



HONG KONG
TOURISM BOARD

BEST OF ALL IT'S IN HONG KONG

HONG KONG TOURISM BOARD

Annual Report 2018/19



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MESSAGES FROM CHAIRMAN & ACTING EXECUTIVE DIRECTOR

Chairman's Message

When I was appointed Chairman of the Hong Kong Tourism Board in April, I was honoured and thrilled to have the opportunity to contribute to our thriving tourism industry and to further its amazing achievements. Visitor arrivals reached a record high of 65 million in 2018, an 11% year-on-year growth, and overnight visitors increased by 5%.

As I write this opening message a few months on, however, tourism in Hong Kong has taken a heavy blow from the continuing social unrest. Visitor arrivals have reversed their trend of double-digit growth in the first half of 2019 and fell back 40% in August, the biggest one-month drop since the SARS outbreak of 2003.

People ask me whether tourists will come back. Can Hong Kong restore its status as a leading destination for visitors? My answer is a very definite and resounding yes.

Hong Kong has strong fundamentals as a world-class destination, offering visitors a diversity of unique experiences that sets it apart from other cities. Our 2018 survey tells us visitors are very satisfied with their stays and 92% said they would come again and recommend Hong Kong to friends and relatives.

It is a destination overflowing with enticing attractions, from the exciting calendar of events including traditional festivals, exceptional

culinary events, international art exhibitions, and major sporting events, to the allure of colourful neighbourhoods steeped in a rich culture and a spirit of the living past.

On top of this, Hong Kong has seen its infrastructure connections significantly boosted by the arrival of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link and the Hong Kong-Zhuhai-Macao Bridge. A wealth of tourism resources in the Greater Bay Area is now within easy reach of visitors to Hong Kong from around the world, and our tourism industry is entering an exciting new era of opportunity.

Tourism is always vulnerable to external circumstances but history teaches us a more important lesson. Time and again Hong Kong has faced many major challenges, and time and again we have overcome them and shown our great resilience and can-do spirit. Together we bounced back from SARS, together we bounced back from the global financial crisis, and together we will bounce back from the current difficulties, and emerge stronger and more united than ever.

Tourism is a pillar of Hong Kong's economy and it needs the support of everyone in the city. Let us seize this opportunity to build on the strong foundations we have and maintain Hong Kong's status as one of the world's leading travel destinations.



Dr Pang Yiu-kai, GBS, JP
Chairman
Hong Kong Tourism Board

Acting Executive Director's Statement

I have worked with the Hong Kong Tourism Board for more than 20 years and I have experienced many of the tourism industry's highs and lows. Through the years, however, there is one constant truth: Whenever our city goes through a challenging time, it always emerges stronger and more resilient.

In the aftermath of the SARS outbreak in 2003, Hong Kong launched a concerted effort immediately after the lifting of the WHO travel advisory and visitor arrivals rebounded from a year-on-year decline of 70% in May to 10% growth in August. Visitor arrivals declined again in 2015 and 2016 following earlier incidents of social unrest but with a similar joint effort, they bounced back with a 3.2% rise in 2017 followed by a record-breaking 11% increase in 2018.

None of this would have been possible without the unwavering support of all sectors of society. Thanks to the help of the Government, the travel trade, and the community at large, we have made great achievements not only in visitor numbers but in the sheer variety of experiences we have to offer, the business opportunities we have created, and the reputation we have established of Hong Kong as a leading destination.

We have hugely expanded our calendar of events from a handful of mega events each year to promoting and staging more than 90 different events in 2018. They include the Hong Kong Wine and Dine Festival, a home-grown, world-class culinary event that celebrated its 10th edition with its biggest gathering yet, the Hong Kong Cyclothon which attracted athletes from around the world, and the Hong Kong Pulse Light Festival which saw the city's first ever international Light Art display. Meanwhile the Sham Shui Po promotion launched in 2018 successfully expanded our Hong Kong Neighbourhood initiative to draw visitors into the beating heart of our city and discover Hong Kong like a local.

To fuel our business growth, we participated in 18 trade shows and travel fairs and organised 16 travel missions and networking platforms covering 14 markets and creating networking opportunities for over 800 industry partners. We also teamed up with more than 180 travel trade partners to provide exciting deals to attract family visitors and young people who account for 70% of overnight visitors to Hong Kong.

With the backing of additional Government funding, and by working with the travel trade, we secured more than 30 major international MICE events involving about 120,000 MICE visitors in 2018 and subsidised more than 450 small MICE groups.

To enhance Hong Kong's image as a destination with a broad diversity of experiences, hundreds of captivating stories about Hong Kong have been sent out to a worldwide audience through HKTB's social media platforms and our DiscoverHongKong.com site which has 10 million followers and 140 million page views a year. Our PR communications platform generated a global publicity value of HK\$7 billion in 2018.

Meanwhile, the opening of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link and the Hong Kong-Zhuhai-Macao Bridge have given us a unique opportunity to roll out promotions globally to raise multi-destination travel to a new level and establish Hong Kong as a tourism hub for the Greater Bay Area.

Hong Kong's tourism industry is built upon extremely solid foundations capable of withstanding any shock. I am confident that with our passion, our ingenuity, and our resilience, we can overcome our current challenges and maintain Hong Kong's deserved status as one of the world's most extraordinary and spectacular travel destinations.



Becky Ip
Acting Executive Director
Hong Kong Tourism Board

BOARD MEMBERS

As at October 2019



Dr Pang Yiu-kai, GBS, JP

Chairman

Deputy Managing Director
Jardine Matheson Limited
(note i)



Joe C. C. Wong, JP

Deputy Chairman

Commissioner for Tourism
Commerce and Economic
Development Bureau
The Government of the Hong
Kong SAR



Victor Chan

General Manager
Harbour Grand Kowloon



Winston Chow

Director & Deputy General
Manager
Chow Sang Sang Holdings
International Limited



Margaret Fong

Executive Director
Hong Kong Trade
Development Council



Mary Huen

Executive Director and Chief
Executive Officer, Hong Kong
Standard Chartered Bank
(Hong Kong) Limited
(note ii)



Alice Kwok

Chief Editor
Hong Kong Economic Journal
Co. Ltd.



Clarence Leung, JP

Director
Sun Hing Knitting Factory Ltd.



Barry D. Nassberg

Chairman of Marketing
and Business Development
Committee
Group Chief Commercial
Officer
Worldwide Flight Services



Paulo Pong, JP

Chairman of Product and
Event Committee
Founder & Managing
Director
Altaya Group International
Limited



Jason Shum

Executive Director
Nan Hwa (Express) Travel
Service Limited



Joyce Tam

Executive Director
Goldman Sachs (Asia) L.L.C.
(note iii)



Winnie Tam, SC, JP

Chairman of Staff and
Finance Committee
Barrister-at-law



James Tong

Director Public Affairs
John Swire & Sons (H.K.) Ltd.



James Wong

Chief Executive Officer
Kwoon Chung Bus Holdings
Limited
(note ii)



Jason Wong, JP

General Manager
Sin Ma Tours Limited



Thomas J. Wu, JP

Consultant & Deputy Chief
Executive Officer (Hotel
Operations)
Hopewell Holdings Limited



Belinda Yeung, JP

Executive Director & Chief
Operating Officer
Regal Hotels International
Holdings Limited



Carrie Yu

Chairman of Audit
Committee
Senior Advisor, Consumer
Markets
PricewaterhouseCoopers

Notes:

- (i) Dr Pang Yiu-kai succeeded Dr Peter Lam as the Chairman of the Hong Kong Tourism Board on 1 April 2019.
- (ii) Appointment effective from 1 April 2019.
- (iii) Appointment effective from 1 November 2018.
- (iv) The following members also served the Board during the year ended 31 March 2019:
Ms Yip Wing-sie retired on 31 October 2018;
Mr T. C. Chan and Ms Nansun Shi retired on 31 March 2019;
Ms Jeny Yeung resigned on 31 March 2019.

2018 TOURISM PERFORMANCE



Total Tourism Expenditure Associated with
Inbound Tourism:

HK\$ **328.2** billion

Overnight Visitors' Per Capita Spending:

HK\$ **6,614**



Average Length of Stay among Overnight Visitors:

3.1 nights

Overall Satisfaction of Overnight Visitors
(Max: 10 points):

8.6 points

Total Arrivals:

65.15 million

Overnight Arrivals:

29.26 million

Same-day Arrivals:

35.88 million

STRATEGIC INITIATIVES

- 12** Global Promotions
- 34** Marketing Initiatives
- 36** Public Relations
- 38** Events & Promotions
- 52** Trade Partnerships
- 56** MICE Business
- 59** Cruise Promotions
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■ GLOBAL PROMOTIONS

As we assiduously enriched Hong Kong's in-town experiences, we came up with localised programmes in 20 target markets to keep Hong Kong on the minds of consumers. During the year, we reinforced the "Best of all, it's in Hong Kong" brand and reached out to travellers worldwide through some of the hottest and most effective channels including public relations, online and social media and consumer events, complemented with trade efforts to give consumers extra incentive to choose Hong Kong for their next trip.

Mainland China

The Hong Kong-Zhuhai-Macao Bridge (HZMB) and the Guangzhou-Shenzhen-Hong Kong Express Rail Link Hong Kong Section (XRL) began service in the second half of 2018. These two world-class facilities have made travelling between Hong Kong and the Mainland, particularly the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area), much easier. We fully capitalised on these new assets of Hong Kong to attract Mainland visitors leveraging digital and TV platforms and celebrity endorsement. In particular, we presented the novel experience of rail-cruise travel and actively explored new territories to expand our MICE business.

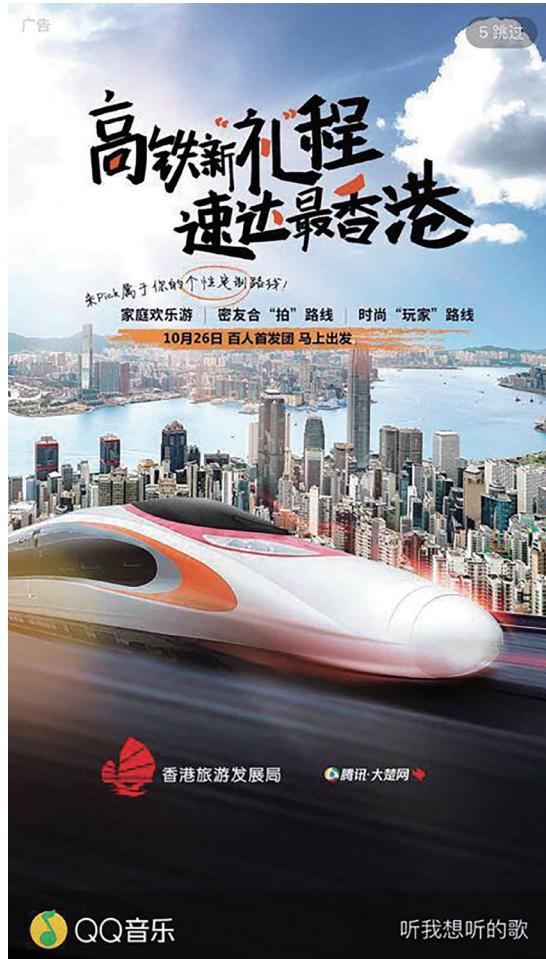
An array of innovative promotions riding on the new infrastructure

- Publicity value generated by XRL promotion with TV stations in southern China: over HK\$50 million
- Publicity value generated by media cooperation in cities near the HZMB: over HK\$24 million
- Publicity value generated by cooperation with Netease and Xinhua.net: close to HK\$24 million
- Number of packages sold featuring XRL inaugural tour products and HZMB thematic products: close to 180,000

Following the opening of the XRL and the HZMB, we put forth a series of timely promotions to maximise awareness of the two new transport facilities.

The selling point of the XRL is the speedy and comfortable experience for travelling between central China and Hong Kong, which we promoted on Tencent's numerous digital platforms, targeting consumers in Hunan and Hubei, two key cities in central China. At the same time, we organised a familiarisation trip for TV media from southern China, including Guangdong TV, Shenzhen TV, Fujian TV, Xiamen TV and Jiangxi TV, to show them the state-of-the-art XRL West Kowloon Station and nearby attractions.

The HZMB, meanwhile, has strengthened the transportation



network within the Greater Bay Area. By engaging leading media outlets from cities near the HZMB, such as Guangzhou, Zhuhai, Jiangmen and Zhongshan, we raised awareness of the convenience brought by the HZMB, and promoted the attractions close to the bridge, together with the HKTB's events and campaigns.



We also worked with the two largest national news portals, Netease and Xinhua.net, to promote the XRL and HZMB. Through their extensive networks, encompassing their official websites, news apps, and WeChat and Weibo accounts, our messages reached hundreds of millions in the market.

To turn awareness into action, we partnered with travel agents from 10 cities along the route of XRL to develop inaugural tour products with attraction offers in line with the HKTB's seasonal promotions to draw visitors from southern, central and western China, and rolled out thematic products featuring the HZMB with key travel agents in the Greater Bay Area.



Jackson Wang unveiled his magical Hong Kong journey

- Reach of Jackson's *Magic Book* video: 74 million views
- Publicity value generated by Jackson's appearance at the Hong Kong Wine & Dine Festival: HK\$43 million
- Packages sold under the promotions with Ctrip and Cathay Pacific: over 260,000

In February 2018, we appointed Hong Kong-born pop idol Jackson Wang as Hong Kong Tourism Envoy. Wang is a familiar face in the Mainland, having endorsed numerous big brands. Through his influence, we were able to capture the attention of the young segment.

During 2018/19, we launched *Magic Book*, a mega integrated digital campaign, which featured Jackson's video, audio greetings and AR games to provide consumers with an immersive experience of Hong Kong's entertainment, arts, sports and dining. The campaign was widely promoted on several market's most used digital platforms, including Tencent, Youku, iQiyi, Weibo, Sohu and Bilibili, and the Weibo accounts of six major trade partners. In October, we filmed a video of Wang exploring the Hong Kong Wine & Dine Festival to sustain publicity for the campaign while promoting the culinary event.

The publicity programmes were supported by trade promotions, including new tourism products around four mega events rolled out with Ctrip and endorsed by Wang. And in a cooperation with Cathay Pacific and Cathay Dragon, we produced in-flight videos featuring Wang to entice travellers with the fun things to do in summer and the wine-and-dine experiences in autumn.



Reality shows taking viewers to Hong Kong

- Publicity value generated by “Chef Nic”: over HK\$98 million
- Publicity value generated by “The Little Grand Tour”: over HK\$15.3 million

Reality shows are a big thing in the Mainland. During the year, we worked with two prominent programmes to increase Hong Kong's exposure in the market.

The first show was “Chef Nic”, a food travelogue hosted by Hong Kong superstar Nicolas Tse. In one episode, Tse brought viewers to Hong Kong, his birthplace, to discover its extraordinary dining as well as other experiences. The programme was broadcast on Zhejiang Satellite TV, iQiyi and Youku, and the in-flight entertainment programmes of Cathay Pacific and Cathay Dragon.

The second programme was “The Little Grand Tour”, a new family edutainment show aired on top online TV platform Tencent Video. Through the adventures of the child participants, Hong Kong was showcased as an ideal family destination.



Brand-new experience for cruise holidays

- Reach of “Dream Runner” programme: nearly 40 million views
- Publicity value generated by the summer promotion with *Cityzine*: HK\$33 million

The XRL not only facilitated travel between the Mainland and Hong Kong; it gave birth to a novel idea: rail-cruise travel. In presenting this concept to Mainland consumers, we worked with online travel programme “Dream Runner” to produce five episodes about taking the XRL to Hong Kong and embark on a cruise holiday, which were distributed through different online channels. We also generated consumer demand through leading national news portal Netease by showcasing the unique rail-cruise experience.

Catering to the family and young segments, which present the largest potential to cruise tourism, we launched an integrated marketing campaign with lifestyle magazine *Cityzine* in the summer. Through a feature story, articles generated by a familiarisation trip by *Cityzine* editors and their families, social media posts of parent KOLs, and co-branded collaboration with family-friendly restaurant Pizza Hut, we created buzz about summer cruise holidays in Hong Kong.

Meanwhile, our first-ever partnership with Royal Caribbean Cruises Service (China) Company introduced onshore tours and attractions like theme parks to the two target segments with highly positive response.



A great leap in MICE business

- Achievements of Mainland MICE team in 2018/19:
 - Secured nine large direct selling sector MICE groups, generating over 50,000 arrivals, including the 2019 Mary Kay Leadership Conference with 21,000 participants, the biggest MICE group received by Hong Kong
 - Received 18 meeting and incentive groups, with over 7,600 participants from the pharmaceutical, insurance and retail industries
 - Received three convention groups with over 2,100 participants in 2019 and secured five leads for 2020 and 2021 with more than 8,000 expected participants

Our Mainland MICE team made great effort on corporate outreach and tapping into new markets. During the year, we organised familiarisation trips for 20 corporate clients from the direct selling, insurance, pharmaceutical and retail sectors, and organisers of annual industry forums and conference associations. Leveraging the first China Convention Forum in Beijing, we partnered with the China Business Event Federation to host a themed lunch for over 300 Federation members. This event has strengthened our connections with key industry players in the Mainland and generated good results, including the biggest-ever MICE event for Hong Kong, namely the 2019 Mary Kay Leadership Conference.

We also identified 16 secondary cities presenting potential for Hong Kong's MICE business. Two trade seminars were conducted to engage MICE agents from Xi'an, Zhengzhou, Taiyuan, Shijiazhuang, Changsha, Wuhan, Guiyang and Nanchang. Another trade seminar was organised in Zhuhai for agents from cities in or near the Greater Bay Area, including Zhuhai, Dongguan, Foshan, Zhongshan, Guangzhou and Shenzhen, complemented by a familiarisation trip for them to experience the superb connectivity and convenience offered by the newly launched HZMB and XRL, and the diversified MICE products and venues in Hong Kong.



Taiwan

Hop on a plane in Taiwan and in less than two hours you will be touching down in Hong Kong. This is why so many Taiwanese people visit Hong Kong for short breaks or even just a weekend getaway. In this well-developed market, we curated a special selection of experiences to make visitors fall in love with Hong Kong all over again.

Touring Sham Shui Po like a hipster

- Publicity value generated by the Sham Shui Po campaign: HK\$13 million
- Air tickets sold as a result of Sham Shui Po-related trade co-operations: close to 7,000

For a down-to-earth experience of Hong Kong's local culture, look no further than Sham Shui Po, the second district introduced under our Hong Kong Neighbourhood campaign.

To spark just the right amount of interest in this traditionally blue-collar neighbourhood, we published four thematic articles with videos in partnership with fashion magazine *Marie Claire* on the curious finds in the district, from trendy boutiques and workshops, to street food and idiosyncratic architectures. We also engaged TV and online programmes to tell interesting real-life stories, and invited bloggers and social media influencers to share their recommended itineraries, projecting a human touch that defines Sham Shui Po.

Further buzz was created with an interactive online game on our official website, in which players had to locate hidden treasures in Sham Shui Po for the chance to win a free trip to Hong Kong and gifts. And to convert desire into action, a promotion code was embedded in the game with which users could book Cathay Pacific flight tickets to Hong Kong at a discount.



Hong Kong through the eyes of a Grammy-nominated designer

- Publicity value generated by Xiao Qing Yang's Hong Kong Arts Month campaign: HK\$5.8 million

The popularised term "*wen ching*", which refers to a young person with a cultivated taste in the arts, probably finds its origin in Taiwan, where people are known for having a high cultural literacy.

Targeting this demographic, we invited Xiao Qing Yang, an acclaimed Taiwanese graphic designer and five-time Grammy Award nominee for Best Recording Package, to visualise his perception of urban Hong Kong in a video. The result was “Buzzing Aesthetics”, in which viewers followed Xiao around what he described as a large, eclectic art scene, and feast their eyes on edgy street art, photogenic sceneries, traditional architectures and much more. A large-scale media event was held in Taiwan, followed by extensive media coverage on the collaboration to beacon art and design lovers to Hong Kong Arts Month in March.



香港藝術月

© United Daily

MICE and cruise – the new trend of business travel

- Size of the PX Mart incentive group: close to 1,500 participants

In October 2018, we organised PX Mart's incentive trip which served to celebrate the 20th anniversary of this biggest grocery chain in Taiwan and reward its top performers. It was the largest incentive group Hong Kong had ever received from the market.

The five-day trip featured an extraordinary itinerary, including two nights on cruise ship *World Dream*, a taste of the 10th Hong Kong Wine & Dine Festival, visits to signature attractions, and exceptional hospitality programmes tailor-made jointly by our Taiwan office and Meetings and Exhibitions Hong Kong (MEHK) office.

The event was both a demonstration of Hong Kong's capacity to receive a mega M&I group and a successful "match-making" story in which MICE and cruise were brought together to create a rewarding experience and generate new business opportunities for the travel trade in both sectors.



Japan

Japan and Hong Kong have enjoyed close tourism ties for many years. As we continued to promote Hong Kong's dynamic city life and kaleidoscope of experiences in our fifth largest tourism market, we proposed new multi-destination tours to Japanese travellers, riding on the development of the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) and the launch of the two magnificent infrastructure, the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL) and the Hong Kong-Zhuhai-Macao Bridge (HZMB).

Hong Kong Week – Greater Bay Area Showcase

- Global publicity value generated by the event: HK\$23.7 million



"Hong Kong Week – Greater Bay Area Showcase", a four-day consumer show organised by the HKTB at Tokyo's KITTE shopping mall in November 2018, promoted Hong Kong as the ideal starting point of multi-destination journeys in the Greater Bay Area.

The event highlighted Hong Kong's unique tourism offerings while introducing its new infrastructure that had made travelling to the Mainland more convenient. Our Hong Kong Neighbourhood promotion Old Town Central was recreated with a miniature model, and a replica of *Large Mouth Dragon Boy*, a street art painting by Japanese celebrity and artist Shingo Katori in the neighbourhood, was exhibited. Katori even made a surprise appearance and shared his travel experience in Hong Kong with Japanese consumers.

On top of the consumer show, a luncheon briefing was organised with the Hong Kong Economic Trade Office and Hong Kong Trade Development Council, followed by a trade seminar and cocktail reception. Japanese officials and over 160 trade partners from Japan and the Greater Bay Area took part in the trade events.

Launch of Hong Kong-Japan Tourism Year

- Publicity value generated by the media event with Shingo Fujimori: HK\$12.4 million

Another large-scale campaign was Hong Kong-Japan Tourism Year, jointly launched by the HKTB, the Japan National Tourism Organization and the Japan Tourism Agency.

