

**For discussion
on 21 April 2020**

**LEGISLATIVE COUNCIL
PANEL ON COMMERCE AND INDUSTRY**

Promotion of Inward Investment

PURPOSE

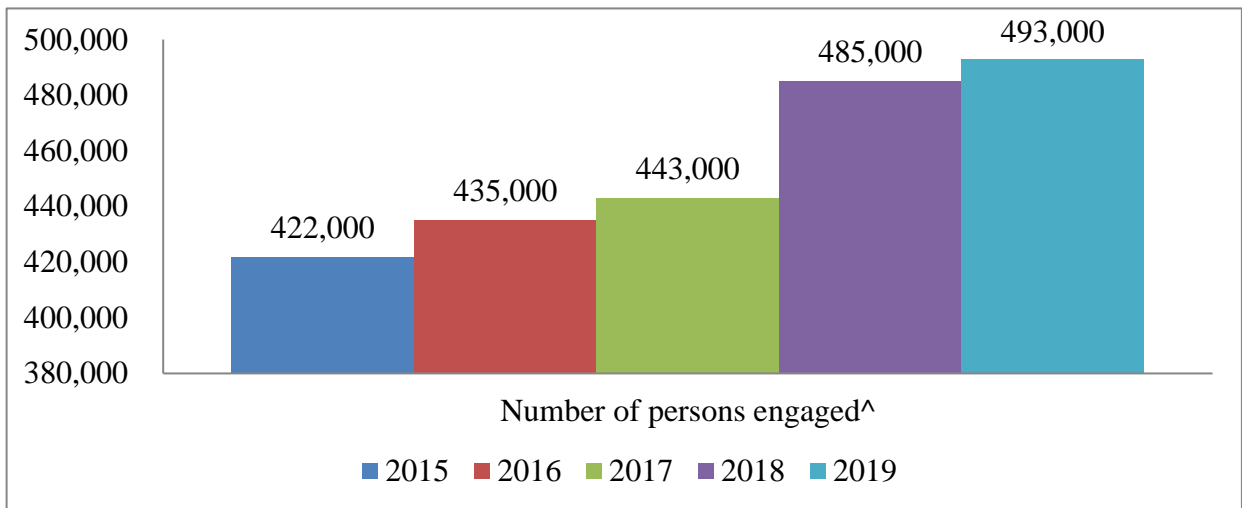
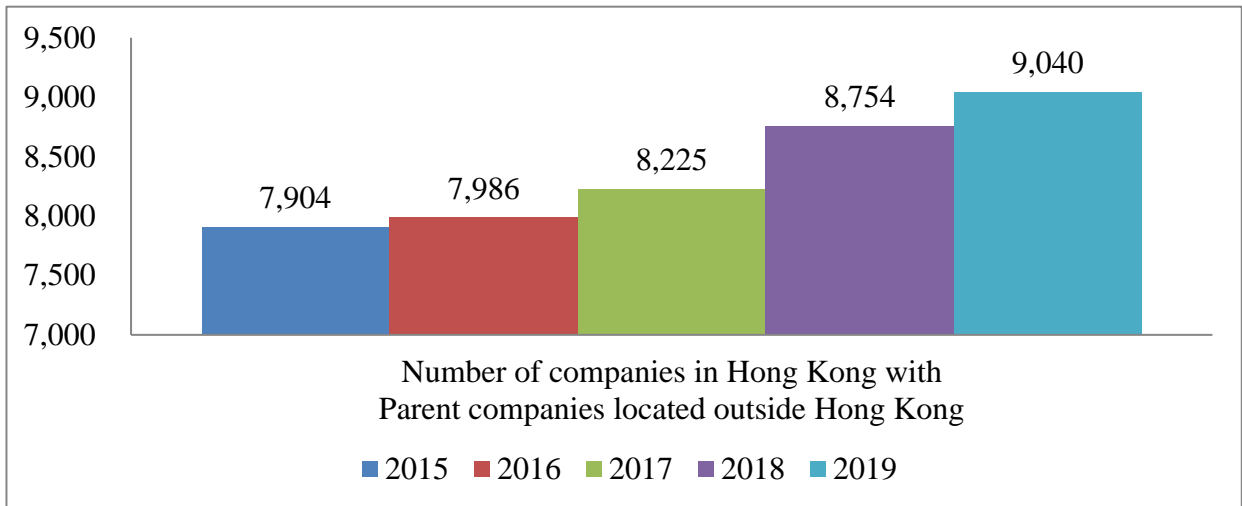
This paper briefs Members on the work of Invest Hong Kong (“InvestHK”) in 2019 and outlines its work plan for 2020-21.

HONG KONG AS AN IDEAL DESTINATION FOR FOREIGN DIRECT INVESTMENT (“FDI”)

2. With Hong Kong’s position at the heart of Asia and as a two-way platform for business between the Mainland and the rest of the world, Hong Kong has been a preferred destination for FDI. According to the World Investment Report 2019 released by the United Nations Conference on Trade and Development, Hong Kong was the third largest FDI recipient in the world in 2018, after the United States (“US”) and Mainland China.

