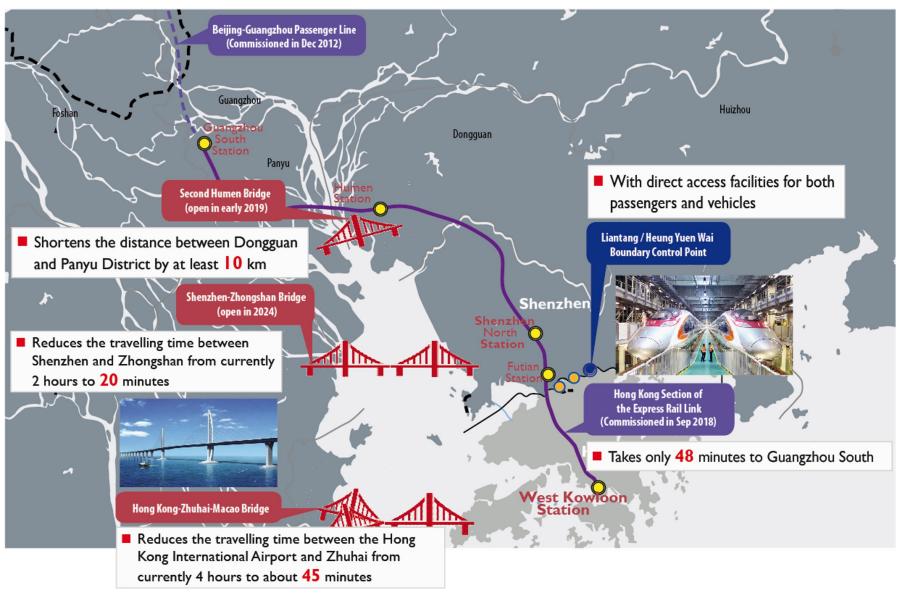
GDP<sup>3</sup> US\$2 tr

<sup>&</sup>lt;sup>1</sup> Greater than UK, Italy and South Africa

<sup>&</sup>lt;sup>2</sup> Greater than Ireland, Latvia, Panama

<sup>&</sup>lt;sup>3</sup> Equivalent to Australia, Spain

#### Connectivity



### Comparison with the World's Major Bay Areas

	Greater Bay Area	Tokyo Bay Area	San Francisco Bay Area
Population (mn)	86	44	7.6
Ç® GDP (US\$bn)	1,680	1,774	781
₩ H&M (stores)	71	25	14
Mercedes-Benz (stores)	70	73	11
LVMH LVMH (stores)	17	21	5
Apple (stores)	11	6	18
IKEA (stores)	9	6	2

### **Opportunities in GBA by Leveraging HK**

## Hong Kong's Highly International Business Environment

- Attract international innovation and technology enterprises to enter the GBA
- Help Mainland innovation and technology enterprises go global

# Hong Kong, Shenzhen and other Greater Bay Area Cities Specialising in Advance Manufacturing

 Complement one another in a number of areas including capital, scientific research, and production

### A Consumer Base of 86 Million People

- Relatively and increasingly wealthy
- Within just an hour or so travelling from Hong Kong





#### Opportunities in Belt & Road by Leveraging HK



#### **Financial Services**

- Issue IPOs and bonds
- Setting up corporate treasury centres



#### **Research & Development**

 Apply for HKSAR government funding for research and starting new businesses



### Legal & Arbitration Centre

 Enjoy HK's world-class professional services



#### **Joint Venture**

 Set up joint venture to meet your financial, logistics and technology needs



## Regional Comprehensive Economic Partnership (RCEP)



World's largest trade bloc (in terms of GDP)



15 signatories comprising~1/3 world population and30% global GDP



Boosting investment in sustainable post-pandemic recovery



Supporting resilienceseeking FDI



Promoting investment for development

#### 15 signatories

- Australia
- Brunei
- Cambodia
- China
- Indonesia
- Japan
- Laos
- Malaysia
- Myanmar
- New Zealand
- The Philippines
- Singapore
- South Korea
- Thailand
- Vietnam

Source: UNCTAD

### RCEP – Key Impact

A tariff elimination of at least 92% on traded goods

 Stronger provisions to address non-tariff measures within 20 years Simplified customs procedures while at least 65% of services sectors will be fully open with increased foreign shareholding limits

Estimate boost

+US\$200bn

annually to the global economy by 2030





### InvestHK's Role

#### **How InvestHK Helps Companies Grow**



- Guidance in strategic implementation and evaluation of business decisions, including opportunity identification
- Connecting with relevant Consulates, Chambers of Commerce and business associations
- Advising on living and working in Hong Kong (bank accounts, housing, healthcare, schooling and networking, etc)

#### Set-Up

- Providing support with business licences, visa applications, trademark registration, IP and trade regulations, etc
- Informing on tax and business regulations
- Arranging meetings with service providers, professional associations and government departments
- Advising on sector-specific industries and opportunities

#### Launch

- Connecting with lawyers, accountants, human resource specialists, consultancies, designers, interior specialists and real estate companies, etc
- Providing marketing and public relations services

#### **Aftercare / Expansion**

- Tools for continuous expansion
- Support in identifying growth opportunities
- Ensuring a sustainable foundation for growth
- Continuing to support across marketing and public relations





Financial, Family Offices, FinTech & Professional Services



**Lifestyle and Creative** 

#### Invest K: a Government Department to Promote & Facilitate Foreign Investment



#### Headquartered in Hong Kong



**Global coverage** (presence in 33 cities in Asia Pacific, Europe, Middle East, and North and South America)

We offer free advice and services to help overseas and the Mainland companies to set up and develop their businesses in Hong Kong











Expansion

We offer sector-specific knowledge and expertise



Innovation & Technology



Transport,
Infrastructure &
Manufacturing



Start-ups



Financial Services & Family Office



**FinTech** 



Business & Professional Services



Consumer Products



Creative Industries



Tourism & Hospitality

#### **Our Worldwide Network**







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