Following the announcement of the initiative at the Tourism EXPO Japan in September 2018, we organised a media event in January 2019 to unveil special offers for Japanese travellers throughout Hong Kong-Japan Tourism Year. At the event, Japanese celebrity Shingo Fujimori was appointed as the new “Star Hong Kong Mai”, a Hong Kong tourism ambassador. Fujimori had lived in Hong Kong for three years when he was young and is very fond of the city, to which he travels at least once a year. His photos and video messages from the media event and media tours in Hong Kong were featured on multiple platforms to capture the interest of Japanese consumers.



Indulging in Hong Kong delights with Hanako magazine

- Publicity value generated by the *Hanako* cooperation: HK\$12 million

With monthly lifestyle magazine *Hanako*, we showcased some of Hong Kong's hottest experiences that appealed to Japanese travellers, from dim sum to pastries, art, bars and night views, in a cover story of over 80 pages, featuring Hong Kong model and actress Angela Yuen. A special 12-page booklet *The Places HK fans and locals go* was inserted in the magazine to present secret spots favoured by Japanese celebrities and expatriates in Hong Kong. We also distributed 30,000 copies of the booklet at consumer and trade events to pique interest. The issue was widely promoted at 40 major train stations in Tokyo and Osaka and on *Hanako*'s digital platform.



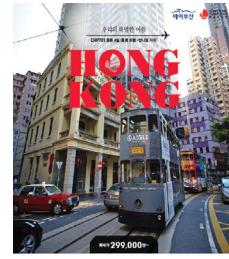
South Korea

Hong Kong is a giant palette teeming with colours – from the muted tones of days past, to bold hues in busy, neon-sign-lit districts, and soothing shades of green in the countryside – for travellers to pick their favourites.

During the year, we invited Korean visitors to paint their time spent in Hong Kong with vibrant activities under our Hong Kong Neighbourhood, Great Outdoors Hong Kong and Hong Kong Summer Fun campaigns, and bring home memories in brilliant colours.

Director's Cut – Hong Kong Neighbourhoods

- Publicity value generated from the Hong Kong Neighbourhood TV programmes: over HK\$390 million
- Total views of the Travel Factory video: 1.46 million (as at early August 2019)



Our first Hong Kong Neighbourhood promotion, Old Town Central, had left visitors wanting more of the city's authentic experiences. In 2018-19, we presented our second selection, Sham Shui Po, and promoted both neighbourhoods through consumer marketing, PR initiatives and trade cooperations.

Teaming up with Sony Camera and Korean monthly consumer magazine *Travie*, we flew 10 vloggers to Hong Kong and asked them to create contents of Old Town Central and Sham Shui Po. We then engaged travellers by letting them select their favourite work in a public voting, and the entries were featured on Sony's social media channels and in an eight-page feature in *Travie*.

Meanwhile, we partnered with Travel Factory for the third year running and produced a video capturing the charming sights and scenes in the two neighbourhoods. In collaboration with high-rating Korean TV channels like SBS, KBS, tvN and Mnet, and with *Lonely Planet*, we shone the spotlight on immersive experiences and hidden treasures, inviting visitors from various segments to rediscover Hong Kong. Attractive airfares offered by various airlines gave visitors a push to book a trip to Hong Kong.

City Life, City Rest

- Publicity value generated by related TV cooperation: HK\$168 million
- Air tickets sold during the summer promotional window: 20,000

Summer is a peak season for Koreans to visit Hong Kong. We showcased cool, value-for-money experiences to have during the hot months with an integrated campaign featuring four themes: "Malling", "Dining", "City Rest", and "Nightlife".

First, we partnered with Cathay Pacific, Klook and HotelsCombined to roll out compelling, one-stop offers; second, we conducted a tactical promotion in Busan, the second most populous Korean city, with the local branch of Hana Tour and Busan-based KNN TV, and launched an advertising campaign in the city's busiest subway station; third, we participated in media projects, including popular hip-hop competition reality show "Show Me the Money 777" by Mnet, to position Hong Kong as a destination for the young and trendy; fourth, we invited celebrity influencers to generate social media feeds under the four themes; last but not least, we produced and broadcast the thematic video "City Life, City Rest" in the city centre in Seoul to heighten consumer awareness.



A hiking expedition with K2

- Tickets sold under the tactical Great Outdoors Hong Kong trade cooperation: over 4,000

It is no surprise that hiking is a fad in Hong Kong, a city blessed with mountains and seas and a great number of scenic hiking trails. To share this gift from nature with Korean travellers, we worked with two partners from the market, leading outdoor brand K2 and monthly travel magazine *AB Road*, to form a Great Outdoor Expedition Team.

The team was sent on a treasure hunting mission on Dragon's Back and "Down the Memory Lane", a hiking trail from the Peak to the University of Hong Kong. Their experience, together with the city's hiking trails, was showcased at K2's 299 outlets and social media platforms, and in an eight-page article in *AB Road*.

So that visitors could experience the great outdoors of Hong Kong after seeing the expedition team in action, we matched our PR effort with tactical cooperation with eight trade partners, including Mode Tour, Korea's second largest wholesaler, to develop and sell Great Outdoors Hong Kong-related tour products, FIT packages and group tours.

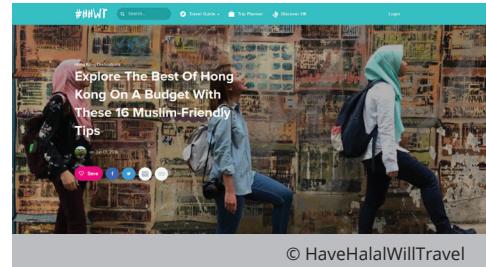


Southeast Asia

Southeast Asia, in which our key markets cover Singapore, Malaysia, Indonesia, Thailand and the Philippines, is an important source of visitors to Hong Kong. In line with our neighbourhood campaign, we introduced Sham Shui Po to consumers in the region. And to expand the visitor base, we rolled out targeted promotions to present Hong Kong as a Muslim-friendly destination and a great city for sports.

Intensified promotion to Muslim travellers

- Publicity value generated from the mega familiarisation trip: HK\$6.3 million
- Results of the trade cooperation with Malaysia Airlines: 100% increase in flight searches on Hong Kong and 3,500 tickets sold during the campaign period
- Reach of the “Have Halal Will Travel” partnership: 20 million



The Muslim segment, which accounts for approximately 40% of the total population in Southeast Asia, is a demographic that cannot be ignored. In the year under review, we invested considerably in public relations, consumer marketing and trade engagement to attract Muslim travellers, catering to their special needs and customs, especially in Indonesia and Malaysia markets.

A major awareness campaign was put together with “Have Halal Will Travel”, top Muslim travel portal in the region, with creative contents released year-round to build Hong Kong’s image as a Muslim-friendly destination and engage the Muslim community on social media.

This effort was complemented by a destination video created with Malaysia Airlines, which followed a Muslim influencer on her adventures in Hong Kong’s great outdoors and interesting neighbourhoods, including Sham Shui Po and Old Town Central.

We also proactively engaged the travel trade and media with a mega familiarisation trip in April 2018. A total of 44 Muslim media titles and trade partners from Malaysia and Indonesia were invited to try out Muslim-friendly facilities and cuisines, and visit local mosques and iconic quarters.

Large-scale media launches driving awareness of Sham Shui Po

- Total publicity value generated by the Sham Shui Po related campaigns: HK\$40 million

Echoing our Sham Shui Po neighbourhood promotion, we organised two large media launches, one in Malaysia and one in Indonesia.

In Malaysia, we hosted a media and trade luncheon which recreated the Sham Shui Po experience with its distinctive food and ambience. Michelle Loo, host of the six-episode “Hong Kong Neighbourhood Gems” TV series broadcast in the international markets including Malaysia, was invited to talk about her encounters with the residents of Sham Shui Po, with follow-up media interviews to sustain the publicity for the Hong Kong Neighbourhood campaign.

Our partner in Indonesia was Trans TV reality show “Mission X”, which had episodes filmed in Hong Kong and aired between August 2018 and January 2019. The show was hosted by numerous celebrities including



Indonesia Idol finalist Brisia Jodie. Riding on the show, we organised a media event to promote Sham Shui Po and invited the show's celebrities to share their experience in Hong Kong and played games with over 120 media and trade guests.

The stories of humble shops and stalls in Sham Shui Po, its local street food and buildings full of rich history generated extensive coverage in major media titles in Southeast Asian markets, including ANC Channel's "Cityscape", Astro's "Ria Fantasy Escape", China Press, CNN Philippines Life, Khao Sod and The Straits Times.

Promoting sports tourism with Hong Kong Cyclothon

- Number of Singaporean and Thai cyclists participating in Hong Kong Cyclothon: 70

Sports tourism is particularly popular in mature markets like Singapore and Thailand. During the year, we collaborated with specialised travel agents and other partners with a strong focus on sports-related tourism products including the mega event Hong Kong Cyclothon.

Our goal was not simply to raise awareness of Hong Kong as a hot destination for sports, but to encourage sports lovers to actually take part in Hong Kong Cyclothon. In Singapore, therefore, we reserved some spots in the event for members of online sporting platform RunSociety, and arranged for their writers to take part in the race and review an itinerary featuring it. Meanwhile, we launched the first-ever cycle-cruise package with Dream Cruises, allowing cruisers to take part in the Hong Kong Cyclothon; and with Travelwander, a travel agent specialising in outdoor activities, we custom-made travel packages for visitors to participate in the major sporting event.

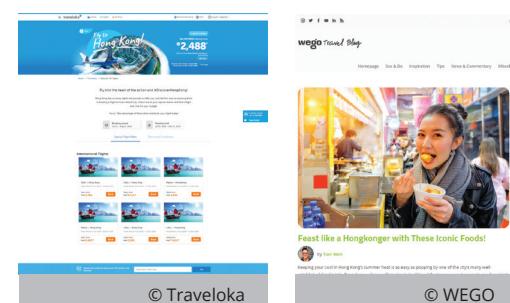
In Thailand, we had an exclusive cooperation with sports travel agency Boxmatch Travel to offer a Cyclothon package. And two Thai cycling KOLs were invited to join the race for another year and share their experience on social media.



Engaging both online and offline travel trade partners

- Number of travel agents from Southeast Asia who participated in the familiarisation trip: 75
- Results of the Traveloka promotion in Indonesia and the Philippines: more than 6,500 air tickets, 2,300 attraction tickets and 2,200 hotel rooms sold

Capitalising on the global trend of e-commerce, we collaborated with leading online travel agent Traveloka to promote regional cooperation in the Philippines and Indonesia, and create an urge to visit Hong Kong with inspiring contents and a basketful of offers for air tickets, attractions and accommodations. We also partnered up with travel meta search engines Wego and Sky Scanner to co-market Hong Kong contents, which went viral through influencers, known as a source of inspiration for travel ideas and destinations.



While a lot of travellers are using online resources, physical travel agencies continue to play an important role. To this end, we engaged and equipped the travel trade with the most up-to-date product knowledge through a familiarisation trip, highlighting new tourism products and infrastructure. A business-matching session was held during the trip to inspire new travel products for consumers and create business opportunities for both our overseas and local trade partners.

New Markets

At the HKTB, we never stop identifying new opportunities to extend our marketing footprints. One way to achieve this is by growing new markets. Through a mix of trade, PR and consumer marketing efforts, we stepped up our promotions in India, Russia and the Gulf Cooperation Council (GCC) region and sought new opportunities to tap into the Vietnamese market.

Follow a Bollywood star to Hong Kong

- Publicity value generated by Gautam's trip: HK\$2.8 million

YAMI GAUTAM'S HONG KONG GETAWAY IS BOUND TO MAKE YOU ENVIOUS

PRAJAKTA AJGAONKAR AUGUST 06 2018, 4:40 PM

Actress Yami Gautam has been making great fashionable splashes across the globe with her sister Surilie. The sisters are inseparable as they go about town, putting their stylish foot forward. Now, they have jetted off to Hong Kong for a nice getaway and the pictures are bound to make you go red with envy.

Yami Gautam reveals the best kept secrets of Hong Kong

Think Hong Kong and you instantly visualize modernistic skyscrapers and amusement parks. You'd be surprised that Hong Kong packs in a lot more than that. This oriental pearl offers history and a variety of manmade and natural wonders that are sure to delight every traveler. Beneath Hong Kong's dazzling skyscrapers lies its rich colonial past. This summary of travel tips for Indian tourists is to further heighten the variety of experiences Hong Kong promises.

ZOOM

Thinking of travelling abroad? These pics of Yami Gautam will tell why your destination should be Hong Kong

Yami never misses her chance to travel. She's been sharing pics from her trips to the United States, Australia, and now Hong Kong. The actress has been making great fashion statements in Hong Kong, and her sister Surilie is right there with her. The two are inseparable as they go about town, putting their stylish foot forward. Now, they have jetted off to Hong Kong for a nice getaway and the pictures are bound to make you go red with envy.

By: [PRAJAKTA AJGAONKAR](#) | [Aug 06, 2018, 4:40 PM](#) | [Comments](#)

We invited stunning Bollywood actress and top model Yami Gautam to sample the exceptional gastronomy and cultural life of Hong Kong. A short film was made and promoted through our media partners including *Economic Times Panache*, and on various online channels. Gautam also uploaded snaps from her trip on Instagram, which has a massive following of 10.5 million.

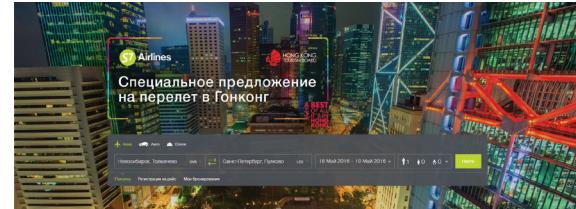
Destination awareness campaign in Russian and the GCC markets

- Increase in S7 Airlines' ticket bookings to Hong Kong during the campaign period: 38%
- Total flight bookings linked to the multi-destination promotion with Vietnam Airlines and Emirates Airlines: 508

While Hong Kong may not be the priority for travellers in Russia and the GCC region due to the relatively longer flying distance, we strived to sustain top-of-mind awareness and maximise exposure in these markets.

In Russia, we continued cooperating with S7 Airlines to stimulate bookings from Moscow and cities in the Russian Far East, and organised a familiarisation tour for trade partners from the Far East to experience selected home-grown events, including the Hong Kong Wine & Dine Festival and the Hong Kong Pulse Light Festival. In Moscow, Russia's capital and most affluent city, we focused our resources on promoting multi-destination travel with various other destinations through partnerships with Vietnam Airlines and Emirates Airlines, with the aim of providing alternative indirect flight options from Moscow to Hong Kong.

For the GCC markets, we created hype about visiting Hong Kong with attractive offers developed with first-class online travel agent Almosafer and local hotels.



Celebrity endorsement to open up the Vietnamese market

- Engagement generated from social media posts on Ly's trip: 331,000

Riding on our cooperation with Cathay Pacific, we invited Vietnamese KOL Ly Qui Khanh to Hong Kong in the autumn of 2018, generating digital stories on his social media platforms as well as those of Cathay Pacific.



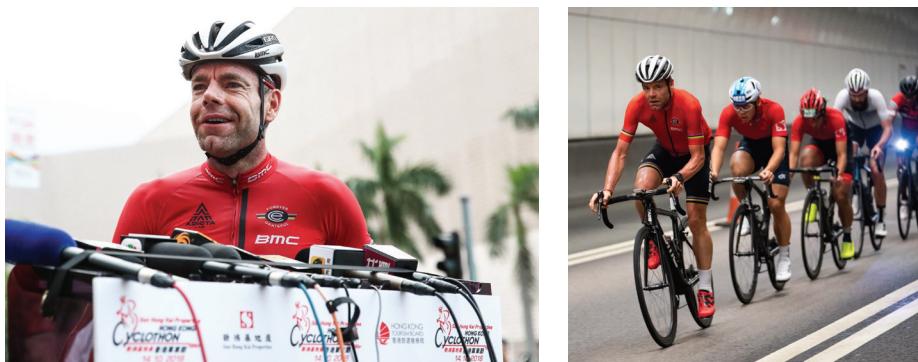
Australia

Sports and outdoor activities are among the favourite things to do for the Australians. We therefore raised the profile of Hong Kong as the perfect destination for sports and the outdoors through our home-grown event Hong Kong Cyclothon, in which a star Australian cyclist was invited to take part. At the same time, we evoked desire to visit Hong Kong through continued close partnerships with various Australian airlines.

Cadel Evans in Hong Kong Cyclothon

- Publicity value generated by Cadel Evans' participation in Hong Kong Cyclothon: about HK\$950,000

Australian professional racing cyclist and Tour de France winner Cadel Evans was invited to join Hong Kong Cyclothon, taking part in the 50km ride and serving as a commentator of Hammer Hong Kong, the finale of the world-class Hammer Series. Through extensive media coverage and his social-first videos, which featured the cycling event and the extraordinary natural landscape of the city, he helped promote Hong Kong as a destination for cycling and sports in general to his fellow Australians.



Launching integrated marketing promotions with Qantas Airways

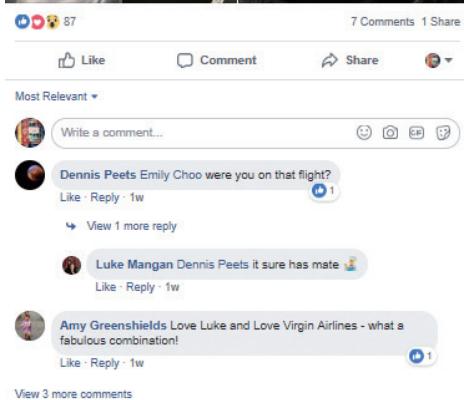
- Reach of the Qantas Airways integrated marketing campaigns: over 9 million impressions

In 2018/19, we strengthened our partnership with Qantas Airways and jointly rolled out a series of consumer marketing promotions and advertising campaigns. Inspirational contents was disseminated across Qantas' website, social media and electronic direct mails channels (eDMs). Display and native advertising, radio advertisements and live reads were also conducted to promote special flight deals and offers and convert consumer interest to actual bookings.



Hyping up destination awareness as Virgin Australia launched new direct Sydney-Hong Kong flight

- Publicity value generated by Virgin Australia's inaugural Sydney-Hong Kong flight: HK\$8 million



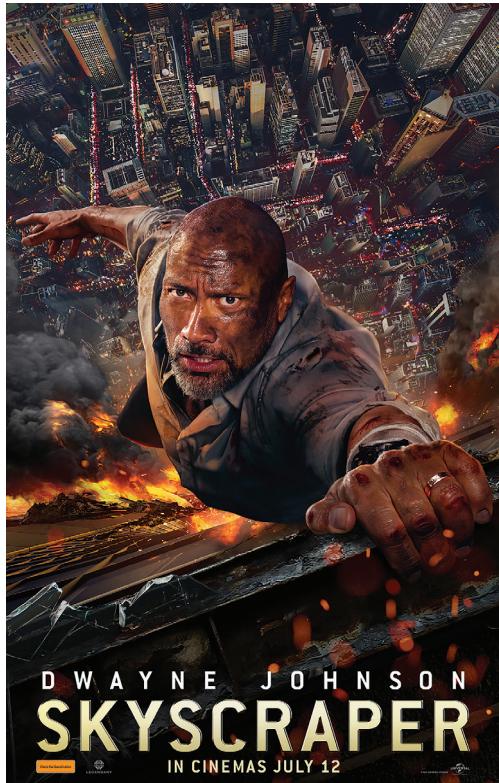
Riding on Virgin's inaugural flight from Sydney to Hong Kong on 2 July 2018, we organised a media event at Sydney International Airport. Attended by Australian Deputy Prime Minister and celebrity Dannii Minogue, the event generated considerable media exposure for Hong Kong. In addition, journalists were invited to fly on the inaugural flight, enjoying delicacies created by Virgin's celebrity chef Luke Mangan before embarking on a familiarisation trip to explore Hong Kong's diverse appeal.

US

In the land of Hollywood and television, we reinforced Hong Kong's presence through a big-budget action film and reality shows. We also worked with an online influencer network and one of the best-known online travel agencies to promote the Hong Kong destination brand to the digitally savvy.

Impactful spin-off from the movie *Skyscraper*

- Publicity value generated by the *Skyscraper* integrated marketing campaign: HK\$5 million



Vertiginous skyscrapers are the icons of Hong Kong. So it came as no surprise that the film *Skyscraper* had chosen Hong Kong as the backdrop. Starring "The Rock" Dwayne Johnson, the film tells the story of a security expert trying to save his family inside a fictional 255-storey building located in Hong Kong, the city of looming skyscrapers.

Our US office worked with the film's distributor Universal Pictures and rolled out an integrated marketing campaign upon the release of the motion picture to heighten awareness of Hong Kong. The centre piece was a sweepstake providing a free trip to Hong Kong for two, and a micro-site was created to link to the movie trailer while driving traffic to our official website DiscoverHongKong.com. Paid digital and both paid and organic social media contents were impactfully used to boost entries. The campaign was recognised with a Silver Award in the HSMAI (Hospitality, Sales & Marketing Association International) Adrian Awards 2018, under the "Digital Marketing - Digital Campaign - Contest/ Sweepstakes" category.

Publicity of the film and Hong Kong climbed further up when "The Rock" and key US media titles visited the city in July 2018 as part of a promotion tour, which resulted in extensive TV and online coverage.

Inviting travel influencers to promote Hong Kong neighbourhoods

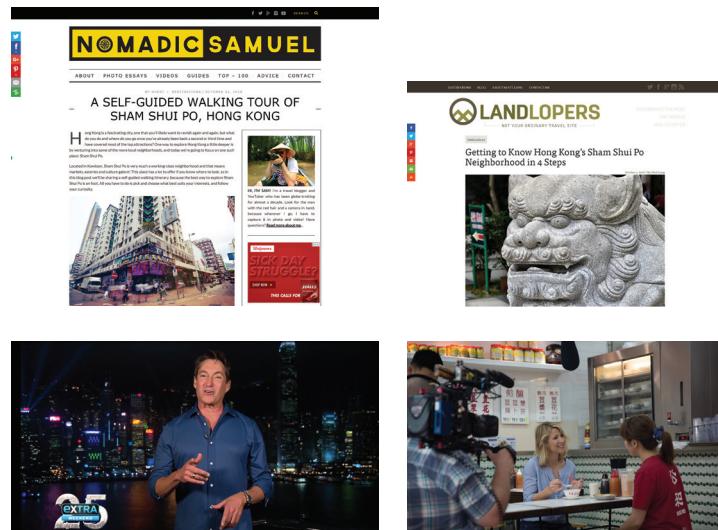
- Reach of the influencers' social media campaign: over 100 million impressions
- Publicity value generated by "EXTRA's "Mansions and Millionaires": over HK\$11 million

Influencer marketing is an inevitable trend, but choosing the right "spokesperson" requires skills on the part of the marketer.

Instead of randomly approaching individual influencers, our US team worked systematically with iAmbassador, an organised network of travel influencers from around the world. Four influencers from the extensive network were handpicked to develop blog contents on our Sham Shui Po neighbourhood promotion which was featured by the network.

