



Hong Kong:

*Your Ideal Partner to Enter
the Mainland Chinese and
Asian Markets*

21 March 2019



ASIA: World's powerhouse for economic growth



- ❖ Contributing some **60%** cent to the world's GDP growth
- ❖ **Rising middle class** with strong purchasing power
- ❖ By 2030, **two-thirds** of the world's middle class will come from Asia

Strategic geographical location

Gateway to China

South-eastern tip of China

Direct flights to over **50 Mainland Chinese cities**

Heart of Asia

All of Asia's key markets within **4 hours**

(Beijing – 3.5 hrs; Shanghai – 2.5 hrs)

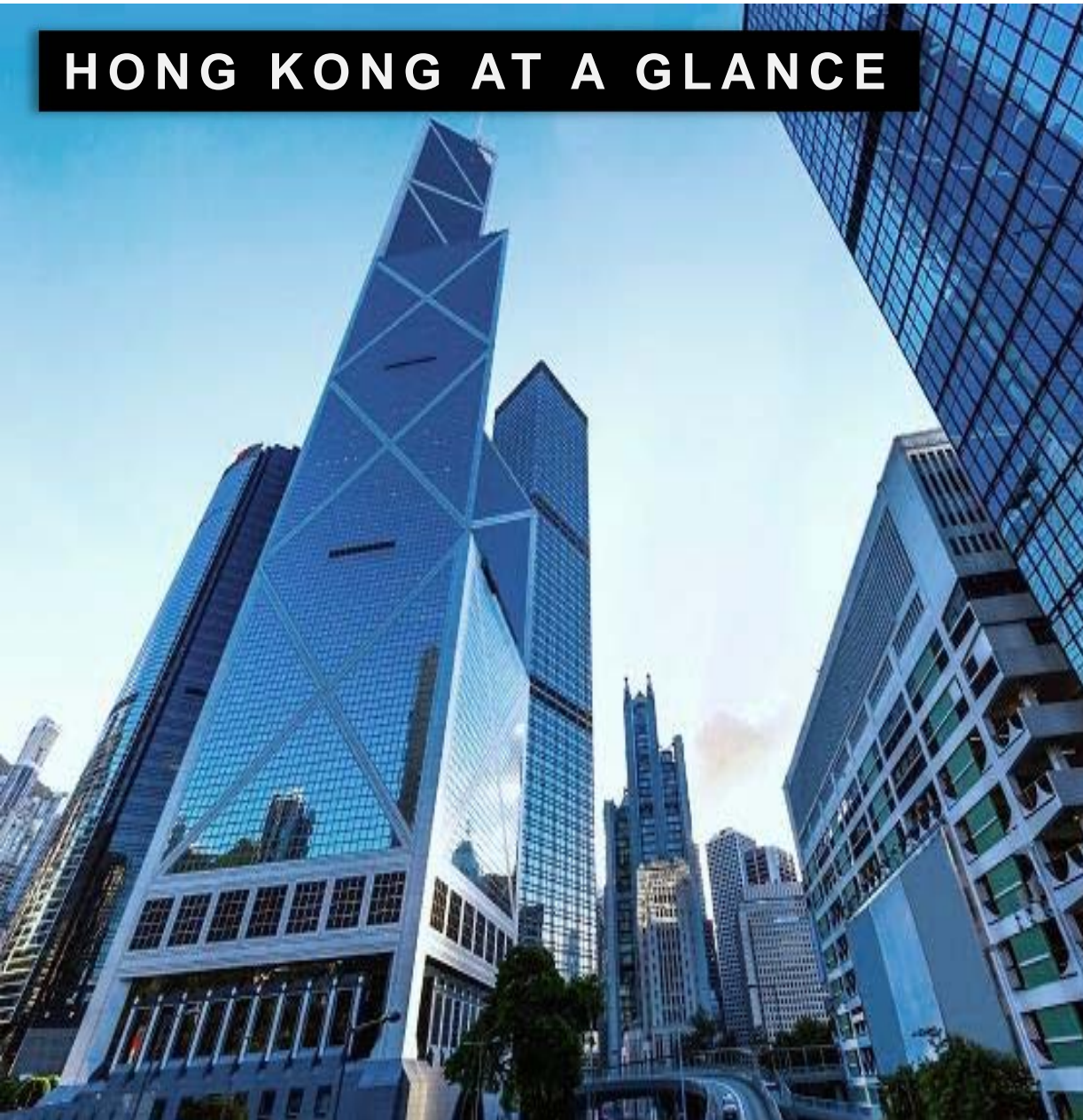
Access to the World

5 hours from half of the world's population

From HK to	Number of Direct Flights	Flight Time (Hours)
Beijing	20	3½
Shanghai	34	2½
Taipei	36	1¾
Singapore	19	4
Kuala Lumpur	11	4
Bangkok	23	3
Tokyo	25	4
Seoul	20	3½



HONG KONG AT A GLANCE



- **Total Area of 1,106 m²**

| *40% of the area designated as country parks and nature reserves*

- **Population of 7.39 million**

| *with 92% of Chinese descent*

- **English and Chinese** are both official languages

- **Strong Economic Foundation**

| *Fiscal Reserves : HK\$1,162 billion
(EUR 130 billion)*

| *Exports of goods: + 3.5%*

| *Exports of services: + 4.9%*

| *Full-year GDP growth in 2018: 3%*

| *Moderate inflation of 2.6% in 2018*

| *Labour market remained tight –
unemployment rate stayed at 20-year
low of 2.8% lately*

HONG KONG'S STRENGTHS



- Part of China but **very different** from other Mainland Chinese cities

- A **Special Administrative Region** of China since July 1997

- **'One Country, Two Systems'** Principle

- Free trade agreement - **CEPA**