We also worked with "traditional" influencers to reach other demographics. One of them was Michael Corbett, actor, producer, entertainment journalist and host of EXTRA's "Mansions and Millionaires", of which we brought one episode to Hong Kong in partnership with TV network NBC to introduce the city's natural scenery and interesting neighbourhoods. The promotion did not end with the airing of the programme, as Corbett went on to share his experience in Hong Kong during a national satellite media tour, holding both live and taped interviews with TV stations across the US.

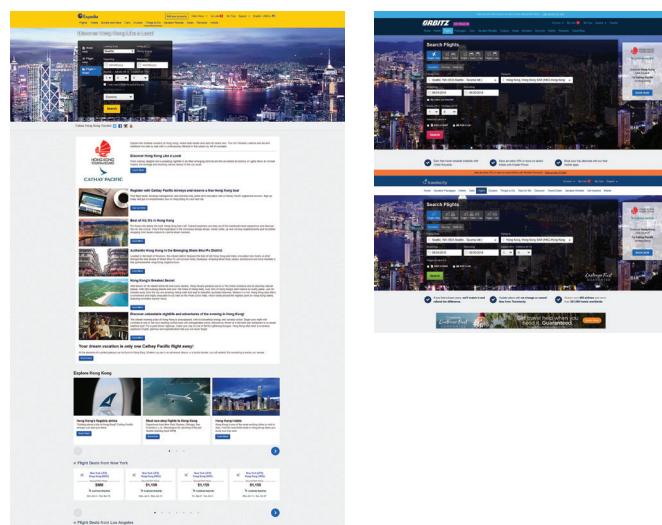
Another personality we engaged was travel expert Samantha Brown, whose "Places to Love" show on PBS dedicated a 30-minute episode to introducing Hong Kong's dining, architecture, local culture, nightlife and history.



Driving Hong Kong bookings with Expedia

- Results of the three integrated Expedia campaigns: over 16,000 air tickets sold and more than 35,000 rooms booked

In the US market where the use of online travel agencies (OTAs) is a norm, we teamed up with world-leading OTA Expedia Group to conduct three integrated plans, each running for three months, across its network of six sites: Expedia.com, Orbitz, Travelocity, Hotels.com, Hotwire.com and CheapTickets. All impressions on these sites drove consumers to a custom landing page with Hong Kong branding, Cathay Pacific getaway information, a carousel of airfares, and a rotating gallery of Hong Kong hotel offers to increase brand awareness and stimulate Hong Kong bookings at the same time.



Canada

In Canada, where traditional media continues to wield strong influence on people's cultural life, we partnered up with leading TV, radio, newspaper and magazine titles and well-known personalities to develop integrated campaigns, with a focus on heightening brand awareness and promoting multi-destination travel.

Notable meteorologist and travel expert discover Hong Kong like a local

- Total value generated by the integrated campaign launched with Corus: HK\$ 4.2 million



There are probably few better ways to reach a large audience than through famous faces. In Canada, we worked with leading mass media and content company Corus Entertainment to create contents of two celebrity hosts from TV network Global BC – Chief Meteorologist Mark Madryga and travel expert Claire Newell – as they experienced the charms of Hong Kong.

Weather expert Madryga was featured in a series of short videos on a variety of topics, from getting a bespoke suit to a visit to the Hong Kong Observatory. He also promoted a contest, the winner of which would be awarded a trip to Hong Kong. Newell, meanwhile, shot a 30-minute travelogue on Global TV, which won the Gold Award under the "Branded Entertainment: Documentary" category in the Davey Awards in the US.

What ensued was Hong Kong's persistent presence on Global BC: Madryga's videos were shown in his programme every weekday for two weeks; Newell's travelogue was aired four times; and tactical commercials in which Newell promoted Hong Kong travel packages for our trade partner Travel Best Bets were broadcast.

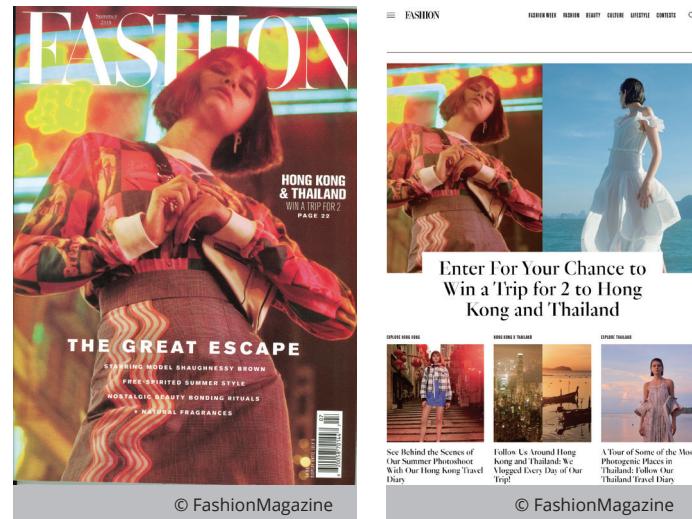
In addition to TV, Newell appeared in talk shows and radio commercials on Corus radio channel CKNW, in which she promoted Hong Kong and the said travel packages.

And needless to say, we leveraged the social media of our partners, including Global BC, Travel Best Bets and Newell, to reach out to even more Canadian consumers.

Campaign with *FASHION* magazine to portray a dream multi-destination trip

- Publicity value generated by the *FASHION* cooperation: HK\$ 2.68 million

In light of the multi-destination trend, we launched an integrated media cooperation with magazine *FASHION* and the Tourism Authority of Thailand to promote the Hong Kong-Thailand combo. A 33-page spread article was published as the cover story of the summer 2018 issue. The print promotion was complemented by behind-the-scene videos, custom stories and photos on *FASHION*'s digital content hub and social media channels. And a contest was held to engage consumers who could win a trip to Hong Kong and Thailand. The campaign was recognised by a Silver Award in the Pearl Awards organised by the Content Council in the US, under the "Most Effective: Travel & Leisure" category.

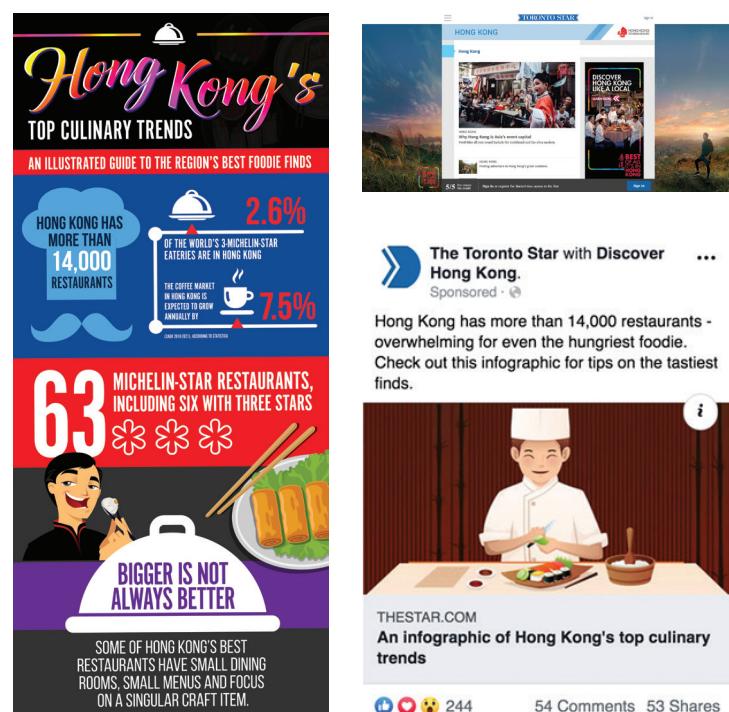


Showcasing Hong Kong's travel experiences in *Toronto Star*

- Impressions on *Toronto Star*'s digital content hub: close to 7 million

Another publication we worked with was newspaper, or, more precisely, the newspaper with the highest overall weekly circulation in the market – *Toronto Star*.

Engaging stories and articles on Hong Kong's neighbourhoods and core experiences were posted on the paper's online content hub and social media channels, alongside a series of print advertisements, to reach readers across the province.



THESTAR.COM
An infographic of Hong Kong's top culinary trends

54 Comments 53 Shares

Europe

In this sophisticated market region, we came up with a smorgasbord of creative ideas – from literature to song – and entered into partnerships with leading media titles, with everything customised to serve the different needs of individual markets.

Showcasing Hong Kong's picture-perfect neighbourhoods in France

- Publicity value generated from all the “Hong Kong Stories, Hong Kong People”-related campaigns in France: over HK\$90 million

Where in Hong Kong did Cannes Film Festival Best Director award winner Wong Kar Wai shoot *In the Mood for Love*, an art film that achieved fame in France and internationally through its nomination for the prestigious Palme d’Or? And what in Hong Kong inspired Paris-born English writer W. Somerset Maugham to write *The Painted Veil*, which had been adapted three times into films starring such Hollywood sensations as Greta Garbo and Naomi Watts?

These questions about “Hong Kong Stories, Hong Kong People”, the theme of our French promotion throughout the year, were answered in the show “Invitation au Voyage” of French culture TV channel ARTE, with which we created three episodes to trace the footsteps of Wong and Maugham, and the evolution of Sai Ying Pun, an eclectic neighbourhood that was once the centre of a plague and is today a modernised district preserving vestiges of old Hong Kong. Through the show, we enticed French consumers to dive right into the mesmerising culture of Hong Kong.

Arts and culture aside, we promoted Hong Kong’s culinary excellence riding on the success of our participation in last year’s Lyon Street Food Festival. We highlighted Sham Shui Po, the district of our neighbourhood campaign this year, where French gourmets could savour Michelin-recommended egg waffles and other authentic street food.

Supplementing these promotions, we ran an advertising campaign featuring Old Town Central and Sham Shui Po stories on digital platforms and distributed interesting contents on social media.



Tightening partnerships at the Bordeaux Wine Festival

- Publicity value generated by the wine-and-dine promotion in Bordeaux: over HK\$1 million

The Bordeaux Wine Festival (Bordeaux fête le vin), with which the Hong Kong Wine & Dine Festival is closely associated, celebrated its 20th anniversary in June 2018.

To deepen our partnerships with wine merchants in France, Hong Kong’s largest wine trading partner, we hosted a cocktail reception and dinner during the Bordeaux Wine Festival. Prior to the cocktail reception, we signed a Memorandum of Understanding with Bordeaux Greats Events – Office de Tourisme et des Congrès de Bordeaux Métropole on further cooperation on wine and food tourism promotion. The ceremony was witnessed by HKSAR Chief Executive Mrs Carrie Lam and Deputy Mayor of Bordeaux Mr Stephan Delaux.



Taking the invaluable opportunity, we promoted the 2018 Hong Kong Wine & Dine Festival at the cocktail reception to encourage the participation of Bordeaux wine merchants. We also invited three Hong Kong Michelin-starred chefs to present their signature dishes at the event to indulge the guests with Hong Kong’s culinary excellence.

Driving awareness on social media in Germany

- Reach of Die Lochis' music video: over 1 million views
- Reach of the social media campaign: over 100 posts reaching 2.5 million fans on the social media channels of 20 trade partners

Germany is known for its cool music scene. In 2018, our Frankfurt office facilitated the production of the music video of German duo Die Lochis' new song *Superman* in Hong Kong. In the music video, the twin brothers were seen hopping on the iconic tram, taking a helicopter ride above Victoria Harbour, and walking around some of Hong Kong's hippest neighbourhoods. The video was released in November 2018 on Die Lochis' YouTube channel, which was followed by 2.7 million fans. The video, together with pictures on the duo's Instagram, Facebook and Twitter, projected the hip and trendy image of Hong Kong to German consumers, particularly the young segment.

In the market, we also provided social media contents related to our events, neighbourhood campaign and core experiences to our German trade partners, including airlines and tour operators, on a regular basis to sustain Hong Kong's presence year-round.



Intensive media and trade cooperation in the UK

- Publicity value generated by the one-year partnership with *The Guardian*: HK\$4 million
- Results of the promotion with Iglu Cruise and Planet Cruise: bookings by close to 1,500 passengers

In the UK, we established a year-long strategic media partnership with esteemed news brand *The Guardian* to arouse interest in neighbourhoods, including Old Town Central and Sham Shui Po, as well as Hong Kong's mega events and core experiences, through sponsored and commissioned articles, feature galleries, and social media contents.

Meanwhile, we pitched and partnered with TV, print and online media during various promotional windows to target different consumer segments. For example, we leveraged some of the most read nationwide media, such as the *BBC*, *The Independent* and *The Sunday Times* to disseminate unique stories of Hong Kong neighbourhoods, and engaged sports magazines like *Cyclist Magazine*, *Bike Radar* and *Cycling Plus* to promote Hong Kong Cyclothon and Great Outdoors Hong Kong.

We continued to engage the travel trade, with a focus on the cruise tourism during the year in review, working with the UK-based Iglu Cruise and Planet Cruise to promote fly-cruise itineraries with at least two nights in Hong Kong.



© Cyclist Magazine

MARKETING INITIATIVES

There are many ways to tell a story. As a storyteller, we tell the tales of Hong Kong to travellers through many creative marketing campaigns, from short and sweet micro-films to immersive technologies; we even enlisted the help of our fellow Hongkongers, including critically acclaimed film directors, in the process. Whatever way we adopted, the objective was consistent: to consolidate Hong Kong's destination brand image and enrich the experience of visitors by encouraging them to discover Hong Kong like a local.

Sham Shui Po – Every Bit Local

- Social media impression of "Sham Shui Po" promotion: 22.4 million
- Reach of "Treasures of the Heart" micro-films: 4.63 million views
- Page views of "Sham Shui Po" dedicated website: 460,000
- Awards and recognition of "Sham Shui Po": Over 20 international awards from marketing sector and travel industry, including Platinum Award of the "Best of The Best – Use of Media" in MTR advertising The Best of the Best Awards 2018 and Grand Award in the Ad Campaigns category in Questar Awards 2019.

A one-of-a-kind button that keeps memories alive; a white sugar sponge cake that reminds a son of his mother's love; a camera that makes two hearts grow fonder; and a broken chair that bonds two generations. These are stories from our "Treasures of the Heart" micro-film series, inspired by the people of Sham Shui Po.

In promoting the second district under our Hong Kong Neighbourhoods campaign, we had the pleasure to work with local creative talents director Chan Chi Fat and playwright Candice Chong to produce the micro-film series. Their poignant observation of the human condition gave birth to four heart-warming stories that laid bare the spirit of Sham Shui Po while cleverly highlighting some of the district's key attractions.

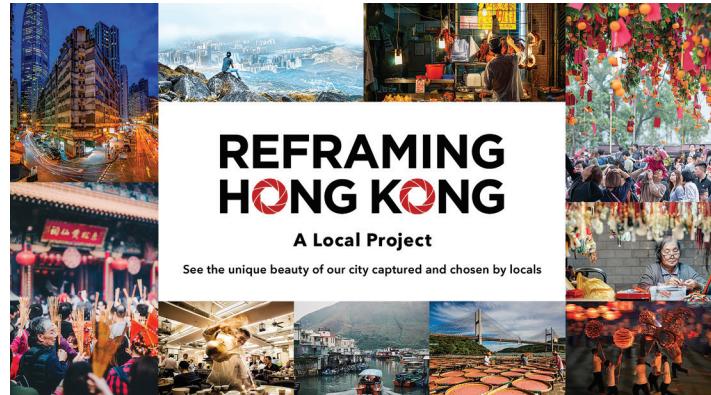
A dedicated page of our website, social media stories and on-the-spot displays were used at the same time to present the unpretentiously local neighbourhood to travellers worldwide.

As a nice touch, we decorated the MTR station, lampposts and power company's pillar boxes in Sham Shui Po with unique elements that recalled its history – the iconic red, white and blue canvas bag, buttons, zippers, and nostalgic toys, among others. On top of that, we placed over 100 QR codes across the district, which visitors could scan to find interactive maps with recommended itineraries and lesser-known stories behind various attractions.



Hong Kong in the eyes of Hongkongers

- #ReframingHK images collected during the campaign: over 15,000
- Page views of the “Reframing Hong Kong” website: 427,000
- Major awards and recognition of “Reframing Hong Kong”: Grand Award in the Campaigns category in Astrid Awards 2019 ; Silver Award “Brand Experience” in Effie Awards 2019



Who could possibly know Hong Kong better than Hongkongers? During the year, we launched the “Reframing Hong Kong” campaign, inviting the locals to capture Hong Kong in photos and impress travellers with our beautiful city.

Among those supporting our effort was Hong Kong film director Andrew Lau, whose *Infernal Affairs* catapulted him to international fame when it was turned into a Hollywood remake directed by Martin Scorsese. In an artistic promotional video, Lau showed viewers some of his favourite sights and unique perception of Hong Kong. We also invited him to a media tea gathering which generated extensive coverage for the campaign to encourage Hongkongers to submit snaps of their hometown.

Through #ReframingHK on social media, we collected a large number of creative entries. A public voting was held alongside a judging panel to select 10 winning photos, which were subsequently used in the HKTB’s global promotions and printed on over 100,000 postcards distributed to visitors in the source markets and at major tourist touch points in Hong Kong.

Immersive Time travel and art viewing experiences with latest technology

- Awards and recognition for “Time Travel: Step into Old Hong Kong”: Silver Award, “Corporations: Special Project” in Questar Awards 2019; named one of the seven “Best Tourism Campaigns in 2018” by independent international research institute – econsultancy.com
- Reach of “Hong Kong Arts Month - Art Train” video: 1.8 million views



Adding to the flourish of real-life experiences, we transported visitors to another “universe” with cutting-edge immersive technologies. In collaboration with sky 100 Hong Kong Observation Deck and VR (virtual reality) developer Timelooper, the “VR Time Travel: Step into Old Hong Kong” micro-films were produced to bring to life classic city scenes – Hollywood Road in the 1960s and the neighbourhood around Kai Tak Airport in the 1980s.

We also made use of AR (augmented reality) animations on our first-ever art train. Under the themes, namely neon signs, Cantonese opera, porcelain, street art and portrait art, visitors can enjoy a “live” experience of some of the signature art forms found in Hong Kong. They also got to try on different Cantonese opera makeups with a face-swapping application.

PUBLIC RELATIONS

Outstanding PR campaigns reshape perspectives. In 2018/19, we flexed different PR muscles to give Hong Kong's image as a travel destination a complete make-over, and travellers compelling reasons to revisit this ever-evolving city. Three notable campaigns launched during the year respectively revealed the green side of the concrete jungle, transformed a grassroots district into an original, lively wonderland, and allured consumers with hidden gems in some of the busiest neighbourhoods. By securing partnerships with big names in broadcasting and other forms of media, and with a magical sprinkle of creativity, we achieved extensive global media coverage and opened the eyes of consumers worldwide to the many faces of Hong Kong.

Discover “One Place, Two Perspectives” with National Geographic (Nat Geo)

- Online engagement: close to 146,000 reached on National Geographic Asia's Facebook page; over 33.2 million impressions and near 136,000 page views on its website
- Familiarisation trips: more than 160 journalists from over 110 media titles around the world
- Publicity: coverage in more than 4,000 news items; publicity value close to HK\$510 million

Our annual Great Outdoors Hong Kong campaign celebrated its 10th edition in 2018. We took the opportunity to pump up the promotion by entering into a vital partnership with Nat Geo, a world-leading storyteller.

Taking the campaign further, we presented the great outdoors beyond hiking trails and beautiful beaches. The “One Place, Two Perspectives” message points to the fascinating visual dichotomy between the urban and natural landscapes – contrasting city views and verdant mountains, traditional villages and natural flora and fauna, the dramatic combination of marine and geological wonders – to stimulate the senses and highlight Hong Kong's uniqueness.

We backed the rich, stunning visuals of Hong Kong's gorgeous countryside and coastlines with enticing stories in order to stand out from the crowd. These contents were distributed over a co-ordinated platform of Nat Geo, whose extensive reach and credibility maximised the impact of the release and communication efforts of the HKTB's offices around the globe.

Comprehensive articles and impressive videos incorporating personal experiences, tips and recommendations of award-winning photographers and athlete such as Matthieu Paley, Tugo Cheng and Wyan Chow Pui-yan were published to sustain the buzz of the campaign and to inspire readers to experience the breathtaking natural beauty of Hong Kong for themselves. Familiarisation trips for the global media to the recommended locations were organised which resulted in extensive publicity.



National Geographic Asia with Discover Hong Kong
Paid partnership

See the amazing landforms our mighty Earth conjured up millions of years ago. Discover the great outdoors, and a dramatically different side of Hong Kong, with National Geographic Photographer Matthieu Paley.



National Geographic Asia with Discover Hong Kong
Paid partnership

Away from the bright lights and city life, quaint Hakka villages nestle quietly along the hiking paths of Plover Cove Country Park – some abandoned, some still populated. Take a close look at the nature and culture through the lens of photographer Tugo Cheng.



Reinventing Sham Shui Po

- Achievements of the Sham Shui Po media promotions: coverage by over 180 worldwide media outlets, resulting in more than HK\$268 million in publicity value
- Professional recognition: Silver Award (Stakeholder Engagement) in the 4th Hong Kong Public Relations Award

To show another side of Hong Kong to visitors, we picked Sham Shui Po, historically a blue-collar area, as the second district under Hong Kong Neighbourhoods. While promoting the community's down-to- earth vibe and truly local lifestyle, we shed light on hip hangouts and an alternative art scene through local stories "Follow the footsteps of internationally known big names" and "Young energies in an old district". We especially collaborated with Alex Rodriguez, an award- winning Spanish videographer living in Sham Shui Po, to produce a time-lapse video to showcase the vibrancy of the neighbourhood which was distributed to media outlets worldwide. On top of this, we teamed up with CNN to produce two news features recounting the stories of creative souls with links to Sham Shui Po and introducing local fare. These narratives were aired across CNN's international TV channels.

At the same time, we invited media from both short-and long-haul markets on familiarisation tours, giving them the opportunities to engage with personalities and the community of Sham Shui Po. Other stakeholder groups such as Hong Kong media, columnists, Consulate Generals, and foreign chambers of commerce joined our bespoke tours to visit some lesser-known locations in the area and go home with a brand new perspective of this traditional neighbourhood.



Local insider Michelle Loo locates treasures in quaint neighbourhoods

- Global publicity value generated by the campaign: over HK\$161 million

To awaken the adventurer in potential travellers to Hong Kong, we supported the production of a six-episode TV programme series hosted by renowned TV personality Michelle Loo, who went on an expedition to discover hidden treasures and local flavours in characterful neighbourhoods in Hong Kong.

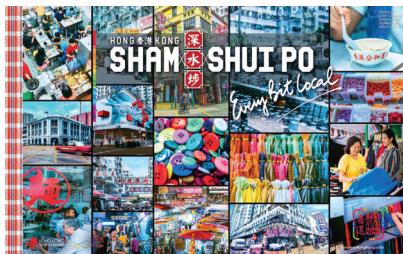
The programme showed viewers traditional craftsmanship, budding hipster boutiques, and old buildings revitalised into avant-garde art spaces in Sham Shui Po; Instagrammable street art and new cultural hubs transformed from heritage sites in Central; small shops with distinctive personalities in a tranquil community in Wan Chai; and some of the shops and restaurants in Kowloon City frequented by internationally famous Hong Kong stars like Chow Yun Fat.

The programme was shown in multiple markets and on a great number of channels, including the in-flight entertainment programmes of Cathay Pacific and Air Asia, Astro TV in Malaysia, Starhub TV in Singapore, Azio TV and KLT – Golden International TV in Taiwan and Fairchild TV in Canada. We also invited Michelle Loo to Kuala Lumpur and Toronto and share with the media her recommendations as a local insider.



EVENTS & PROMOTIONS

One reason behind Hong Kong's "work hard, play hard" lifestyle is the never-ending list of things to do in town that keeps people busy even in the off hours. Our seasonal mega events, covering festive celebrations, traditional culture, arts, sports, dining, the outdoors and more, together with events big and small organised by other parties, fill the 12 months to the brim. In 2018/19, we not only organised and supported over 90 events in town, but also introduced new campaigns to offer visitors more ways to experience this ever-changing, always exciting city.



Hong Kong Neighbourhoods –
Sham Shui Po



Hong Kong Chinese New Year
Celebrations



Hong Kong Arts Month



Hong Kong Dragon Boat Carnival



e-Sports & Music Festival Hong Kong



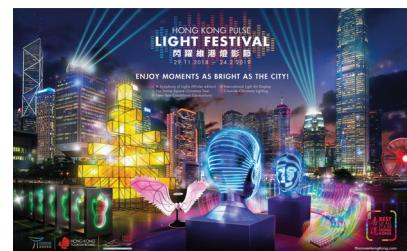
Hong Kong Cyclothon



Hong Kong Wine & Dine Festival



Great Outdoors Hong Kong



Hong Kong Pulse Light Festival



Hong Kong New Year Countdown
Celebrations



Supporting other events



Supporting other events

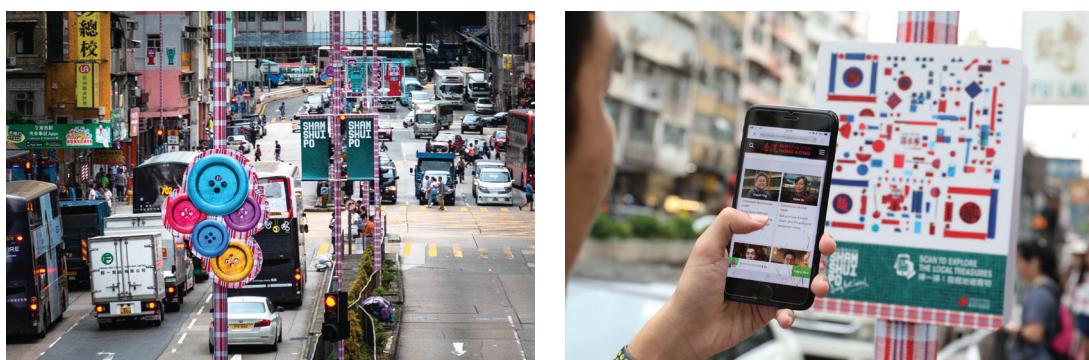
Hong Kong Neighbourhoods – Sham Shui Po



Our Hong Kong Neighbourhoods campaign, launched in 2017/18, was met with remarkable enthusiasm from visitors and the travel trade. Following "Old Town Central", we presented "Sham Shui Po" in 2018/19 to introduce visitors to a different world.

Sham Shui Po is famous for many things – local eats, street markets, Hollywood movie scenes, to name just a few. To help visitors navigate this interesting neighbourhood, we developed a guide offering a curation of walking routes and experiences recommended by local insiders such as historian Professor Joseph Ting. In addition, themed decorations and QR codes linking to maps and information were put in place across the district for visitors to discover the charm of this unique district to the fullest.

On a global scale, integrated promotions covering trade collaboration, public relations campaigns and digital and social media promotions were launched in different source markets to drive awareness.



Hong Kong Chinese New Year Celebrations

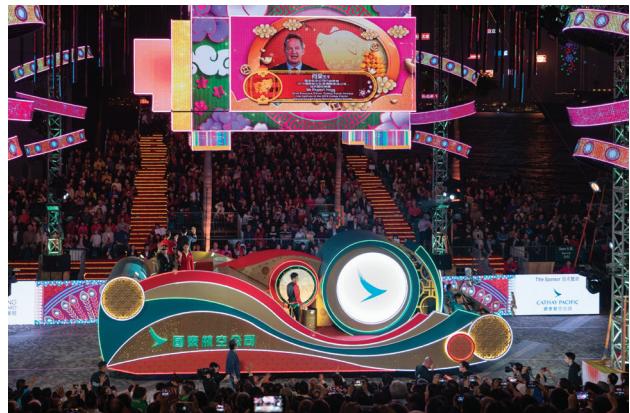
Chinese New Year is celebrated with exceptional flair in Hong Kong. Boisterous flower markets, visits to temples, a phenomenal fireworks display, auspicious horse races, striking decorations donned by shopping malls, and of course, the unmissable International Chinese New Year Night Parade, come together to create an eye-opening cultural experience for visitors.

International Chinese New Year Night Parade

The International Chinese New Year Night Parade has been an integral part of Chinese New Year celebrations in Hong Kong for over 20 years. On the first day of the Year of the Pig, we organised the evening spectacle under the theme "Best Fortune. World Party". Over 155,000 spectators, over half of whom were visitors, gathered at the Hong Kong Cultural Centre Piazza and poured into the roads in Tsim Sha Tsui to watch the procession of 34 floats and performing troupes hailing from over 11 countries and regions. The line-up of performers was star-studded, with "America's Got Talent" semi-finalist Junior New System from the Philippines, Guinness world record holder Face Team Acrobatic Korfball from Hungary, social media favourite Hiplet Ballerinas from the US, and multi-award-winning acrobatic troupe The Freaks Acrobatic Show from Austria.

More than 160 reporters from 48 media organisations around the world attended the event, which was also broadcast live by satellite and fibre transmission on global television networks, major newswires and international cruise liners to share the festivities with people worldwide.

Title Sponsor of the International Chinese New Year Night Parade



Hong Kong Arts Month

Hong Kong Arts Month 2019 blossomed like flowers in springtime. Not only did the top international events, Hong Kong Arts Festival, Art Central Hong Kong and Art Basel Hong Kong, make a glorious return, but the city also saw numerous new cultural hotspots springing up – Tai Kwun, a new art hub transformed from the historical Central Police Station; Xiqu Centre, a shrine for the appreciation of Cantonese and Chinese opera; M+ Pavilion, a new prime venue for exhibitions and events, The Mills, a contemporary art space converted from a textile factory; and H Queen's, a vertical art space that houses non-traditional venues for exhibitions.

Along with these, we promoted five urban art and creative projects – Design District Hong Kong, HK Urban Canvas, Draw HK, ARTLANE, and HKwalls Street Art Festival – that brought art into the community. We also mixed in events dedicated to other forms of arts, such as Hong Kong Asian-Pop Music Festival and Hong Kong International Film Festival, to showcase the city's artistic diversity.

Further ushering Hong Kong in the international limelight was the presence of collectors' favourite Brian Donnelly, or better known as KAWS. His "KAWS: HOLIDAY Hong Kong" exhibition featured an imposing 37-metre-long inflatable afloat in Victoria Harbour, capturing the eyeballs of visitors and locals alike and the flashlights of the global media.



© Art Central



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Hong Kong Dragon Boat Carnival

Like the International Chinese New Year Night Parade, the HKTB's Hong Kong Dragon Boat Carnival has become a fixture in the city's events calendar. In Victoria Harbour, the 2018 Hong Kong International Dragon Boat Races continued to attract the participation of dragon boat clubs from around the world – or more precisely, over 4,800 paddlers representing 160 teams from 15 countries and regions. The new Greater Bay Area Trophy was introduced to promote exchange in the Guangdong-Hong Kong-Macao Bay Area, with teams from Hong Kong, Macao and nine other Greater Bay Area cities vying for glory.

Along the waterfront at the Central Harbourfront, visitors and locals alike were fully enjoying themselves, lounging on the new artificial beach, engaged in water games at the "Splash Fun Area", and serving themselves local and international delicacies at the 14 food trucks lined up for the event.

Title Sponsor of the Hong Kong International Dragon Boat Races

 **中国建设银行(亚洲)**
China Construction Bank (Asia)



e-Sports & Music Festival Hong Kong

The e-Sports & Music Festival Hong Kong was staged just the second time in 2018, but its young age did not stop this largest e-sports event in Hong Kong from becoming a sensation. In the three days it was held, the event attracted more than 80,000 participants to the Hong Kong Convention and Exhibition Centre, with the online live broadcast watched by over 42 million across the globe.

The highlight of the three-day event were three international e-sports tournaments, namely "Return of the Legends 2018", the "ZOTAC CUP MASTERS CS:GO 2018 Grand Finals", and the "Hong Kong PUBG World Invitational", which were joined by 110 players from all over the world including Hong Kong.

The venue also included an "Experience Zone", where the latest e-sports products, games and some of the hottest VR titles were available for trying, and where other exciting programmes including KOL battles, CLP x e-Sports Academy, and performances by local musicians were held on a mini-stage.

Title Sponsor of the
e-Sports & Music Festival Hong Kong

ICBC 工銀亞洲



Hong Kong Cyclothon

The 2018 Hong Kong Cyclothon brought to Hong Kong a top international cycling event – the Hammer Series. It was in fact the very first time the race was held in Asia. A total of 15 professional cycling teams, including 11 UCI World Tour teams, three Pro Continental teams and the Hong Kong National Team, competed in two events on a strenuous 64-kilometre race route.

The home-grown event also presented the professional "Women's Open Race" and "Men's Open Race", as well as the 50km and 30km challenges for amateur cyclists. Over 5,400 cyclists and 64,000 spectators took part in the event, while the live and on-demand feeds had been viewed by more than half a million cycling fans worldwide on digital platforms alone. Global Cycling Network, one of the biggest online media brands in cycling, conducted a live Facebook coverage, which was watched by more than 100,000.

Title and Charity Sponsor of the
Hong Kong Cyclothon

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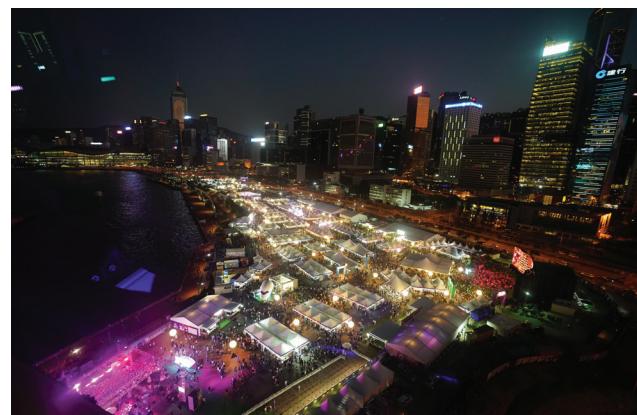
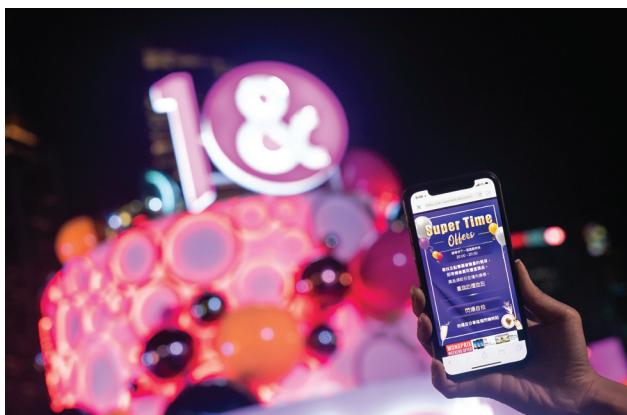
Hong Kong Wine & Dine Festival

Like a lovely aged wine, the Hong Kong Wine & Dine Festival, in its 10th year, left a memorable taste on the palette and the mind. It was, for one thing, the biggest in the event's history, housing over 450 booths set up by exhibitors from 33 countries and regions. Then, in celebrating the event's "10th birthday", 10 special elements were introduced, including the "10-Michellin-starred Dinner", "Limited 10th Edition" wine offer, and a gigantic seven-metre-high birthday cake which revolved to music calling for participation in an AR web game promising "Super Time Offers" valued at over HK\$1.7 million.

A total of record-breaking 168,000 food lovers made their pilgrimage to the culinary mecca at the Central Harbourfront Event Space and Tamar Park area. In addition to achieving the highest satisfaction score ever at 8.6 out of 10, the event was also selected as one of the "Best Travel Experiences around the World" in 2018 by City Nomads, a leading online lifestyle and travel guide in Asia, and was awarded the "Best Large Event" by Marketing Events Awards Hong Kong 2019.

Title Sponsor of the Hong Kong Wine & Dine Festival

 中国建设银行(亚洲)
China Construction Bank (Asia)



Hong Kong Great November Feast

The Hong Kong Wine & Dine Festival was only the beginning of an indulgent month-long experience called Hong Kong Great November Feast, when the whole city celebrated Hong Kong's culinary excellence with food carnivals, wine tours, world-class wine and spirit expos, and special menus and offers. In particular, 16 Michelin-starred restaurants serving a wide selection of cuisines, from traditional Chinese and Cantonese fine-dining to Japanese, French, Italian and contemporary fusion, offered special Michelin-starred menus with an ample variety of exquisite dishes to ensure even the most fastidious epicure was satisfied.



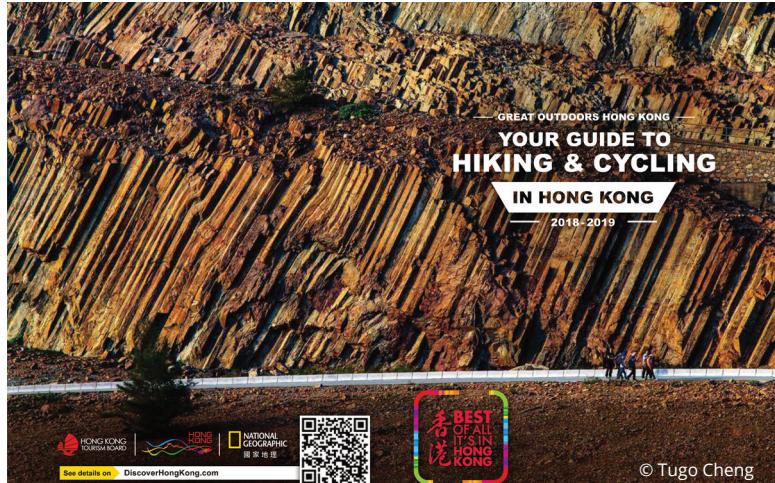
Great Outdoors Hong Kong

Another HKTB campaign reaching a milestone was Great Outdoors Hong Kong, which celebrated its 10th edition in 2018. To mark the occasion, we partnered with National Geographic (Nat Geo) to publish a guidebook featuring 13 hiking and cycling trails with stunning images and insightful tips by Nat Geo's photographers and trail experts.

Newly promoted under the campaign were the 18 Ultra-Trail du Mont Blanc (UTMB) qualifying races held in Hong Kong. With support from the HKTB, the Hong Kong 100 Ultra Trail Race held in January 2019 was upgraded from a "Pro" to a "Series" race, making it the only Ultra-Trail World Tour (UTWT) race held in Asia under the "Series" category. It attracted around 1,800 runners from 57 countries and territories other than Hong Kong last year.

On a more relaxing note, we launched a series of videos themed "the Sounds of the Great Outdoors in Hong Kong", in which celebrities including Cantopop star Eason Chan, former Director of the Hong Kong Observatory Lam Chiu Ying, 2015 VIBRAM Hong Kong 100 Women Champion Wyan Chow, musician Hak Gwai and other nature lovers shared their encounters with nature and their favourite sounds. The videos and posts published on the HKTB's Facebook pages, Twitter and YouTube reached over 16 million people.

In South Korea and Taiwan, we collaborated with our trade partners to introduce a series of tourism products featuring delightful hiking and cycling experiences, so that nature lovers could turn their dream of exploring Hong Kong's great outdoors into reality.



© Tugo Cheng



Hong Kong Pulse Light Festival

It is no exaggeration to call Hong Kong a city of lights, especially during the festive winter season. In November 2018, the HKTB joined hands with the Tourism Commission to launch the Hong Kong Pulse Light Festival. Comprising the first-ever “International Light Art Display”, an enhanced version of the light-and-music show “A Symphony of Lights” and a 19-metre-high Christmas Tree in Statue Square, the festival made Hong Kong even brighter and the holiday ambience even cosier.

The International Light Art Display featured 25 creative light installations from Hong Kong and overseas, namely Belgium, France, Hungary, India, Israel, Italy, Japan, the Netherlands, Singapore and the US. They were unique in shape and style, with different visual effects in day and night, and some of them were even interactive, transforming the Central Harbourfront into an art theme park. A highlight was the 25-metre-high steel-ribbed Christmas tree that integrated lighting and sound effects and presented a spectacular performance every 20 minutes in the evening. Over one million people visited the event during the almost three months it was held.



Hong Kong New Year Countdown Celebrations

Taking place above one of the world's best-known harbours, surrounded by soaring skyscrapers, Hong Kong New Year Countdown Celebrations is truly one-of-a-kind. No wonder the event attracted more than 350,000 people to the two sides of Victoria Harbour on the last night of 2018, and was picked up by both local and international TV and online media which allowed millions around the world to enjoy the visual treat.

With multi-award-winning fireworks by an Italian fireworks maker introduced in the show for the very first time, we created a dazzling "Celestial Kaleidoscope", in which fireworks formed rhythmically changing patterns and colours. Pyrotechnics and lighting effects were launched to complement the fireworks; synchronised with a soundtrack, the show was a multi-layer, multi-sensation performance.

In the grand finale, 45 varying firework patterns, including peonies, daisies, cherry blossoms and violets, filled the sky within a minute, turning the night sky above Victoria Harbour into a mesmerising ocean of flowers to conclude the show on a high note.

Title Sponsor of the Hong Kong
New Year Countdown Celebrations



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Supporting other events

Hong Kong is undisputedly an events capital. From world-class sports tournaments and races including the 2019 Hong Kong E-Prix, Hong Kong Sevens, Hong Kong Tennis Open, Masters of Hong Kong and Hong Kong Marathon, to arts and cultural happenings like Le French May and the Clockenflap Music & Arts Festival, and traditional festive celebrations such as the Tai Hang Fire Dragon Dance and Cheung Chau Bun Festival, we helped promote the events organised by other parties to let travellers know that they would find a huge array of things to do in Hong Kong, anytime they visited the city.





Piaftheshow©Crédits Rafał Klęk



TRADE PARTNERSHIPS

The tourism trade plays an indispensable role in bringing visitors to Hong Kong and enriching their in-town experience. In 2018/19, the HKTB continued to work closely with the travel trade and support them on various fronts to fuel the growth of Hong Kong tourism. In particular, we launched two new funding programmes and joined other parties in organising two large-scale events to explore untapped business opportunities.

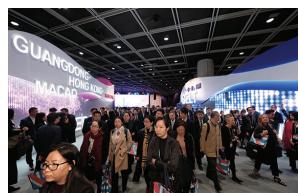
Connecting trade partners at international events

- Number of guests attending the Hong Kong International Tourism Convention: over 1,000
- Participation of the Hong Kong travel trade in the four trade shows: more than 90 members from 81 companies

On 12 December 2018, the HKTB joined with the HKSAR Government and the Travel Industry Council of Hong Kong to organise the Hong Kong International Tourism Convention. Themed “Leveraging Belt and Road Initiative & Guangdong-Hong Kong-Macao Greater Bay Area Development”, the event offered a premier platform for the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) cities and trade heads from around the world to explore the opportunities arising from the Belt and Road Initiative and Greater Bay Area. The large-scale international convention was attended by an important audience consisting of government officials, tourism authorities and the travel trade from Hong Kong SAR, the Macao SAR and the other nine Greater Bay Area cities, and various Mainland provinces and 34 countries including the Belt and Road countries.

In addition to two plenary sessions and a keynote luncheon, customised tours were organised for the participating travel trade to visit the Hong Kong-Zhuhai-Macao Bridge and the Guangzhou-Shenzhen-Hong Kong Express Rail Link Hong Kong Section – the new infrastructure that have greatly enhanced the Hong Kong-Mainland transportation network and presented vast opportunities for multi-destination tourism development.

Throughout 2018/19, we also led the Hong Kong travel trade to attend major trade shows, such as the China International Travel Mart, China International Import Expo, Shanghai, the Guangzhou International Travel Fair and ITB Berlin. The Hong Kong booth we set up at these international industry events served as a platform for our Hong Kong trade partners to deepen communication and foster cooperation with their Mainland and overseas counterparts.



Hong Kong • Live in Ho Chi Minh City

- Number of consumers welcomed at the "Hong Kong Pub": over 1,500

As a "teaser" for the real experiences in Hong Kong, we opened a pop-up "Hong Kong Pub" at the "In Style • Hong Kong Expo", organised by the Hong Kong Trade Development Council in Ho Chi Minh City in September 2018, to offer Vietnamese consumers just a taste of our cool city.

Reminiscent of the Hong Kong tea house and yet featuring funky street art from Old Town Central, the pop-up "pub" transported the patrons to Hong Kong with its aromas: "Hong Kong Milky Paradise", a cocktail created by an award-winning mixologist with inspiration from Hong Kong-style milk tea, was served alongside popular Hong Kong street food such as freshly made bouncy fish balls, seafood dumplings and Chinese pastries. Both the travel trade and Vietnamese consumers gave the thumbs up to the creative idea.



New funding schemes to encourage innovation

- Number of tour products supported by the Explore Hong Kong Tours Scheme since its launch in 2012: 70
- Participation of the Hong Kong Extended Stay Programme: 44,000 registrations from 14 markets
- Response to the Green Tourism Pilot Scheme's global promotion: 486,000 clicks on the scheme's promotional posts

In 2018/19, we further enhanced support for our trade partners by putting in place the "Green Tourism Pilot Scheme" and "Hong Kong Extended Stay Programme", which funded, respectively, the development of eco-tours and special tours for lengthening visitors' stay.

And we continued to run the "Explore Hong Kong Tours Scheme" (formerly known as "New Tour Product Development Scheme"), which encouraged the local travel trade to develop creative land tour products with subsidies for marketing the products. In line with our neighbourhood promotion, new tour products such as "Shopping in Sham Shui Po" were selected and funded by the scheme in 2018/19.