- High-degree of **autonomy** under the Basic Law, the 'mini-constitution' of Hong Kong

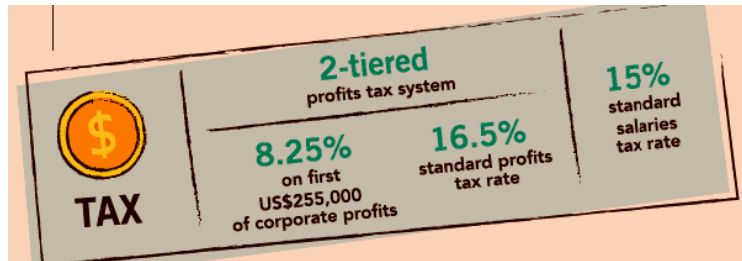
"Independent social, economic, legal, judiciary, customs, taxation, immigration systems from Mainland China"

- **Free and open economy** – free flow of capital, talent and information

- Word class **logistics and communication** infrastructure

HONG KONG'S STRENGTHS

Low and Simple Tax Regime



A **Safe** City – world's 5th safest city

Trusted **Common Law System**,
Independent Judiciary and Rule of Law

Level-playing field for all businesses

Comprehensive **intellectual property right**
protection regime



Multilateral and Bilateral Agreements

Founding member of World Trade Organisation

Member of APEC, WCO etc.

7 (+2) Free Trade Agreements

Mainland China (CEPA in 2003)

New Zealand (2010)

European Free Trade Association (2011)

Chile (2012)

Macau (October 2017)

ASEAN (November 2017)

Georgia (June 2018)

Australia, Maldives (concluded)

20 Investment Promotion and Protection Agreements

40 Comprehensive Avoidance of Double Taxation Agreements



HONG KONG'S RANKING



Economic Freedom

World No.1
freest economy

(Heritage Foundation;
Fraser Institute)



Tax System

World No.1
business-friendly tax system

(PwC and World Bank:
Paying Taxes)



Competitiveness

World No.2
competitive economy

(IMD: World Competitiveness
Yearbook)



Infrastructure

World No.2
for infrastructure competitiveness

(World Economic Forum:
Global Competitiveness Report)



Financial Services

World No.3
global financial centre

(Global Financial Centres Index)



Safety

World No.4

for security and personal safety

(Legatum Institute:
Legatum Prosperity Index)