These initiatives gave the tourism trade greater confidence to invest in new products which would in turn enrich the experience of visitors in Hong Kong.

Wan Chai Ghosts & Food Tour

WHAT DO GHOSTS EAT?

Experience Hong Kong's *spooky* and *tasty* adventures in one tour!

2018 CERTIFICATE OF EXCELLENCE
tripadvisor

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"I will never look at my office building the same way again!"

- TripAdvisor reviews

3-hour walking tour with food
Every Mon & Fri 3pm

Walk in Hong Kong 活現香港

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南·島漁樂文化遊
Fun Exploration of Island South - Fisherman Experience

出發日期 Date: 每週五 Every Friday
集合時間集合地點集合地點 Departure time: 10am
集合地點 Pick-up point: MTR Lei Tung Station Exit A

遊覽地點: 聖誕島 (聖誕島) 地圖: 地圖
全程時間 Duration: 大約1.5小時 Approx. 1.5 hours
語言 Language: 英語, 粵語, 漢語 English, Mandarin, Cantonese
導遊 Guide: Lamma Rainbow Tour Services Limited

查詢 Enquiry: +852 3482 8111
電郵 Email: california@lammator.com.hk
網址 Website: www.rainbowtour.com.hk
備註 Remarks: 最少2人同行, 10人或以下必須由成人陪同, 10人以上由成人陪同1大1小

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Hong Kong Family Fun and Getaway to Hong Kong

- Scale of the two campaigns: 72 promotions launched in 12 markets with over 190 trade partners from different sectors
- Number of visitors attracted by the campaigns to Hong Kong: nearly 1.2 million



For the third straight year, we worked with the travel trade from both Hong Kong and our source markets on "Hong Kong Family Fun" and "Getaway to Hong Kong". The two campaigns targeted families and young travellers – the two most important visitor segments which together accounted for almost 70% of the overnight vacationers to Hong Kong. During the year in review, the two campaigns saw double the number of promotions compared to the previous year and recorded the largest participation of both the travel trade and visitors.

MICE BUSINESS

MICE (Meetings, Incentives, Conventions and Exhibitions) tourism is important not only because it brings high-yield visitors, but it also contributes to Hong Kong's image as a top business city. In 2018/19, the HKTB's Meetings & Exhibitions Hong Kong (MEHK) office strengthened cooperation with our trade partners to draw MICE visitors and enhance their in-town experience.

Bidding for success

- Overnight MICE arrivals: 1.97 million, 2.1% year-on-year increase
- Per capita spending of MICE visitors: over HK\$8,200, 24% higher than that of other visitors
- A balanced mix: 50% from the Mainland, 50% from international markets



The HKTB has been making good use of the additional funding from the Government to bid for large-scale events. In 2018, Hong Kong won over 32 large-scale or strategic international MICE events, generating about 120,000 MICE visitors. Some of the eminent events hosted in 2018 included:

- Unicity Global Leadership & Innovation Conference 2018
- Asia-Pacific Academy of Ophthalmology 2018
- RISE Conference 2018
- Forbes Under 30 Asia 2018
- New York Times International Luxury Conference 2018

Strengthening strategic partnerships

Eyeing the huge potential of the Mainland MICE market and Asia-Pacific conventions, MEHK partnered with China Business Event Federation and reached out to its members from specific industries, including medical and insurance. We also won nine Asia-Pacific conventions which are expected to draw more than 9,000 non-Hong Kong participants.

Meanwhile, we consolidated our long-standing partnerships with professional conference organisers and intermediaries, including the American Society of Association Executives (ASAE), Experient, the International Association of Professional Congress Organisers (IAPCO), and the International Congress and Convention Association (ICCA), and raised Hong Kong's profile among potential conference organisers leveraging these partners' networks and communication platforms.



Outreach and showcase



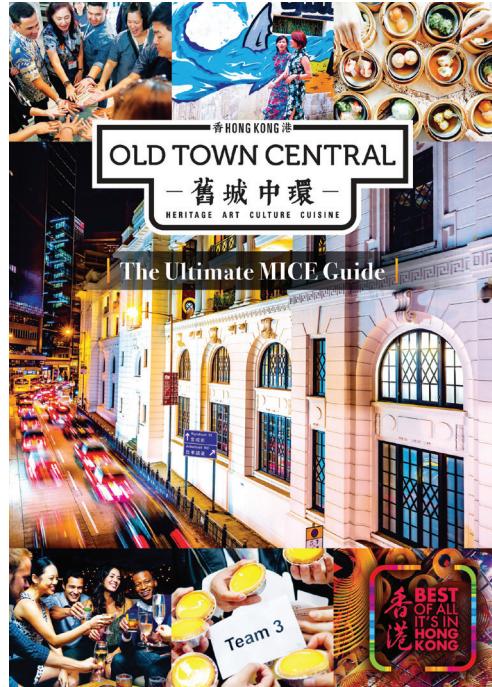
- Major trade shows and travel missions MEHK engaged in 2018/19: 6
- Number of Hong Kong trade partners benefited: over 190
- Seminars and trade events organised in key markets: over 60

To bolster Hong Kong's image as the world's meeting place, MEHK joined forces with Hong Kong trade partners at key trade shows and events in different markets, including Incentive Travel & Conventions, Meetings (IT&CM) in the Mainland, and IMEX in Germany and the US, reaching out to international buyers, corporations and MICE travel agents.

In 2018/19, MEHK also hosted 15 study missions and familiarisation trips to showcase Hong Kong's MICE products, venues and the latest developments to over 240 overseas trade partners.

Enhancing trade support

- Achievements of the small and medium-sized MICE groups funding scheme in 2018/19 : Supported over 50 ground operators and approved over 450 applications which are expected to bring over 36,000 MICE visitors



At the HKTB, we always strive to support our trade partners and create business opportunities for them. We have been assisting local travel agents in attracting small and medium-sized MICE groups through a funding scheme introduced in 2016 with additional funding from the Government. In 2018/19, the scheme was well received with a high satisfaction rate of 93%.

To keep our partners well informed, we hosted the largest-ever MICE trade briefing to update key MICE stakeholders on Hong Kong's latest tourism products and experiences, from Old Town Central to MICE-cruise itineraries that engaged about 200 Hong Kong trade partners in two days with satisfactory feedback.

We also enriched the "Hong Kong Rewards!" programme with new dining and entertainment options at world-class attractions. New rewards included free-of-charge cocktail reception offered by over 50 hotels, complimentary dinners and attractive shopping discounts at Hong Kong Disneyland and Ocean Park Hong Kong, and free-of-charge food and beer at Hong Kong Jockey Club's Happy Wednesday carnival-themed events, among others.

Meanwhile, the Top MICE Agent Awards Ceremony and Familiarisation Trip of an unprecedented scale was organised to recognise the good work of over 60 top MICE agents from the Mainland, India, Indonesia, South Korea and new joiner Thailand.

CRUISE PROMOTIONS

Cooperation is of paramount importance in cruise tourism promotion. In 2018/19, the HKTB worked closely with other industry players including cruise lines, travel agents and neighbouring ports to drive the growth of cruise tourism in Asia, while highlighting Hong Kong's intrinsic advantages and comprehensive offerings that make it the gateway to explore the region by cruise.

Cultivating source markets

- Publicity value generated by promotion on Formosa Television Channel: HK\$25 million
- Total impressions of advertorials in India: 5.47 million



In 2018/19, we launched 37 fly-cruise cooperation campaigns in 11 source markets, offering attractive fly-cruise packages to entice consumers to book their next cruise holiday to Hong Kong.

In the Mainland, riding on the opening of the Guangzhou-Shenzhen-Hong Kong Express Rail Link Hong Kong Section, we put forward a series of rail-cruise promotions, including partnering with Dream Cruise to launch rail-cruise campaigns, to drive consumer demand.

In other markets, we focused on those with high growth potential, including Taiwan, India and South Korea. In Taiwan, we created two 70-minute episodes for a popular variety show on Formosa Television Channel showcasing the experience onboard a luxurious cruise ship and onshore excursions in Hong Kong, supported by press conferences as well as online and social media promotions.

Meanwhile in India and South Korea, we developed advertorials to promote cruise travel and Hong Kong's destination offerings. In South Korea, we also came up with MICE-cruise itineraries for the incentive segment.

Driving Ship Deployments

During their homeporting in Hong Kong in 2018:

- 103 ship calls by *World Dream*
- 18 ship calls by *Voyager of the Seas* and *Ovation of the Seas*

Through continued close partnerships with cruise lines, we successfully attracted more world-class cruises to make Hong Kong a homeport or major turnaround port. Dream Cruises' *World Dream* made Hong Kong her homeport year-round throughout 2018/19, whereas Royal Caribbean International's *Voyager of the Seas* and *Ovation of the Seas* had their homeport season in Hong Kong between May and August 2018.



Strengthening regional cooperation

- Publicity value generated by the TV programme "Cruise the World": HK\$34 million

We tightened our partnerships with members of Asia Cruise Cooperation (ACC). Along with three other ACC's partners, namely Hainan, the Philippines and Taiwan, we engaged Discovery TLC Channel to launch a regional TV programme "Cruise the World" to promote the amazing cruise experience. The programme was broadcast on the TLC channel in Southeast Asia, Taiwan and India from January to March 2019.



MULTI-DESTINATION TRAVEL

The Central Government promulgated The Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area in February 2019. The Outline Development Plan clearly supports Hong Kong in developing into an international tourism hub and a core demonstration zone for multi-destination tourism. Indeed, a significant proportion of overseas vacationers travelling to Hong Kong like combining Hong Kong with other destinations in one trip to make the most of their holidays. In promoting Hong Kong to these travellers, the HKTB teams up with neighbouring destinations to illustrate the distinctive, complementary tourism experiences offered by Hong Kong and these destinations. Among our partners in 2018/19 were other cities in the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area), with which we organised a number of promotions featuring Hong Kong as a star destination.

Hong Kong Week – Greater Bay Area Showcase in Tokyo

- Number of consumers attending “Hong Kong Week – Greater Bay Area Showcase”: 120,000



In November 2018, we organised the four-day “Hong Kong Week – Greater Bay Area Showcase” at shopping mall KITTE in Tokyo, and proposed to Japanese consumers multi-city travel in the Greater Bay Area.

The opening ceremony, held on 1 November, was performed by key government officials including HKSAR Chief Executive Mrs Carrie Lam, and representatives from the Department of Culture and Tourism of Guangdong Province and the Macao Government Tourism Office.

While promoting the diverse tourism offerings in Hong Kong, Macao and Guangdong Province, the consumer event highlighted Hong Kong’s new infrastructures that have made travelling to the Mainland more convenient. With an interactive map, the eventgoers could take a virtual tour of Hong Kong’s historic and vibrant Old Town Central district. They also got to view a replica of *Large Mouth Dragon Boy*, a street painting in Old Town Central by Japanese celebrity Shingo Katori.

With support from the tourism authorities of Guangdong province and Macao, the event also featured many exciting attractions in Hong Kong’s neighbouring cities. “Hong Kong Week – Greater Bay Area Showcase” was recognised for its creativity and impact by a Grand Award in the prestigious 2019 Astrid Awards, under the “Promotion” category.

"Let's hang out in the Greater Bay" TV Travelogue

- Reach of the "Let's hang out in the Greater Bay" travelogue: 10 million worldwide



To drive awareness of the "Greater Bay Area" tourism brand, we collaborated with Guangdong province and Macao to produce a six-episode syndicated TV travelogue showcasing the myriad of experiences in the Greater Bay Area. Hosted by well-known Hong Kong TV personality Mr Lawrence Cheng and celebrity guests, the programme revolved around the gourmet experiences in the Greater Bay Area, targeting ethnic Chinese travellers in Southeast Asia and North America, while also introduced lifestyle experiences and the latest transport infrastructure developments. The travelogue was aired on a total of nine TV channels and online streaming platforms in Singapore, Malaysia, the US and Canada.

TOP-NOTCH SERVICE

At the HKTB, we pride ourselves on the high quality of services provided to visitors. We are able to do so because we constantly upgrade our services according to market trends and work closely with tourism-related parties to uphold a culture of hospitality. In 2018/19, we took things to a new level with the deployment of the latest technology and by further stretching the scope of our services.

Excellent, all-encompassing visitor services

- Number of visitors served by our visitor centres: over 1.6 million
- Number of visitor enquiries answered by all of HKTB's online platforms in 2018/19: 150,000

During the year, the HKTB embraced the AI technology with the adoption of chatbot on its Facebook account and installation of self-service kiosks at various visitor centres to offer visitors round-the-clock assistance. Together with the first-ever web chat service on DiscoverHongKong.com and LINE chat service, visitors can make enquiries related to Hong Kong's travel information anytime, anywhere.

Responding promptly to the opening of the Hong Kong-Zhuhai-Macao Bridge and the Guangzhou-Shenzhen-Hong Kong Express Rail Link Hong Kong Section (XRL) service, we opened new visitor centres at the Hong Kong Port of the bridge and the high-speed rail West Kowloon Station to serve visitors arriving via the new infrastructure.

And to expand service reach to visitors in town, further to our Concierge Hotline that provides immediate assistance to 165 trade partners for answering visitors' enquiries, we solicited MTR's support to display QR code that connects to the HKTB's web chat service on tourist maps in 14 MTR stations, making it ever easier for visitors to seek assistance when needed.



Brand building for the Quality Tourism Services Scheme

- Publicity generated by the nation-wide QTS scheme promotion: 4 million video views and over HK\$21.4 million in publicity value
- Response to the Alipay red-packet promotion: more than 400,000 red packets were collected

The HKTB has been promoting the Quality Tourism Services (QTS) Scheme for many years to encourage retailers, restaurants and visitor accommodations to elevate their service standards. Up to 31 March 2019, about 1,250 local businesses covering over 8,200 retail and restaurant outlets and visitor accommodation premises had received QTS accreditation.

During the year, the HKTB boosted awareness of the QTS Scheme among Mainland consumers through partnerships with prominent entities, including national media platform Xinhua.net, knowledge sharing social platform Zhihu, leading search engine Baidu, regional media ZAKER, Cover Media and 16 local prints together with 12 famous KOLs in the Mainland. A wide range of nation-wide publicity promotions featuring articles, videos and social media posts were launched to showcase the top-quality shopping and dining experience offered by QTS merchants.

In order to drive visitors spending during the summer season, we collaborated with the Quality Tourism Services Association and UnionPay International on a joint promotion to offer UnionPay cardholders discounts at over 2,100 designated QTS outlets. Leveraging the opening of the XRL, we worked with Alipay to launch a red-packet promotion at over 200 QTS merchants.



TOURISM & THE COMMUNITY

How visitors see Hong Kong depends a lot on their experience with the people during their trip. That is why we highly encourage our fellow locals to join us in being a good host to the guests of our city. Through the Hong Kong Pals programme, we give those who are passionate about Hong Kong and want to actively participate in promoting their home city the opportunities to interact with visitors from all over the world.

Hong Kong Pals: friends of visitors

- Service provided by the Hong Kong Pals: over 7,300 hours of volunteer service for 76,000 visitors
- Number of Meet the Pals activities booked during the year: over 110

Our Hong Kong Pals programme had entered its 10th year! The family of 82 volunteers – half of whom had stayed in the programme for over five years – served as ambassadors and greeted visitors with warming hospitality at our visitor centres and mega events. During the year, the programme service was expanded to the new visitor centre at the Hong Kong-Zhuhai-Macao Bridge, so that it now covers five physical service points.

Catching up with the digital trend, some Hong Kong Pals began answering enquiries from visitors through our online chat service. In fact, we employed an innovative method to recruit new Hong Kong Pals in 2018/19 by asking candidates to chat with our experienced Pals online to demonstrate their tourism knowledge and competency in using digital tools.

Various volunteers also continued to offer their knowledge on specific topics about Hong Kong through the “Meet the Pals” programme. Like a virtual tour guide, they provided their personal tips to help visitors experience Hong Kong like a local.



AWARDS & ACHIEVEMENTS





I DESTINATION – HONG KONG

- Asia's Leading City Break Destination 2018, World Travel Awards 2018
- Asia's Leading Meetings & Conference Destination 2018, World Travel Awards 2018
- Best City for Meetings in Asia, Best in Travel Poll 2018, *Smart Travel Asia* magazine
- Favourite Business City in the World, *Business Traveller China* magazine
- The Most Attractive Tourist Destination Award 2019, GITF Organising Committee
- The Most Influential MICE International Destination, Goldfinger Award of China Event Industry 2018, *Events Fortune* magazine and *China Festival* magazine
- The Most Popular Destination 2018, Tuniu
- The Most Popular Domestic Destination 2018, The Most Popular Food Destination 2018, Ctrip
- The Most Popular Outbound Travel Destination, The 9th Vote of the Favourite Destination and Brands of Cantonese in 2018, *Southern Metropolis Daily*
- The Most Popular Tourist Destination, Red Coral Award of Asia Tourism 2018
- The Most Popular Travel Destination in 2018, Tencent
- Travel and Gourmet Destinations, Global Cuisines 2018
- World's Leading Business Travel Destination, World Travel Awards 2018

HONG KONG TOURISM BOARD

1. ORGANISATION

HKTB

- Asia's Leading Tourist Board 2018, World Travel Awards 2018
- The Best Marketing Creativity Award, Lvmama
- The Best of Bureaus in Asia Pacific, *CEI* Readers' Choice Awards 2018
- The Best Organisation Prize, CITIE 2018
- The Most Helpful Company in the "Government and Related Bodies" category, "At Your Service" Service Appreciation Campaign Award, Hong Kong International Airport
- The Most Unique Booth Design, 26th Travel Tour Expo 2019

HKTB's Seoul Office

- The Best National Tourism Office, *Korea Travel Times*

HKTB Annual Report 2016/17

- Grand Award in the "Online Annual Report" category, Questar Awards 2018
- Gold Award in the "Annual Reports – Overall Presentation: Tourism" category, Mercury Awards 2018/19
- Gold Award in the "Innovation in Annual Reports" category, Asia-Pacific Stevie Awards 2018
- Gold Award in the "Mobile Media: Annual Report" category, Questar Awards 2018
- Silver Award in the "Corporate Publications" category, PR Awards Asia 2018
- Bronze Award in the "Annual Reports – Online: Interactive" category, Mercury Awards 2018/19
- Bronze Award in the "Non-Profit Organisation: Online Annual Report" category, ARC Awards 2018
- Honours Award in the "Annual Reports – Online" category, Astrid Awards 2018

2. HKTB'S INITIATIVES

Art is Everywhere

- Grand Award in the “Heritage and Culture” category, PATA Grand and Gold Awards 2018

Best in Hong Kong – A Traveller’s Guide

- Gold Award in the “Custom Publications: Travel/ Entertainment” category, Astrid Awards 2018
- Bronze Award in the “Custom Publications – General Audience: Tourism/Travel” category, Mercury Awards 2018/19
- Honours Award in the “Design – Bound Publications – Travel/ Tourism” category, Galaxy Awards 2018

“Best of all, it’s in Hong Kong” Booth Design

- Silver Award in the “Design – Various – Trade Show Booth” category, Galaxy Awards 2018

“Best of all, it’s in Hong Kong” 30-min Programme on Global TV

- Gold Award in the “Branded Entertainment-Documentary” category, 14th Davey Awards 2018 (New York)

CNY 2018 “Good Fortune Everywhere”

- Grand Award in the “Advertising” category, Mercury Awards 2018/19
- Gold Award in the “Advertising” category, Mercury Awards 2018/19

DiscoverHongKong Facebook Page

- Silver Award in the “Self-Promotion” category, Astrid Awards 2018
- Silver Award in the “Social – Corporate Communications” category, W3 Awards 2018
- Bronze Award in the “Social Media” category, iNova Awards 2018

Discover Hong Kong Like a Local x Jackson Wang

- Silver Award in the “Travel” category, 2018/2019 Tiger Roar Awards
- Silver Award, The 2nd IAI Travel Awards
- Bronze Prize, 2018 Golden Mouse Digital Marketing Awards
- 2018 Guangdong Top 10 Governmental Tourism Marketing Innovation Cases, Sina Guangdong

“Family Fun” Online Campaign

- Gold Award in the “The Best Website Design” category, Click Awards 2018

“Fashion x Hong Kong and Thailand Tourism” by Fashion Magazine

- Silver Award in the “ Most Effective: Travel and Leisure” category, Content Council Pearl Awards 2018

Fast Acting Social

- Silver Award in the “Digital Single Item – Social Media/ Social Networking” category, HSMAI (Hospitality, Sales & Marketing Association International) Adrian Awards 2018

Fast Acting Social Marketing at Work Leveraging Hong Kong’s Great Outdoors!

- Gold Award in the “Destination Marketing – Campaign – Advertising/Marketing” category, Travel Weekly Magellan Awards 2018

“Fire Dragon 2018” Event Timelapse Video

- Honours Award in the “Video – DVD/Online: Special Project” category, Mercury Awards 2018/19

Great Outdoors Hong Kong – “Believe it or not, it’s Hong Kong!”

- Silver Award in the “Most Effective PR Campaign” category, PR Awards 2018, *Marketing* magazine

Hong Kong Arts Month – A to Z Hong Kong Arts

- Silver Award in the “Video – Arts” category, iNova Awards 2018

Hong Kong Cyclothon

- Magic Cycling: Golden Bicycle Award, China Bicycle Annual Selection

Hong Kong Cyclothon – Real Pros amongst Us

- Grand Award in the “Sports” category, iNova Awards 2018
- Gold Award in the “Sports” category, iNova Awards 2018

“Hong Kong Live in Kuala Lumpur” Campaign

- Silver Award in the “Corporate Branding” category, Malaysia Public Relations Awards 2018
- Bronze Award in the “Product Brand Development” category, Malaysia Public Relations Awards 2018

“Hong Kong Neighbourhoods” Campaign

- Silver Award in the “Redesign/Relaunch – Tourism” category, iNova Awards 2018
- Silver Award in the “Websites/Mobile Media: Travel/Tourism” category, Mercury Awards 2018/19
- Honours Award in the “Websites – Non-Profit Organisation” category, Galaxy Awards 2018

Hong Kong Shingo Art – Leveraging the J-POP Influence

- Winner in the “Influencer Communications” category, Asia-Pacific Excellence Awards 2018
- Gold Award in the “Excellence in KOL Partnership” category, Marketing Excellence Awards 2018, *Marketing* magazine

“Hong Kong Summer Fun” Campaign Site

- Bronze Award in the “Non-Profit Organisations” category, iNova Awards 2018
- Bronze Award in the “Non-Profit Organisations: Website” category, Astrid Awards 2018

Hong Kong Travel Trade Manual 2017/18

- Silver Award in the “Non-Profit Organisations: Custom Publication” category, Astrid Awards 2018

Hong Kong Wine & Dine Festival 2018

- Gold Award in the “Best Large Event” category, Marketing Events Awards 2019

“Hong Kong Wine & Dine Festival 2017” Website

- Gold Award in the “Microsite” category, iNova Awards 2018
- Gold Award in the “Websites/Mobile Media: Event Site” category, Mercury Awards 2018/19
- Honours Award in the “Websites – Travel/Tourism” category, Galaxy Awards 2018

“Hong Kong Winter Festival” Campaign Site

- Silver Award in the “Best Campaign Website and Mobile Application” category, Digital Singularity Awards 2018
- Silver Award in the “Best Interactive Video” category, Digital Singularity Awards 2018
- Silver Award in the “Best Use of Technology” category, Digital Singularity Awards 2018
- Silver Award in the “Best Website Design” category, 4A (Association of Accredited Advertising Agents of Taipei R.O.C.) Award 2018
- Bronze Award in the “Best Digital Campaign” category, 4A (Association of Accredited Advertising Agents of Taipei R.O.C.) Award 2018
- Bronze Award in the “Best Interactive Digital Campaign” category, 4A (Association of Accredited Advertising Agents of Taipei R.O.C.) Award 2018
- Bronze Award in the “Best Use of Technology” category, 4A (Association of Accredited Advertising Agents of Taipei R.O.C.) Award 2018
- Merit Award in the “Best Interactive Campaign” category, 4A (Association of Accredited Advertising Agents of Taipei R.O.C.) Award 2018

“My Hong Kong Buddy” Campaign

- Gold Award in the “Campaigns” category, Astrid Awards 2018
- Gold Award in the “Campaigns – Integrated Campaign” category, W3 Awards 2018
- Gold Award in the “Marketing Campaign – Young Travellers” category, PATA Grand and Gold Awards 2018
- Gold Award in the “Marketing Media – Web Site” category, PATA Grand and Gold Awards 2018
- Gold Award in the “Video – DVD & Online: Social Media” category, Astrid Awards 2018
- Gold Award in the “Websites – Multi-platform Digital Content” category, Galaxy Awards 2018
- Silver Award in the “Digital Strategy – Online Content” category, Tangram Awards 2018
- Silver Award in the “Marketing – Social Media” category, W3 Awards 2018
- Silver Award in the “Marketing – Use of Photography” category, W3 Awards 2018
- Silver Award in the “Promotion – Local Attractions” category, Galaxy Awards 2018
- Silver Award in the “Special Projects: Content Marketing Campaign” category, Astrid Awards 2018
- Silver Award in the “Website: Microsite” category, Astrid Awards 2018
- Silver Award in the “Websites – Tourism” category, W3 Awards 2018

“My Hong Kong Guide” Mobile App

- Silver Award in the “Mobile Apps” category, iNova Awards 2018
- Silver Award in the “Apps: Tourism” category, Mercury Awards 2018/19

Nightlife x Hong Kong Sevens

- Silver Award in the "Videos – DVDs, URLs & USBs – Travel/ Tourism" category, Galaxy Awards 2018

"Old Town Central" Campaign

- Grand Award in the "Promotion" category, Astrid Awards 2018
- Grand Award in the "Promotion" category, Galaxy Awards 2018
- Grand Award in the "Promotion" category, Mercury Awards 2018/19
- Grand Award in the "Marketing" category, PATA Grand and Gold Awards 2018
- Gold Award in the "Promotion – Local Attractions" category, Galaxy Awards 2018
- Gold Award in the "Promotion/Marketing: Branding/Re-branding" category, Mercury Awards 2018/19
- Silver Award in the "Campaigns" category, Astrid Awards 2018
- Bronze Award in the "Design & Crafts – Design Single – Digital and Interactive Design" category, Kam Fan Awards 2018
- Bronze Award in the "Special Events" category, Mercury Awards 2018/19
- Honours Award in the "Design – Various – Travel/ Tourism" category, Galaxy Awards 2018
- Honours Awards in the "Non-Profit Organisations: Tourism" category, Astrid Awards 2018
- Honours Award in the "Promotion – Tourism" category, Galaxy Awards 2018
- Merit Award in the "Design & Crafts – Design Single – Brand Environments and Space Design" category, Kam Fan Awards 2018

"Old Town Central" – Engaging Consumers with Advocates

- Gold Award in the "Best Use of Influencer/Advocates" category, Marketing Events Awards 2018

"Old Town Central" – Global Campaign, Local Promotions

- Honours Award in the "Promotion" category, Astrid Awards 2018

"Old Town Central" – Interactive Art Projection

- Gold Award in the "Special Projects: Interactive Tourist Experience" category, Astrid Awards 2018

“Old Town Central” – Old Town Central Dogs

- Grand Award in the “Video” category, Astrid Awards 2018
- Grand Award in the “Videos” category, Galaxy Awards 2018
- Gold Award in the “Videos – DVDs, URLs & USBs – Travel/ Tourism” category, Galaxy Awards 2018

“Old Town Central” Q Art Code

- Grand Award in the “Graphic Design” category, Astrid Awards 2018

Passion Passport

- Gold Award in the “Digital Marketing – Digital Campaign – Social Media Campaign” category, HSMAI (Hospitality, Sales & Marketing Association International) Adrian Awards 2018

Passion Passport Influencer Campaign

- Gold Award in the “Destination Marketing – Campaign – Advertising/Marketing” category, Travel Weekly Magellan Awards 2018

Reframing Hong Kong

- Silver Award in the “Campaigns – Non-Profit Campaign” category, iNova Awards 2018

Regional Media Fam

- Silver Award in the “Public Relations – PR Campaign – Marketing Programme – Consumer” category, HSMAI (Hospitality, Sales & Marketing Association International) Adrian Awards 2018

Sea Gals

- Silver Award in the “Public Relations – PR Campaign – Special Event” category, HSMAI (Hospitality, Sales & Marketing Association International) Adrian Awards 2018

Segmenting Consortia

- Bronze Award in the “Integrated Marketing Campaign” category, HSMAI (Hospitality, Sales & Marketing Association International) Adrian Awards 2018

Sham Shui Po Campaign

- Silver Award in the “Advertising” category, Mercury Awards 2018/19
- Silver Award in the “Design: Tourist Experience” category, Mercury Awards 2018/19
- Silver Award in the “Promotion/Marketing: Tourism” category, Mercury Awards 2018/19

Sham Shui Po – Every Bit Local

- Silver Award in the “Outdoors – Outdoors Campaign – Creative Use of Field Marketing and Event” category, Kam Fan Awards 2018
- Bronze Award in the “Design & Crafts – Design Single – Advertising Posters Design” category, Kam Fan Awards 2018
- Merit Award in the “Design & Crafts – Print Crafts Single – Art Direction” category, Kam Fan Awards 2018
- Merit Award in the “Media – Media Single – Best Use of Outdoor” category, Kam Fan Awards 2018

Sham Shui Po – Treasures of the heart

- Silver Award in the “Design & Crafts – Copy Crafts Single – Best Film Script (Chinese)” category, Kam Fan Awards 2018
- Bronze Award in the “Design & Crafts – Film Craft Single – Cinematography” category, Kam Fan Awards 2018
- Bronze Award in the “Design & Crafts – Film Craft Single – Directing” category, Kam Fan Awards 2018
- Bronze Award in the “Film – TVC Film Campaign” category, Kam Fan Awards 2018
- 4 Merit Awards in the “Film - TVC Film Single - Entertainment, Leisure & Travel” category, Kam Fan Awards 2018

Skyscraper

- Silver Award in the “Digital Marketing – Digital Campaign – Contest/ Sweepstakes” category, HSMAI (Hospitality, Sales & Marketing Association International) Adrian Awards 2018

Way of the Fire Dragon 2018

- Bronze Award in the “Promotion/Marketing: Tourism” category, Mercury Awards 2018/19

3. VISITOR SERVICES

“Hong Kong Travel Buddy” – Mobile Chat Service

- Winner in the “Best Chat Support” category, ICMI Global Contact Centre Awards 2018
- Gold Award in the “Best Use of Mobile” category, Customer Experience Asia Excellence Awards 2018

Joyce Lam, Arthur Ho, Catalina Mock Lo, Candy Tse, Cecilia Tsang and Kathy Kung

- The Most Helpful Staff, Hong Kong International Airport – “At Your Service” Service Appreciation Campaign Award

Josephine Lam

- Individual Award, Hong Kong International Airport – Customer Service Excellence Programme 2018

Lochlan Cheng, Chung Man Cheng

- Corporate Excellence Award, Hong Kong International Airport – Customer Service Excellence Programme 2018

“Meet the Hong Kong Pals” Programme

- Gold Award in the “Innovation in Customer Service Management, Planning & Practice: All Other Industries” category, Asia-Pacific Stevie Awards 2018

Visitor Services

- 2018 Certificate of Excellence, TripAdvisor

Visitor Services Contact Centre

- Silver Award in the “Best in Class Digital Contact Centre” category, 2019 Customer Contact Week Asia Excellence Awards

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■ CORPORATE INFORMATION

Corporate Governance

As a Government-subvented body, the HKTB is determined to implement high standards of corporate governance practices and enhance the transparency of its operational and financial matters. During the year, the HKTB strictly observed applicable regulations and procedures, and maintained a high level of integrity in its operations.

Structure and Management

The Board

The Board of the HKTB comprises 20 Members, representing a broad cross-section of the tourism and other industries. Members of the Board are appointed by the Chief Executive of the Hong Kong Special Administrative Region. They are broadly based and include, amongst others, passenger carriers, hotel operators, licensed travel agents, tour operators, retailers and restaurant operators.

The Board is the governing body of the HKTB, and is given the authority to exercise the general powers conferred under the Hong Kong Tourism Board Ordinance. The Board is also empowered to appoint committees to oversee various aspects of the HKTB's operations and provide advice to the Board on corporate governance matters arising from the Committee's work. The various committees are described in the following paragraphs.

Marketing and Business Development Committee (MBDC)

This committee provides strategic input and advice to the Board on its marketing direction and business development, reviews the draft annual business plan, and provides advice on new marketing directions and opportunities, global developments affecting tourism in Hong Kong, and strategies for enhancing the Board's external communications and industry relations. The committee meets four times a year, and extraordinary meetings can be convened if necessary. It comprises a chairman and seven Members from the Board, with the Director, Strategic Planning & Insights acting as Committee Secretary.

Product and Event Committee (PEC)

This committee provides strategic direction and input on the development of product and event strategy, and evaluates the contribution of any initiatives to the HKTB's overall marketing direction set by the Marketing and Business Development Committee. It reviews and approves the Product and Event Strategy Plan by providing comments and recommendations on new product initiatives and infrastructure development. It also approves the concepts and implementation of Mega Events. The committee meets four times a year, and extraordinary meetings can be convened if necessary. It comprises a chairman and eight Members from the Board, with the General Manager, Event & Product Development acting as Committee Secretary.

Staff and Finance Committee (SFC)

The committee reviews and endorses financial matters, including financial policies, management control, audited annual accounts, and matters involving long-term financial commitment by the HKTB such as office lease. It also reviews and endorses manpower planning, human resources policies, terms and conditions of employment, the creation and deletion of senior managerial positions, and the promotion of senior executives. The committee meets four times a year, and extraordinary meetings can be convened if necessary. It comprises a chairman and five Members from the Board with the General Manager, Human Resources & Administration acting as Committee Secretary.

Audit Committee (AC)

This committee provides advice to the Board on the adequacy of internal controls and the effectiveness and efficiency of the HKTB's operations, and is authorised to investigate any activities within its terms of reference. It reviews and endorses the annual audit plan to ensure adequate audit coverage of critical operations, reviews findings, recommendations and the implementation of actions arising from internal audit and other relevant authorities. It also reviews the annual audited financial statements before submission to the Board. The committee meets three times a year, and extraordinary meetings can be convened if necessary. It comprises a chairman and seven Members from the Board, with the Director, Internal Audit acting as Committee Secretary.

Quality Tourism Services Committee (QTSC)

This committee acts as the governing body of the Quality Tourism Services Scheme (QTS Scheme) and provides strategic input and advice to the Board on the development of the QTS Scheme. It also approves the assessment criteria, scheme rules, complaint handling policy and pricing policy of the QTS Scheme. The committee meets twice a year, and extraordinary meetings can be convened if necessary. It comprises a chairman, six Members from the Board and four industry members, with the General Manager, Business Development acting as Committee Secretary.

Board Members' Meeting Attendance

For the year ended 31 March 2019

Board Members	Board Meeting	Marketing & Business Development Committee	Product & Event Committee	Staff & Finance Committee	Audit Committee	Quality Tourism Services Committee
Dr Peter Lam (i) (Chairman)	6/6					2/2*
Mr Joe C.C. Wong (Deputy Chairman)	6/6	5/5	6/6	5/5	3/3	2/2
Ms Yip Wing-sie (ii)	2/3		3/3			
Mr T. C. Chan (i)	6/6				3/3*	
Ms Nansun Shi (i)	4/6		4/6			
Mr Winston Chow	5/6		3/6			1/2
Mr Barry D. Nassberg	3/6	4/5*			1/3	
Mr Paulo Pong	6/6		6/6*			2/2
Ms Winnie Tam (iii)	4/6			5/5*		1/2
Mr Victor Chan	5/6	4/5		4/5		
Mr James Tong	6/6	5/5		4/5		
Ms Belinda Yeung	5/6		6/6			2/2
Mr Thomas J. Wu	3/6		5/6		3/3	
Mrs Carrie Yu	6/6			4/5	2/3	
Ms Jeny Yeung (iv)	4/6	3/5			3/3	
Mr Jason Wong	5/6	4/5				2/2
Mr Jason Shum	6/6		5/6		3/3	
Ms Margaret Fong	4/6	5/5				
Mr Clarence Leung	5/6		5/6		3/3	
Ms Alice Kwok	4/6	5/5		5/5		
Ms Joyce Tam (v)	3/3		1/1			N/A#

(i) Appointment until 31 March 2019.

(ii) Appointment until 31 October 2018.

(iii) Ms Winnie Tam resigned from the QTS Committee on 26 November 2018.

(iv) Ms Jeny Yeung resigned from the Board on 31 March 2019.

(v) Appointment effective from 1 November 2018.

* Committee Chairman as at 31 March 2019.

Appointed as a member of QTS Committee with effect from 27 November 2018. There was no meeting held from 27 November 2018 to 31 March 2019.

Internal Control and Compliance

One of the Board's responsibilities is to ensure that satisfactory systems and procedures of internal control are in place. These procedures are to provide reasonable assurance that management policies are adhered to, assets are safeguarded, operations are efficient and effective, misconduct and errors are prevented or detected, accurate and complete accounting records are compiled, and financial information is prepared in a timely manner. An exception reporting mechanism is in place through which cases of significant violation of internal rules and respective follow up actions are reported to the Board or its relevant committees. The compliance with legislations relevant to the HKTB is regularly reviewed by the internal Legal Counsel.

The Internal Audit Department has an independent role to evaluate the adequacy and effectiveness of the internal control. It formulates an audit plan yearly, covering the financial, operational and compliance control of functional units and worldwide offices. The Department has unrestricted access to information and personnel to perform its duties under the Internal Audit Charter. The Director, Internal Audit reports to the Executive Director and has direct access to the Audit Committee and its chairman, thereby ensuring his/her independence.

Apart from internal audit, the HKTB also engages an external auditor to perform statutory audit. The Audit Committee meets, at least once a year, with the external auditor without the presence of the HKTB Management, and agrees on the nature and scope of the statutory audit before the audit commences.

Management

Under the current organisation structure, the HKTB's activities are conducted through the following divisions:

- Business Development Division
- Corporate Affairs Division
- Corporate Services Division
- Event and Product Development Division
- Human Resources & Administration Division
- Internal Audit Department
- Marketing Division
- MICE & Cruise Division
- Strategic Planning & Insights Division
- Worldwide Offices

Other Information

About the HKTB

The Hong Kong Tourist Association (HKTA), a Government-subvented statutory body established in 1957, was reconstituted as the Hong Kong Tourism Board (HKTB) on 1 April 2001. Unlike the former HKTA, which was an association of members, the HKTB is a statutory body established under the Hong Kong Tourism Board Ordinance (Cap 302) and has no affiliation to any specific sector or organisation within the industry and is able to support the interests of Hong Kong's tourism in its entirety.

Primary Responsibilities & Missions

The primary responsibilities of the HKTB are to market and promote Hong Kong as a destination worldwide, as well as to take initiatives to enhance visitors' experiences upon their arrival. These include making recommendations to the Government and other relevant bodies on the range and quality of visitor facilities.

The HKTB's missions are to maximise the social and economic contribution made by tourism to the community of Hong Kong, and to consolidate Hong Kong's position as a unique, world-class and most desired destination.

Objectives

The six objectives of the HKTB, as defined under the Hong Kong Tourism Board Ordinance, are:

- to endeavour to increase the contribution of tourism to Hong Kong;
- to promote Hong Kong globally as a leading international city in Asia and a world-class tourist destination;
- to promote the improvement of facilities for visitors;
- to support the Government in promoting to the community the importance of tourism;
- to support, as appropriate, the activities of persons providing services for visitors to Hong Kong;
- to make recommendations to and advise the Chief Executive in relation to any measures which may be taken to further any of the foregoing matters.

Human Resources

At 31 March 2019, the total HKTB headcount numbered 377, of whom 131 were stationed outside Hong Kong. The HKTB expects a high level of integrity from its employees, and acquaints its staff with code of conduct guidelines and procedures through training sessions and briefings. The Employees' Handbook also provides full and specific guidance on employee behaviour.

Advisory Role and Industry Functions

The HKTB works closely with the tourism-related sectors and relevant Government departments through its representation in the following strategy groups and forums:

- Advisory Board of PMQ
- Advisory Committee on Cruise Industry
- Advisory Committee on Travel Agents
- Advisory Council of Asian Federation of Exhibition & Convention Associations
- Aviation Development and Three-runway System Advisory Committee
- Board, Pacific Asia Travel Association (PATA)
- Chinese Culinary Institute Training Board, Vocational Training Council
- Committee on Shopping-related Practices, Travel Industry Council of Hong Kong
- Committee on Taxi Service Quality, Transport Department
- Executive Committee, Hong Kong Arts Festival Society
- Executive Committee, Hong Kong Association of Travel Agents
- Executive Committee, Hong Kong Exhibition & Convention Industry Association
- General Committee, Hong Kong Brand Development Council
- Hong Kong – Taiwan Economic and Cultural Cooperation and Promotion Council
- Hong Kong Trade Development Council
- Hotel, Catering and Tourism Training Board, Vocational Training Council
- Inbound Committee, Travel Industry Council of Hong Kong
- Mainland China Inbound Tour Affairs Committee, Travel Industry Council of Hong Kong
- Retail & Tourism Committee, Hong Kong General Chamber of Commerce
- Steering Committee on MICE
- Steering Group on the Modification of Recycling and Refuse Collection Facilities in Public Places
- Task Force on External Lighting
- The Hong Kong Association of Registered Tour Co-ordinators
- Tourism Strategy Group
- Vetting Committee, Training Programme Subsidy Scheme under the Travel Industry Training Fund, Travel Industry Council of Hong Kong

In addition, the HKTB contributes to the tourism and related industries by partnering with the following organisations:

- Guangdong • Hong Kong • Macao Tourism Marketing Organization
- Pacific Asia Travel Association (PATA)
- World Tourism Organisation (UNWTO)

WORLDWIDE OFFICES & REPRESENTATIVES



★ Head Office

Hong Kong

📍 Worldwide Offices

Beijing, Shanghai, Guangzhou, Chengdu, Tokyo, Seoul, Singapore, Taipei, Sydney, London, Paris, Frankfurt, Los Angeles, New York, Toronto

📍 Representative Offices

(for travel trade/media/consumer enquiries only)
New Delhi, Bangkok, Jakarta, Philippines, Moscow, Dubai

For the address and contact methods of each of the worldwide offices and representatives, please visit www.discoverhongkong.com.



INDEPENDENT AUDITOR'S REPORT





Independent Auditor's Report

Independent auditor's report to the Hong Kong Tourism Board

(Established under the Hong Kong Tourist Association Ordinance and reconstituted under the Hong Kong Tourist Association (Amendment) Ordinance 2001 and the Hong Kong Tourism Board Ordinance)

Opinion

We have audited the consolidated financial statements of the Hong Kong Tourism Board ("the Board") and its subsidiary (together "the Group") set out on pages 93 to 134, which comprise the consolidated and the Board statements of financial position as at 31 March 2019, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in reserves and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Board and of the Group as at 31 March 2019 and of the Group's consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ("the Code") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the consolidated financial statements and auditor's report thereon

The members of the Board are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the members of the Board for the consolidated financial statements

The members of the Board are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the members of the Board determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the members of the Board are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members of the Board either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members of the Board.
- Conclude on the appropriateness of the Board members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

5 August 2019

Consolidated Income Statement

for the year ended 31 March 2019 (Expressed in Hong Kong dollars)

	Note	2019	2018
General Fund			
Principal source of income	3(a)		
Government subvention for the year		1,034,354,215	948,478,819
Other revenue			
Interest income		8,411,437	3,838,998
Realisation of deferred income – office premises	12	10,000,000	10,000,000
Sponsorships		46,841,800	53,148,914
Promotion and advertising income		16,659,291	13,999,561
Sundry income		33,451,781	36,425,389
		115,364,309	117,412,862
Other net gain/(loss)			
Gain/(loss) on disposal of fixed assets		55,323	(608)
Total income	3(b)	1,149,773,847	1,065,891,073
Promotional, advertising and literature expenses		494,992,972	420,507,920
Research and product development		18,662,600	15,834,871
Local services and events		294,215,084	299,457,421
Staff costs	5(a)	278,628,708	255,254,094
Rent, rates and management fees		15,976,582	15,183,940
Depreciation	7(a)	15,735,382	16,306,318
Auditor's remuneration		521,255	501,715
Other operating expenses		27,296,348	35,652,772
Total expenditure		1,146,028,931	1,058,699,051
Surplus before tax for the year	5	3,744,916	7,192,022
Income tax	4	(109,058)	(39,803)
Surplus for the year		3,635,858	7,152,219

The notes on pages 99 to 134 form part of these financial statements.

Consolidated statement of comprehensive income

for the year ended 31 March 2019 (Expressed in Hong Kong dollars)

	Note	2019	2018
Surplus for the year		3,635,858	7,152,219
Other comprehensive income for the year:			
Item that will not be reclassified to the income statement:			
– Remeasurement of net defined benefit retirement plan asset	14(a)(v)	645,000	11,812,000
Total comprehensive income for the year		4,280,858	18,964,219

The notes on pages 99 to 134 form part of these financial statements.