Anti-corruption

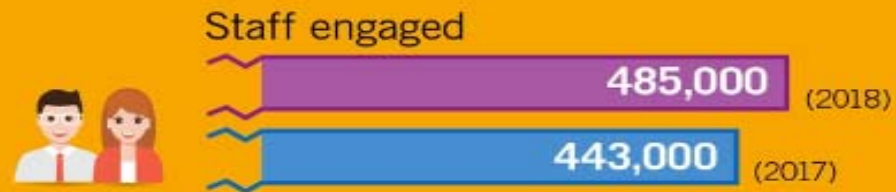
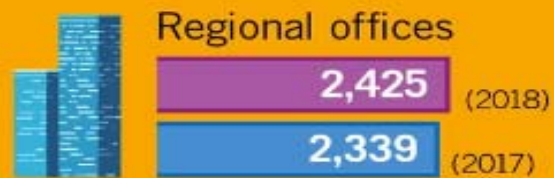
World No.14

least corrupt country/territory

(Transparency International:
Corruption Perceptions Index)



Overseas and Mainland companies in HK



LOGISTICS AND TRADE



- The world's **busiest cargo airport** (5 million tonnes of cargo a year) and 3rd busiest passenger airport, with 1,100 flights daily to some 220 destinations (including 50 Mainland destinations)
- Airport **three-runway system** to be completed in 2024 - handle up to 100 million passengers and 9 million tonnes cargo a year
- One of the **world's busiest container port**, with an average of 11 hours to load and unload a full container vessel
- 310 container liner services connect to 450 destinations a week.

FINANCIAL SERVICES

Almost **80 of the world's top 100 banks** are operating in Hong Kong

Endowed with **experience, expertise international connections and deep liquidity.**

Ranked **1st globally for IPO listings 2018**

New listing regime for emerging and innovative enterprises



FINANCIAL SERVICES

World's **largest offshore Renminbi (RMB)** business hub

Handle 70% of all renminbi payment transactions

Stock Connects between Hong Kong and 2 Mainland Stock Markets (i.e. Shanghai and Shenzhen) and Bond Connect

Mutual recognition of funds

Hong Kong is a **major asset management centre** and investment platform in the Asia-Pacific region



OUTSTANDING PROFESSIONAL



- Legal
- Accounting
- Architecture
- Engineering
- Planning
- Surveying
- Management consultancy
- Product development and distribution
- Market research
- Conference and exhibition
- Information technology



>9,700
practising
solicitors



>1,400
practising
barristers



>1,500
registered foreign lawyers
from over 30 jurisdictions



>80
registered
foreign law firms

NEW OPPORTUNITIES AHEAD



NEW OPPORTUNITIES AHEAD

Guangdong-Hong Kong-Macao Greater Bay Area



Land Area	56,000 sq. km
Population	70 million
GDP	US\$1.5 trillion
GDP per capita	US\$21,760
Transportation	Accessible within 3 hours

Sources: C&SD, NBS, and CEIC.

INCREASED CONNECTIVITY

- Guangzhou-Shenzhen-Hong Kong Express Rail Link



- Hong Kong-Zhuhai-Macao Bridge



INNOVATION AND TECHNOLOGY



- **Super tax deduction of up to 300% for R&D expenditure**
- **Technology Talent Admission Scheme**
- **Technology Talent Scheme**
- **set aside HK\$10 billion for two research clusters – Health@InnoHK, AIR@InnoHK**
- **Hong Kong-Shenzhen Innovation and Technology Park**

LOOKING FOR TALENTS

The Talent List of Hong Kong has been drawn up to attract and support high quality talents in an effective and focused manner to further develop Hong Kong into a high value-added and diversified economy.

Immigration Facilitation

Competitive Taxation

Build towards the future of
Hong Kong



Waste Treatment Specialists



Asset Management



Marine Insurance



Actuaries



Fintech
Professionals



Data Scientists &
Cyber Security Specialists



Innovation & Tech
Experts



Naval Architects




Marine Engineers
& Superintendents of
Ships



Creative Industries
Professionals



Dispute Resolution
Professionals &
Transactional Lawyers

An aerial photograph of the Hong Kong skyline at sunset. The sun is low on the horizon, casting a golden glow over the city. The tallest skyscraper, the International Finance Centre, stands prominently in the center-right. To its left, the Bank of China Tower is visible. The city is densely packed with various high-rise buildings. In the foreground, a highway and some lower-level buildings are visible. To the right, the sea is visible with several boats. The sky is a mix of blue and orange.

*Exciting times lie ahead of us
We welcome you to join hands with us*

*Hong Kong
welcomes you!*