Consolidated statement of financial position

as at 31 March 2019 (Expressed in Hong Kong dollars)

	Note	2019	2018
Non-current assets			
Fixed assets	7(a)	21,118,659	23,826,669
Defined benefit retirement plan asset	14(a)(i)	-	65,106,000
		21,118,659	88,932,669
Current assets			
Debtors, deposits and payments in advance	9	24,780,046	22,045,992
Tax recoverable		-	17,049
Deposits with banks and financial institutions	10	496,957,729	394,968,876
Cash at banks and in hand	10	7,708,897	7,802,934
		529,446,672	424,834,851
Current liabilities			
Receipts in advance		34,304,608	65,543,073
Contract liabilities	13	2,574,298	-
Accounts payable and accruals	11	285,935,682	214,837,497
Deferred income	12	1,666,667	10,000,000
Current taxation		82,935	-
		324,564,190	290,380,570
Net current assets		204,882,482	134,454,281
Non-current liability			
Deferred income	12	-	1,666,667
NET ASSETS		226,001,141	221,720,283
Represented by:			
RESERVE			
General Fund	15	226,001,141	221,720,283

Approved and authorised for issue on 5 August 2019.

Anthony Lau
Executive Director

Dr Pang Yiu-kai, GBS, JP
Chairman of the Board

The notes on pages 99 to 134 form part of these financial statements.

Statement of financial position

as at 31 March 2019 (Expressed in Hong Kong dollars)

	Note	2019	2018
Non-current assets			
Fixed assets	7(b)	21,113,244	23,812,459
Defined benefit retirement plan asset	14(a)(i)	-	65,106,000
Interests in a subsidiary	8	551,876	551,876
		21,665,120	89,470,335
Current assets			
Debtors, deposits and payments in advance	9	24,409,041	21,615,434
Deposits with banks and financial institutions	10	496,957,729	394,968,876
Cash at banks and in hand	10	6,934,822	7,600,135
		528,301,592	424,184,445
Current liabilities			
Amount due to a subsidiary	8	3,577,328	2,361,977
Receipts in advance		34,304,608	65,543,073
Contract liabilities	13	2,574,298	-
Accounts payable and accruals	11	281,856,139	212,373,923
Deferred income	12	1,666,667	10,000,000
		323,979,040	290,278,973
Net current assets		204,322,552	133,905,472
Non-current liability			
Deferred income	12	-	1,666,667
NET ASSETS		225,987,672	221,709,140
Represented by:			
RESERVE			
General Fund	15	225,987,672	221,709,140

Approved and authorised for issue on 5 August 2019.

Anthony Lau
Executive Director

Dr Pang Yiu-kai, GBS, JP
Chairman of the Board

The notes on pages 99 to 134 form part of these financial statements.

Consolidated statement of changes in reserves

for the year ended 31 March 2019 (Expressed in Hong Kong dollars)

	Note	2019	2018
General fund at the beginning of the year		221,720,283	202,756,064
Surplus for the year		3,635,858	7,152,219
Other comprehensive income for the year		645,000	11,812,000
Total comprehensive income for the year		4,280,858	18,964,219
General fund at the end of the year	15	226,001,141	221,720,283

The notes on pages 99 to 134 form part of these financial statements.

Consolidated statement of cash flows

for the year ended 31 March 2019 (Expressed in Hong Kong dollars)

	Note	2019	2018
Operating activities			
Surplus before tax for the year		3,744,916	7,192,022
Adjustments for:			
Interest income		(8,411,437)	(3,838,998)
Depreciation		15,735,382	16,306,318
(Gain)/loss on disposal of fixed assets		(55,323)	608
Realisation of deferred income - office premises		(10,000,000)	(10,000,000)
Operating surplus before changes in working capital		1,013,538	9,659,950
Amount in defined benefit retirement plan asset recognised in the consolidated income statement	14(a)(v)	2,225,000	653,000
Surplus refunded from defined benefit retirement plan	14(a)(iv)	63,526,000	-
Decrease/(increase) in debtors, deposits and payments in advance		155,541	(1,625,895)
Increase in receipts in advance, contract liabilities, accounts payable and accruals		37,418,233	13,666,052
Cash generated from operation		104,338,312	22,353,107
Overseas tax paid		(9,074)	(158,033)
Net cash generated from operating activities		104,329,238	22,195,074
Investing activities			
Interest received		5,521,842	3,168,863
Purchase of fixed assets		(8,030,060)	(2,615,137)
Proceeds from disposal of fixed assets		73,796	2,257
Increase in deposits with banks with maturity of more than 3 months		(110,447,515)	(100,917,710)
Net cash used in investing activities		(112,881,937)	(100,361,727)
Net decrease in cash and cash equivalents		(8,552,699)	(78,166,653)
Cash and cash equivalents at the beginning of the year	10	180,065,575	258,232,228
Cash and cash equivalents at the end of the year	10	171,512,876	180,065,575

The notes on pages 99 to 134 form part of these financial statements.

Notes to the financial statements

(Expressed in Hong Kong dollars unless otherwise indicated)

1 Status of the Board

The Hong Kong Tourism Board ("the Board") is a subvented body corporate established in 1957 under the Hong Kong Tourist Association Ordinance and reconstituted under the Hong Kong Tourist Association (Amendment) Ordinance 2001 and the Hong Kong Tourism Board Ordinance. Its registered office and principal place of operation is 11th Floor, Citicorp Centre, 18 Whitfield Road, North Point, Hong Kong.

The principal activities of the Board are to market and promote Hong Kong as a world class tourist destination.

2 Significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. Significant accounting policies adopted by the Board and its subsidiary (together "the Group") are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2 Significant accounting policies (continued)

(c) Changes in accounting policies

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following development is relevant to the Group's financial statements:

- HKFRS 9, *Financial Instruments*
- HKFRS 15, *Revenue from Contracts with Customers*
- (i) HKFRS 9, *Financial Instruments*

HKFRS 9 replaces HKAS 39, *Financial Instruments: Recognition and Measurement*. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

The Group has applied HKFRS 9 retrospectively to items that existed at 1 April 2018 in accordance with the transition requirements. There is no significant adjustment to the opening reserve at 1 April 2018 upon initial application of HKFRS 9. Therefore, comparative information continues to be reported under HKAS 39.

(a) Classification of Financial Assets and Financial Liabilities

HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income ("FVOCI") and at fair value through profit or loss ("FVPL"). These supersede HKAS 39's four classification categories: held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

The measurement categories for all financial assets and liabilities remain the same. The carrying amounts for all financial assets and liabilities at 1 April 2018 have not been impacted by the initial application of HKFRS 9.

(b) Credit Losses

HKFRS 9 replaces the "incurred loss" model in HKAS 39 with the "expected credit loss" ("ECL") model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than the "incurred loss" accounting model in HKAS 39. The ECL model applies to the Group's financial assets measured at amortised cost, but not to the Group's financial assets measured at fair value. For further details on the Group's accounting policy regarding the accounting for credit losses, see note 2(h).

There is no significant change in the amount of provision for impairment losses recognised as at 1 April 2018 as a result of the adoption of the ECL model.

(ii) HKFRS 15, *Revenue from Contracts with Customers*

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18, *Revenue*, which covered revenue arising from sale of goods and rendering of services, and HKAS 11, *Construction Contracts*, which specified the accounting for construction contracts.

The Group has elected to use the cumulative effect transition method and has recognised the cumulative effect of initial application as an adjustment to the opening balance of reserve at 1 April 2018. Therefore, comparative information has not been restated and continues to be reported

2 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

(ii) HKFRS 15, *Revenue from Contracts with Customers* (continued)

under HKAS 18. As allowed by HKFRS 15, the Group has applied the new requirements only to contracts that were not completed before 1 April 2018.

(a) Timing of revenue recognition

Previously under HKAS 18 and HKAS 11, revenue arising from provision of services and construction contracts was recognised over time, whereas revenue from sale of goods was generally recognised at a point in time when the risks and rewards of ownership of the goods had passed to the customers.

Under HKFRS 15, revenue is recognised when a performance obligation is satisfied. This is when the customer obtains control of the promised goods or services in the contract, which may be at a single point in time or over time.

HKFRS 15 identifies certain situations in which control of the promised goods or services is regarded as being transferred over time. If the contract terms and the entity's activities do not fall into any of those situations, then the entity recognises revenue for the sale at a single point in time, being when control has been passed.

Transfer of risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs.

The adoption of HKFRS 15 does not have a significant impact on when the Group recognises revenue.

(b) Presentation of contract assets and liabilities

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue (see note 2(n)) before unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays non-refundable consideration, or is contractually required to pay non-refundable consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

To reflect these changes in presentation, the Group has reclassified advanced receipts from membership renewal fee of Quality Tourism Services Scheme amounting to \$2,701,217 from receipts in advance to contract liabilities at 1 April 2018 (see note 13).

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (note 19).

2 Significant accounting policies (continued)

(d) Films, publicity and advertising materials

Films, publicity and advertising materials are charged to the income statement on purchase, and no account is taken of stocks on hand at the end of the reporting period.

(e) Interests in a subsidiary

A subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights are considered.

Interests in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

In the Board's statement of financial position, interests in a subsidiary is stated at cost less impairment losses (see note 2(l)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(f) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses (see note 2(l)).

Assets under work in progress are stated at cost. Costs include cost of materials and direct labour.

Gains or losses arising from the retirement or disposal of an item of fixed assets are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in the income statement on the date of retirement or disposal.

(g) Depreciation

Depreciation is calculated to write off the cost of fixed assets, less their residual value, if any, using the straight-line method over their estimated useful lives as follows:

– Leasehold properties	25 years
– Leasehold improvements	Over the shorter of the fixed lease term and 5 years
– Motor vehicles	4 years
– Furniture, fixtures and other equipment	3 - 5 years
– Computer hardware, software and system development	3 years

Both the useful life of an asset and its residual value, if any, are reviewed annually.

2 Significant accounting policies (continued)

(h) Debtors, deposits and payments in advance

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses as determined below:

(i) Policy applicable from 1 April 2018

The loss allowance is measured at an amount equal to lifetime expected credit losses ("ECLs"), which are those losses that are expected to occur over the expected life of the debtors. The loss allowance is estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

ECLs are remeasured at each reporting date with any changes recognised as an impairment gain or loss in the income statement. The Group recognises an impairment gain or loss with a corresponding adjustment to the carrying amount of debtors through a loss allowance account.

The gross carrying amount of a debtors is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

(ii) Policy applicable prior to 1 April 2018

Impairment losses were recognised when there was objective evidence of impairment and were measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the asset's original effective interest rate where the effect of discounting was material. Objective evidence of impairment included observable data that came to the attention of the Group about events that had an impact on the asset's estimated future cash flows such as significant financial difficulty of the debtor.

When the recovery of debtors were considered doubtful but not remote, associated impairment losses were recorded using an allowance account. When the Group was satisfied that recovery was remote, the amount considered irrecoverable was written off against the gross carrying amount of those assets directly. Subsequent recoveries of amounts previously charged to the allowance account were reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly were recognised in the income statement.

2 Significant accounting policies (continued)

(i) Accounts payable and accruals and contract liabilities

Accounts payable and accruals are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see note 2(n)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2(h)).

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and in hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(k) Provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2 Significant accounting policies (continued)

(l) Impairment of non-financial assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that fixed assets and investment in a subsidiary may be impaired or an impairment loss previously recognised no longer exists or may have decreased. If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

An impairment loss is recognised in income statement if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised.

(m) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the income statement except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from differences which arise on initial recognition of assets and liabilities, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

2 Significant accounting policies (continued)

(n) Revenue recognition

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Further details of the Group's revenue and other income recognition policies are as follows:

- (i) Government subvention to finance the general recurrent activities of the Group is recognised as revenue in the income statement of the year in respect of which it becomes receivable.
- (ii) Government subvention to finance Meetings, Incentives, Conventions and Exhibitions ("MICE") bidding activities of the Group is recognised as revenue to the extent of the related expenditure incurred during the year, with the unutilised balance included in receipts in advance.
- (iii) Government subvention to finance the non-recurrent activities of the Group is recognised as revenue to the extent of the related expenditure incurred during the year, with the unutilised balance included in receipts in advance.
- (iv) Government subvention received for the purchase of office premises of the Group is included in the statement of financial position as deferred income and is credited to the income statement by instalments over the expected useful life of the related asset on a basis consistent with the depreciation policy (note 2(g)).
- (v) Subscription fees are recognised on a time-apportioned basis.
- (vi) Interest income is recognised as it accrues using the effective interest method.
- (vii) Sponsorship income for the events is recognised in the income statement upon the completion date of the respective events.
- (viii) Promotion and advertising income are accounted for on the accrual basis.

(o) Translation of foreign currencies

Foreign currency transactions during the year are translated into Hong Kong dollars at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into Hong Kong dollars at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in the income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

2 Significant accounting policies (continued)

(p) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, except where land is held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease. In such cases, it is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee, or at the date of construction of those buildings, if later.

(ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to the income statement in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in the income statement as an integral part of the aggregate net lease payments made.

2 Significant accounting policies (continued)

(q) Employee benefits

- (i) Salaries, annual bonuses, annual leave, and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group.
- (ii) The Group operates a defined benefit and a defined contribution staff retirement scheme for the Hong Kong office, and defined contribution staff retirement schemes for certain overseas offices. Contributions made under the schemes applicable to each year are charged to the income statement for the year. Contributions for the defined benefit scheme of the Hong Kong office are made in accordance with the recommendations made by the actuary. Assets of the schemes, are held separately from those of the Group.
- (iii) Contributions to Mandatory Provident Fund as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as an expense in the income statement as incurred.
- (iv) The Group's net obligation in respect of defined benefit retirement plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine the present value and the fair value of any plan assets is deducted. The calculation is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Service cost and net interest expenses (income) on the net defined benefit liability (asset) are recognised in the income statement as part of "staff costs". Current service cost is measured as the increase in the present value of the defined benefit obligation resulting from employee service in the current period. When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised as an expense in the income statement at the earlier of when the plan amendment or curtailment occurs and when related restructuring costs or termination benefits are recognised. Net interest expense (income) for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the reporting period of the net defined benefit liability (asset). The discount rate is the yield at the end of the reporting period on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations.

Remeasurements arising from defined benefit retirement plan are recognised in the other comprehensive income and reflected immediately in general fund. Remeasurements comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability (asset)).

- (v) Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

2 Significant accounting policies (continued)

(r) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3 Revenue

(a) Principal source of income

The Group

The principal source of income is the subvention from the Government of the Hong Kong Special Administrative Region ("Government") for the year which is determined with regard to the needs of the Board as presented in its annual business plan of budget and proposed programme of activities. The amount of the subvention recognised as revenue during the year is analysed as follows:

	2019	2018
Recurrent subvention for the year	644,185,737	631,664,190
Non-recurrent subvention for the year	390,168,478	316,814,629
	1,034,354,215	948,478,819

(b) Total income

	2019	2018 (Note)
Revenue from contracts with customers within the scope of HKFRS 15	96,952,872	103,573,864
Revenue from other sources		
– Government subvention for the year	1,034,354,215	948,478,819
– Interest income	8,411,437	3,838,998
– Realisation of deferred income (see note 12)	10,000,000	10,000,000
– Gain/(loss) on disposal of fixed assets	55,323	(608)
	1,149,773,847	1,065,891,073

Note: The Group has initially applied HKFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with HKAS 18 (see note 2(c)).

(c) As at 31 March 2019, no aggregated amount of the transaction price is allocated to the remaining performance obligations under the Group's existing contracts.

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its contracts such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts that had an original expected duration of one year or less.

4 Income tax

(a) Income tax in the consolidated income statement represents:

	2019	2018
Current tax - Overseas		
Provision for the year	109,058	39,803

No provision for Hong Kong Profits Tax has been made in the financial statements as the Board has been granted exemption from all Hong Kong taxes by the Inland Revenue Department under Section 87 of the Inland Revenue Ordinance. Taxation in respect of the Taiwan operation of HKTB Limited, a subsidiary of the Group, is charged at 20% of its estimated assessable profits (2018: 17%).

Taiwan's Legislative Yuan has enacted the tax reform proposals proposed by Taiwan's Ministry of Finance. Effective for taxable years beginning on or after 1 January 2018, the corporate income tax rate increased from 17% to 20%.

(b) Reconciliation between tax expense charged to the consolidated income statement and accounting profit at applicable tax rate:

	2019	2018
Surplus before tax for the year	3,744,916	7,192,022
Notional tax on surplus before taxation, calculated at the rates applicable to profits in the tax	653,221	1,171,789
Tax effect of non-deductible expenses	193,351,892	177,892,072
Tax effect of non-taxable income	(193,926,447)	(179,005,615)
Tax effect of temporary differences not recognised	30,255	12,452
Tax effect of temporary difference not recognised utilised this year	137	(30,895)
Actual tax expense	109,058	39,803

5 Surplus before tax for the year

The Group

(a) Staff costs

	2019	2018
Contributions to defined contribution retirement plan	11,590,200	10,347,881
Amounts recognised in respect of defined benefit retirement plan (note 14(a)(v))	2,225,000	653,000
Retirement costs	13,815,200	11,000,881
Salaries and other benefits	264,813,508	244,253,213
	278,628,708	255,254,094

(b) Other item

	2019	2018
Operating lease charges	11,198,128	10,675,051

6 Senior executives' pay and allowances

The Group

The senior executives of the Group include the Executive Director, Deputy Executive Director, General Managers and Regional Directors, and their total pay and allowances during the year were as follows:

	2019		
	Executive Director	Other senior executives	Total
Basic salaries	4,839,000	25,312,000	30,151,000
Discretionary performance pay	841,000	2,550,000	3,391,000
Retirement benefit expenses, contract gratuities and other allowances	747,000	4,473,000	5,220,000
	6,427,000	32,335,000	38,762,000

6 Senior executives' pay and allowances (continued)

The Group (continued)

	2018		
	Executive Director	Other senior executives	Total
Basic salaries	4,547,000	23,904,000	28,451,000
Discretionary performance pay	748,000	2,273,000	3,021,000
Retirement benefit expenses, contract gratuities and other allowances	704,000	4,433,000	5,137,000
	5,999,000	30,610,000	36,609,000

The salaries and discretionary performance pay (excluding retirement benefit expenses, contract gratuities and other allowances) for all senior executive positions of the Group fell within the following pay ranges:

	2019 No. of senior executive positions	2018 No. of senior executive positions
Pay ranges		
1 - \$500,001 to \$1,000,000 (note (a))	-	1
2 - \$1,000,001 to \$1,500,000 (note (b))	3	4
3 - \$1,500,001 to \$2,000,000 (note (c))	1	2
4 - \$2,000,001 to \$2,500,000 (notes (b) & (c))	3	1
5 - \$2,500,001 to \$3,000,000 (note (d))	3	4
6 - \$3,000,001 to \$3,500,000 (note (d))	1	-
7 - \$3,500,001 to \$4,000,000	1	1
8 - \$4,000,001 to \$4,500,000	-	-
9 - \$4,500,001 to \$5,000,000	-	-
10 - \$5,000,001 to \$5,500,000 (note (e))	-	1
11 - \$5,500,001 to \$6,000,000 (note (e))	1	-
	13	14

- (a) Senior executive position under Pay range 1 decreased by 1 due to the vacant position in 2018/19.
- (b) One senior executive position moved from Pay range 2 to Pay range 4 due to full year impact in 2018/19.
- (c) One senior executive position moved from Pay range 3 to Pay range 4 due to annual salary increases.
- (d) One senior executive position moved from Pay range 5 to Pay range 6 due to annual salary increases.
- (e) One senior executive position moved from Pay range 10 to Pay range 11 due to annual salary increases.

6 Senior executives' pay and allowances (continued)

During the year, the Chairman and members of the Board did not receive any remuneration for their services rendered to the Board.

After deliberation and endorsement by the Staff and Finance Committee which comprises non-executive Board members and an officer of the Tourism Commission, the remuneration, terms and conditions of employment of the senior executives were approved by the Board. In accordance with the Hong Kong Tourism Board Ordinance, the appointment and terms and conditions of employment of the Executive Director and the Deputy Executive Director are subject to the approval of the Chief Executive of Hong Kong Special Administrative Region.

The senior executives receive a basic salary and a performance-based variable pay. With effect from 2007/08, the performance evaluation of senior executives is determined by a Performance Management System and assessment criteria, including Key Performance Indicators, Goals and Competencies. Their performance is referenced against a set of objectives set out in the annual business plan. The performance of the Executive Director is assessed by the Chairman of the Board while the performance of the Deputy Executive Director, General Managers and Regional Directors are assessed by the Executive Director. The variable pay of all the senior executives is approved by the Remuneration Review Committee comprising the Chairman of the Board and the Staff and Finance Committee.

The amount of discretionary performance pay for the Executive Director disclosed above represents the variable pay amount of \$841,000 for the year ended 31 March 2019 (2018: \$748,000).

The remuneration of other senior executive positions for the year ended 31 March 2019 represents compensation for the Deputy Executive Director, seven General Manager positions (2018: seven General Manager positions) and four Regional Director positions (2018: five Regional Director positions).

7 Fixed assets

(a) The Group

	Leasehold properties	Leasehold improvements	Motor vehicles	Furniture, fixtures and other equipment	Computer hardware, software and system development	Work in progress	Total
Cost:							
At 1 April 2018	252,855,009	11,530,917	333,411	12,762,935	27,734,071	2,240,471	307,456,814
Additions	-	3,110,801	345,880	634,228	3,194,441	5,760,495	13,045,845
Disposals	-	-	(333,411)	(500,393)	(1,360,216)	-	(2,194,020)
Transfer	-	-	-	-	1,322,966	(1,322,966)	-
At 31 March 2019	252,855,009	14,641,718	345,880	12,896,770	30,891,262	6,678,000	318,308,639
Accumulated depreciation:							
At 1 April 2018	241,055,103	9,093,980	333,411	10,596,598	22,551,053	-	283,630,145
Charge for the year	10,114,200	1,200,284	57,647	941,942	3,421,309	-	15,735,382
Disposals	-	-	(333,411)	(484,043)	(1,358,093)	-	(2,175,547)
At 31 March 2019	251,169,303	10,294,264	57,647	11,054,497	24,614,269	-	297,189,980
Net book value:							
At 31 March 2019	1,685,706	4,347,454	288,233	1,842,273	6,276,993	6,678,000	21,118,659

7 Fixed assets (continued)

(a) The Group (continued)

	Leasehold properties	Leasehold improvements	Motor vehicles	Furniture, fixtures and other equipment	Computer hardware, software and system development	Work in progress	Total
Cost:							
At 1 April 2017	252,855,009	10,512,661	333,411	11,830,265	27,114,954	-	302,646,300
Additions	-	1,018,256	-	1,363,858	1,912,380	2,240,471	6,534,965
Disposals	-	-	-	(431,188)	(1,293,263)	-	(1,724,451)
At 31 March 2018	252,855,009	11,530,917	333,411	12,762,935	27,734,071	2,240,471	307,456,814
Accumulated depreciation:							
At 1 April 2017	230,940,903	8,215,541	333,411	10,303,874	19,251,684	-	269,045,413
Charge for the year	10,114,200	878,439	-	722,800	4,590,879	-	16,306,318
Disposals	-	-	-	(430,076)	(1,291,510)	-	(1,721,586)
At 31 March 2018	241,055,103	9,093,980	333,411	10,596,598	22,551,053	-	283,630,145
Net book value:							
At 31 March 2018	11,799,906	2,436,937	-	2,166,337	5,183,018	2,240,471	23,826,669

Leasehold properties are all held on long term leases in Hong Kong.

7 Fixed assets (continued)

(b) The Board

	Leasehold properties	Leasehold improvements	Motor vehicles	Furniture, fixtures and other equipment	Computer hardware, software and system development	Work in progress	Total
Cost:							
At 1 April 2018	252,855,009	11,530,917	333,411	12,712,197	27,723,304	2,240,471	307,395,309
Additions	-	3,110,801	345,880	634,228	3,194,441	5,760,495	13,045,845
Disposals	-	-	(333,411)	(500,393)	(1,360,216)	-	(2,194,020)
Transfer	-	-	-	-	1,322,966	(1,322,966)	-
At 31 March 2019	252,855,009	14,641,718	345,880	12,846,032	30,880,495	6,678,000	318,247,134
Accumulated depreciation:							
At 1 April 2018	241,055,103	9,093,980	333,411	10,560,070	22,540,286	-	283,582,850
Charge for the year	10,114,200	1,200,284	57,647	933,147	3,421,309	-	15,726,587
Disposals	-	-	(333,411)	(484,043)	(1,358,093)	-	(2,175,547)
At 31 March 2019	251,169,303	10,294,264	57,647	11,009,174	24,603,502	-	297,133,890
Net book value:							
At 31 March 2019	1,685,706	4,347,454	288,233	1,836,858	6,276,993	6,678,000	21,113,244

7 Fixed assets (continued)

(b) The Board (continued)

	Leasehold properties	Leasehold improvements	Motor vehicles	Furniture, fixtures and other equipment	Computer hardware, software and system development	Work in progress	Total
Cost:							
At 1 April 2017	252,855,009	10,512,661	333,411	11,786,811	27,104,187	-	302,592,079
Additions	-	1,018,256	-	1,356,574	1,912,380	2,240,471	6,527,681
Disposals	-	-	-	(431,188)	(1,293,263)	-	(1,724,451)
At 31 March 2018	252,855,009	11,530,917	333,411	12,712,197	27,723,304	2,240,471	307,395,309
Accumulated depreciation:							
At 1 April 2017	230,940,903	8,215,541	333,411	10,276,634	19,243,243	-	269,009,732
Charge for the year	10,114,200	878,439	-	713,512	4,588,553	-	16,294,704
Disposals	-	-	-	(430,076)	(1,291,510)	-	(1,721,586)
At 31 March 2018	241,055,103	9,093,980	333,411	10,560,070	22,540,286	-	283,582,850
Net book value:							
At 31 March 2018	11,799,906	2,436,937	-	2,152,127	5,183,018	2,240,471	23,812,459

Leasehold properties are all held on long term leases in Hong Kong.

8 Interests in a subsidiary and amount due to a subsidiary

The Board

	2019	2018
<i>Interests in a subsidiary</i>		
Unlisted share, at cost	1	1
Capital contribution	31,527,724	31,527,724
Less: impairment loss	(30,975,849)	(30,975,849)
	551,876	551,876
<i>Amount due to a subsidiary</i>	3,577,328	2,361,977

As at 31 March 2019, the Board assessed the interests in the subsidiary and no additional impairment loss was recognised during the year (2018: Nil).

The amount due to a subsidiary is unsecured, interest free and has no fixed terms of repayment.

Details of the Board's wholly-owned subsidiary are set out below:

Name of company	Principal activities	Place of incorporation
HKTB Limited	Marketing and promoting Hong Kong	Hong Kong

Auditor's remuneration and other operating expenses of \$54,323 for the year ended 31 March 2019 (2018: \$53,105) in respect of the subsidiary were borne by the Board which has waived its right of recovery thereof.

9 Debtors, deposits and payments in advance

	The Group		The Board	
	2019	2018	2019	2018
Debtors	2,580,720	2,679,227	2,580,720	2,679,227
Less: Loss allowance	(19,117)	(19,117)	(19,117)	(19,117)
	2,561,603	2,660,110	2,561,603	2,660,110
Deposits and payments in advance	22,218,443	19,385,882	21,847,438	18,955,324
	24,780,046	22,045,992	24,409,041	21,615,434

Included in debtors, deposits and payments in advance are the following amounts denominated in major currencies other than the Group's and the Board's functional currency:

	Exposure to foreign currencies (expressed in Hong Kong dollars)			
	The Group		The Board	
	2019	2018	2019	2018
Australian Dollars	354,414	451,330	354,414	451,330
Chinese Yuan	1,245,065	2,346,216	1,245,065	2,346,216
Euros	771,626	652,661	771,626	652,661
Great Britain Pounds	1,258,074	767,391	1,258,074	767,391
Japanese Yen	4,009,942	3,621,965	4,009,942	3,621,965
Korean Won	263,170	238,226	263,170	238,226
New Taiwan Dollars	371,005	430,082	-	-
United States Dollars	826,716	291,868	826,716	291,868

The gross amount of debtors, deposits and payments in advance at 31 March 2019 that is expected to be recovered after more than one year for the Group is \$4,507,491 and the Board is \$4,292,681 (2018: the Group is \$4,297,584 and the Board is \$4,069,544).

Further details on the Group's credit policy are set out in note 17(a).

9 Debtors, deposits and payments in advance (continued)

(a) Impairment loss of debtors

Impairment loss in respect of debtors are recorded using an allowance account unless the Board is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against debtors directly (see note 2(h)).

The movement in the loss allowance of debtors during the year is as follows:

	The Group		The Board	
	2019	2018	2019	2018
At 1 April	19,117	19,117	19,117	19,117
Impairment loss recognised	-	-	-	-
At 31 March	19,117	19,117	19,117	19,117

At 31 March 2018 and 2019, loss allowance of \$19,117 was recognised for the Group and the Board.

9 Debtors, deposits and payments in advance (continued)

(b) Debtors that are not impaired

Comparative information under HKAS 39

Prior to 1 April 2018, an impairment loss was recognised only when there was objective evidence of impairment (see note 2(h)(ii)). At 31 March 2018, debtors of \$19,117 were individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties and management assessed that only a portion of the receivable was expected to be recovered.

The ageing analysis of debtors that are neither individually nor collectively considered to be impaired are as follows:

	The Group		The Board	
	2019	2018	2019	2018
Neither past due nor impaired	333,416	1,380,541	333,416	1,380,541
Less than 1 month past due	191,333	248,201	191,333	248,201
1 to 3 months past due	810,321	244,718	810,321	244,718
More than 3 months but less than 1 year past due	705,150	35,413	705,150	35,413
1 year or more than 1 year past due	521,383	751,237	521,383	751,237
	2,228,187	1,279,569	2,228,187	1,279,569
	2,561,603	2,660,110	2,561,603	2,660,110

Debtors that were neither past due nor impaired related to a wide range of customers for whom there was no recent history of default.

Debtors that were past due but not impaired related to a number of independent customers that had a good track record with the Group. Based on past experience, management believed that no impairment allowance was necessary in respect of these balances as there had been no significant change in credit quality and the balances were still considered fully recoverable.

10 Cash and cash equivalents

	The Group		The Board	
	2019	2018	2019	2018
Deposits with banks and financial institutions	496,957,729	394,968,876	496,957,729	394,968,876
Cash at banks and in hand	7,708,897	7,802,934	6,934,822	7,600,135
Cash and cash equivalents in the statement of financial position	504,666,626	402,771,810	503,892,551	402,569,011
Less: Deposits with banks and financial institutions with maturity of more than three months at acquisition	(333,153,750)	(222,706,235)		
Cash and cash equivalents in the consolidated statement of cash flows	171,512,876	180,065,575		

Included in cash and cash equivalents are the following amounts denominated in major currencies other than the Group's and the Board's functional currency:

	Exposure to foreign currencies (expressed in Hong Kong dollars)			
	The Group		The Board	
	2019	2018	2019	2018
Australian Dollars	555,337	492,515	555,337	492,515
Canadian Dollars	52,201	108,068	52,201	108,068
Chinese Yuan	396,444	220,613	396,444	220,613
Euros	157,538	242,645	157,538	242,645
Great Britain Pounds	176,927	602,628	176,927	602,628
Japanese Yen	104,982	109,138	104,982	109,138
Korean Won	7,979	298,876	7,979	298,876
New Taiwan Dollars	690,065	180,959	-	-
United States Dollars	400,078	347,306	400,078	347,306

Deposits with banks and financial institutions bear fixed interest rates with the effective interest rates per annum at the end of the reporting period for the Group and the Board ranging from 0.17% to 2.83% (2018: the Group and the Board ranging from 0.02% to 1.6%).

11 Accounts payable and accruals

	The Group		The Board	
	2019	2018	2019	2018
Accounts payable	237,854,880	168,445,963	235,037,219	167,079,862
Other payables and sundry creditors	48,080,802	46,391,534	46,818,920	45,294,061
	285,935,682	214,837,497	281,856,139	212,373,923

Included in accounts payable and accruals are the following amounts denominated in major currencies other than the Group and the Board's functional currency:

	Exposure to foreign currencies (expressed in Hong Kong dollars)			
	The Group		The Board	
	2019	2018	2019	2018
Australian Dollars	5,369,244	6,257,980	5,369,244	6,257,295
Canadian Dollars	585,654	974,773	585,654	974,773
Chinese Yuan	26,093,827	8,442,444	26,093,827	8,442,444
Euros	5,576,395	3,802,223	5,576,395	3,802,223
Great Britain Pounds	4,748,019	5,466,103	4,748,019	5,466,103
Indian Rupee	2,105,822	1,062,175	2,105,822	1,062,175
Japanese Yen	7,806,746	6,195,748	7,806,746	6,186,278
Korean Won	6,973,478	4,481,736	6,973,478	4,471,231
Singapore Dollars	1,833,959	3,555,440	1,833,959	3,550,217
New Taiwan Dollars	3,436,985	2,551,999	2,104,562	98,792
United States Dollars	20,106,214	5,526,250	20,106,214	5,526,250

The gross amount of accounts payable and accruals at 31 March 2019 that is expected to be settled after more than one year for the Group is \$8,027,322 and the Board is \$7,952,509 (2018: the Group is \$8,259,375 and the Board is \$8,177,844).

12 Deferred income

The Group and the Board		
	2019	2018
Government subvention granted		
– 1994/95	250,000,000	250,000,000
Aggregate realisation:		
At 1 April	238,333,333	228,333,333
Realised during the year	10,000,000	10,000,000
At 31 March	248,333,333	238,333,333
Balance at 31 March	1,666,667	11,666,667
Less: Amount included in "current liabilities"	1,666,667	10,000,000
Amount included in "non-current liability"	-	1,666,667

13 Contract liabilities

Upon the adoption of HKFRS 15, opening adjustments were made as at 1 April 2018 to reclassify receipts in advance of \$2,701,217 to contract liabilities.

Movements in contract liabilities of the Group and the Board during the year ended 31 March 2019 are as follows:

Balance as at 1 April 2018	2,701,217
Decrease in contract liabilities as a result of revenue recognised during the year that was included in the contract liabilities at the beginning of the year	(2,673,599)
Increase in contract liabilities as a result of billing in advance	2,546,680
Balance as at 31 March 2019	2,574,298

Contract liabilities arise from billing in advance for membership renewal fee in respect of Quality Tourism Services Scheme.

14 Employee retirement benefits

The Group and the Board

(a) Defined benefit retirement plan

The Board makes contributions to a defined benefit retirement scheme registered under the Hong Kong Occupational Retirement Schemes Ordinance. The defined benefit retirement scheme was terminated with effect from 31 March 2019. The scheme no longer covers the Board's employees based in Hong Kong (2018: 8%). The scheme was administered by an independent trustee, and the assets were held in a trust separately from those of the Board.

With effect from 1 January 2019, employees under the defined benefit retirement scheme joined the Choice Plan (see note 14(b)).

(i) The amounts recognised in the consolidated and the Boards statement of financial position is as follows:

	2019	2018
Present value of wholly or partly funded obligations	-	(26,047,000)
Fair value of plan assets	-	91,153,000
Defined benefit retirement plan asset	-	65,106,000

The Board made no contributions to the defined benefit retirement plan during the year ended 31 March 2019 since the Board has taken the contribution holiday recommended by an independent actuary, Willis Towers Watson ("Towers Watson").

(ii) Plan assets consist of the following:

	2019	2018
Equity securities		
– Pacific Basin	-	20,476,000
– Europe	-	11,447,000
– Americas	-	17,637,000
	-	49,560,000
Bond		
– Global Bond	-	40,166,000
Cash at banks	-	1,427,000
Benefit payable	-	-
	-	91,153,000

14 Employee retirement benefits (continued)

The Group and the Board (continued)

(a) Defined benefit retirement plan (continued)

(iii) Movement in the present value of the defined benefit obligations:

	2019	2018
At 1 April	26,047,000	31,682,000
Remeasurements:		
– Actuarial gains arising from changes in liability experience	(118,000)	(1,150,000)
– Actuarial gains arising from changes in financial assumptions	(86,000)	(407,000)
– Actuarial (gains)/losses arising from demographic assumptions	(1,000)	1,000
	(205,000)	(1,556,000)
Benefits paid by the plan	(5,901,000)	(5,833,000)
Current service costs	706,000	1,354,000
Interest cost	307,000	400,000
Past service cost - curtailments	2,349,000	-
Settlements	(23,303,000)	-
	(25,842,000)	(4,079,000)
At 31 March	-	26,047,000

The weighted average duration of the defined benefit obligation was 4.2 years (2018: 3.9 years).

(iv) Movements in fair value of plan assets:

	2019	2018
At 1 April	91,153,000	85,629,000
Benefits paid by the plan	(5,901,000)	(5,833,000)
Interest income	1,137,000	1,101,000
Return on plan assets, excluding interest income	440,000	10,256,000
– Surplus refunded to the employer	(63,526,000)	-
– Settlements	(23,303,000)	-
At 31 March	-	91,153,000

14 Employee retirement benefits (continued)

The Group and the Board (continued)

(a) Defined benefit retirement plan (continued)

(v) Amounts recognised in the consolidated income statement and other comprehensive income are as follows:

	2019	2018
Current service cost	706,000	1,354,000
Net interest on net defined benefit asset	(830,000)	(701,000)
Past service cost curtailments	2,349,000	-
Total amounts recognised in the consolidated income statement	2,225,000	653,000
Actuarial gains	(205,000)	(1,556,000)
Return on plan assets, excluding interest income	(440,000)	(10,256,000)
Total amounts recognised in other comprehensive income	(645,000)	(11,812,000)
Total defined benefit costs	1,580,000	(11,159,000)

The retirement expense is recognised under staff costs in the consolidated income statement.

(vi) The principal actuarial assumptions used as at 31 March 2019 (expressed as weighted averages) and sensitivity analysis are as follows:

	2019	2018
Discount rate	1.80%	1.70%
Future salary increases	4.50%	4.50%

14 Employee retirement benefits (continued)

(b) Defined contribution retirement plan

The Board makes contributions to a defined contribution plan ("Choice Plan") in accordance with the terms stated in the Trust Deed.

Employees under the Choice Plan, together with employees under the previous defined benefit retirement scheme (see note 14(a)), joined a pooled defined contribution retirement plan effective from 1 January 2019. Under the Choice Plan, the employer is required to make 8% - 12% (2018: 8% - 15%) contributions of the employees' relevant income. Employees are not required to make contributions to the Choice Plan.

The Board also operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the Choice Plan. The MPF scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of \$30,000. Contributions to the scheme vest immediately.

15 Reserve

	The Group		The Board	
	2019	2018	2019	2018
General fund at the beginning of the year	221,720,283	202,756,064	221,709,140	202,747,064
Surplus for the year	3,635,858	7,152,219	3,633,532	7,150,076
Other comprehensive income for the year	645,000	11,812,000	645,000	11,812,000
Total comprehensive income for the year	4,280,858	18,964,219	4,278,532	18,962,076
General fund at the end of the year	226,001,141	221,720,283	225,987,672	221,709,140

General Fund

The General Fund represents the Group's and the Board's unallocated balances and surpluses. The use of the unallocated balances or surpluses requires prior approval from the Board and the Government.

Based on the understanding between the Government and the Board, the level of reserves held by the Group may increase to a level equivalent to four months of gross expenditure.

16 Commitments

At 31 March 2019, the Group and the Board had commitments in respect of the following:

The total future minimum lease payments under non-cancellable operating leases are payable as follows:

	The Group		The Board	
	2019	2018	2019	2018
Within 1 year	12,891,176	12,774,899	12,787,887	11,931,503
After 1 year but within 5 years	8,950,897	10,495,699	8,950,897	10,386,445
	21,842,073	23,270,598	21,738,784	22,317,948

The Group and the Board lease a number of properties and office equipment under operating leases. The leases typically run for an initial period from one to ten years, with an option to renew the leases when all terms are renegotiated for properties lease. None of the leases includes contingent rentals.

17 Financial risk management

Exposure to credit, liquidity, interest rate and foreign currency risks arises in the normal course of the Group's operations. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to deposits with banks and financial institutions, cash at banks and debtors. The Group's exposure to credit risk arising from deposits with banks and financial institutions, cash at banks is limited because the counterparties are banks and financial institutions with sound credit rating, for which the Group considers to have low credit risk. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

(b) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and long terms.

The following tables detail the remaining contractual maturities at the end of the reporting period of the Group's and the Board's financial liabilities, which are based on contractual undiscounted cash flows and the earliest date the Group and the Board can be required to pay:

17 Financial risk management (continued)

(b) Liquidity risk (continued)

The Group

	2019				
	Carrying amount/ total contractual undiscounted cashflow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
Receipts in advance	34,304,608	34,304,608	-	-	-
Contract liabilities	2,574,298	2,574,298	-	-	-
Accounts payable and accruals	285,935,682	277,908,360	2,685,522	2,783,982	2,557,818
	322,814,588	314,787,266	2,685,522	2,783,982	2,557,818

	2018				
	Carrying amount/ total contractual undiscounted cashflow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
Receipts in advance	65,543,073	65,543,073	-	-	-
Accounts payable and accruals	214,837,497	206,578,122	3,305,647	2,196,514	2,757,214
	280,380,570	272,121,195	3,305,647	2,196,514	2,757,214

The Board

	2019				
	Carrying amount/ total contractual undiscounted cashflow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
Receipts in advance	34,304,608	34,304,608	-	-	-
Contract liabilities	2,574,298	2,574,298	-	-	-
Accounts payable and accruals	281,856,139	273,903,630	2,662,868	2,731,823	2,557,818
	318,735,045	310,782,536	2,662,868	2,731,823	2,557,818

17 Financial risk management (continued)

(b) Liquidity risk (continued)

The Board (continued)

		2018			
	Carrying amount/ total contractual undiscounted cashflow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
Receipts in advance	65,543,073	65,543,073	-	-	-
Accounts payable and accruals	212,373,923	204,196,079	3,303,250	2,117,380	2,757,214
	277,916,996	269,739,152	3,303,250	2,117,380	2,757,214

(c) Interest rate risk

The Group has no financing from external parties other than Government subvention and the Group is not exposed to interest rate risk on financing.

Note 10 contains information about the effective interest rates of the Group's income-earning financial instruments at the end of the reporting period.

(d) Foreign currency risk

Exposure to currency risk

The Group incurs expenses that are denominated in currencies other than Hong Kong Dollars ("HKD"), the functional currency of the Group, for the operations of the overseas offices. The currencies giving rise to this risk are primarily United States Dollars ("USD"), Japanese Yen, Australian Dollars, Canadian Dollars, Euros, Great Britain Pounds, Chinese Yuan, Singapore Dollars, New Taiwan Dollars and Korean Won.

Sensitivity analysis

The following table indicated the instantaneous change in the Group's surplus after tax and general fund that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the HKD and the USD would be materially unaffected by any change in movement in value of the USD against other currencies.

17 Financial risk management (continued)

(d) Foreign currency risk (continued)

Sensitivity analysis (continued)

	2019		2018	
	Increase/ (decrease) in foreign exchange rates	Effect on surplus after tax and general fund	Increase/ (decrease) in foreign exchange rates	Effect on surplus after tax and general fund
Australian Dollars	5%	(222,975)	5%	(265,672)
	(5)%	222,975	(5)%	265,672
Canadian Dollars	5%	(24,344)	5%	(39,119)
	(5)%	24,344	(5)%	39,119
Chinese Yuan	5%	(1,222,297)	5%	(293,781)
	(5)%	1,222,297	(5)%	293,781
Euros	5%	(232,362)	5%	(145,346)
	(5)%	232,362	(5)%	145,346
Great Britain Pounds	5%	(165,651)	5%	(204,804)
	(5)%	165,651	(5)%	204,804
Japanese Yen	5%	(184,561)	5%	(122,756)
	(5)%	184,561	(5)%	122,756
Singapore Dollars	5%	(85,540)	5%	(170,897)
	(5)%	85,540	(5)%	170,897
New Taiwan Dollars	5%	(118,796)	5%	(97,048)
	(5)%	118,796	(5)%	97,048
Korean Won	5%	(335,116)	5%	(196,706)
	(5)%	335,116	(5)%	196,706

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' surplus after tax and general fund measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for 2018.

17 Financial risk management (continued)

(e) Fair values

All financial instruments are carried at amounts not materially different from their fair values as at 31 March 2019 and 2018.

18 Material related party transactions

Other than those disclosed elsewhere in the financial statements, no other material related party transactions were carried out in the normal course of the Group's business during the current and prior financial years.

19 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 March 2019

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 March 2019 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
HKFRS 16, <i>Leases</i>	1 January 2019

The Group is in the process of making an assessment of what the impact of these new issues or amendments is expected to be in the period of initial application. So far, the Group considers that the adoption of them is unlikely to have a significant impact on the Group's financial statements, except for HKFRS 16, *Leases*.

HKFRS 16, *Leases*

The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the income statement and statement of comprehensive income over the period of the lease.

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. The Group plans to elect to use the modified retrospective approach for the adoption of HKFRS 16 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of reserve at 1 April 2019 and will not restate the comparative information. As disclosed in note 16, at 31 March 2019, the Group's future minimum lease payments under non-cancellable operating leases amount to \$21,842,073 and \$21,738,784 for the Group and the Board respectively, which is payable either within 1 year or between 1 and 5 years after the reporting date. Upon the initial adoption of HKFRS 16, the opening balances of lease liabilities and the corresponding right-of-use assets will be adjusted, after taking account the effects of discounting, as at 1 April 2019.