3. According to the 2019 Annual Survey of Companies in Hong Kong with Parent Companies Located outside Hong Kong conducted jointly by InvestHK and the Census and Statistics Department¹, Hong Kong was home to a record number of 9 040 overseas and Mainland companies in 2019, an increase of 9.9% compared to 8 225 in 2017. Together, these 9 040 companies employed some 493 000 persons, representing around 16% of the total number of persons engaged in Hong Kong as of June 2019. The survey results for the past five years are shown in the following charts:

¹ Most of the fieldwork of the survey was conducted around June to August 2019.



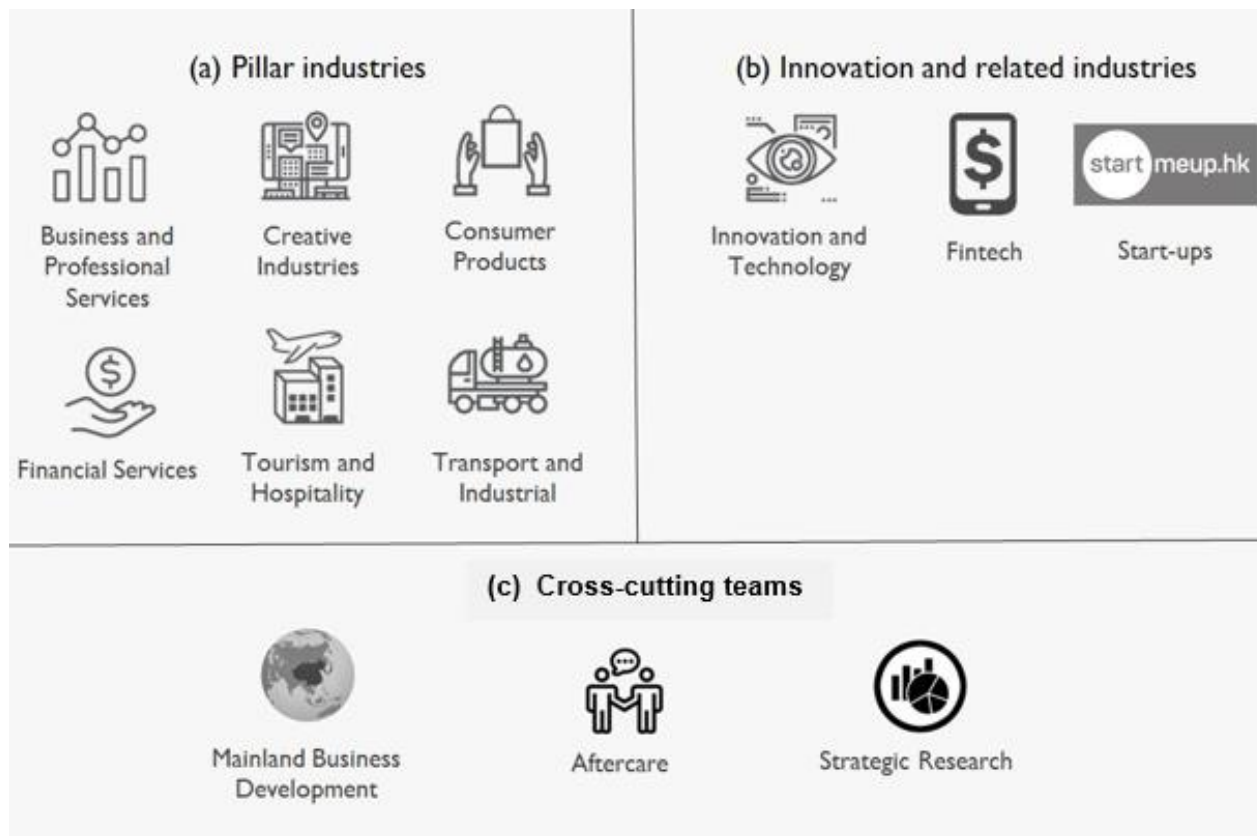
^ Figures are rounded to the nearest thousand

ABOUT INVESTHK

4. InvestHK’s mission is to attract and retain FDI and to promote Hong Kong as a leading international business hub. Its strategy for promoting inward investment aligns with the Government’s overall policy objectives, including the development of innovation and technology (“I&T”), the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Greater Bay Area (“Greater Bay Area”) development, leveraging Hong Kong’s traditional strengths. To align with these priorities, the eight sector teams in the Head Office of InvestHK are arranged in two main streams, namely (a) pillar industries covering six sector teams, i.e. Business and Professional Services, Consumer Products, Creative Industries, Financial Services, Tourism and Hospitality, and Transport and Industrial (with a

dedicated maritime desk); and (b) innovation and related industries covering two sector teams, i.e. I&T, and Financial Technology (“fintech”), as well as the StartmeupHK Team.

5. InvestHK’s Head Office also has a Mainland Business Development Team, a Strategic Research Team, and an Aftercare Team to focus and enhance work in these areas. The promotion focus of the eight sector teams and the StartmeupHK Team is at **Annex A**.



6. InvestHK proactively identifies and reaches out to companies in target sectors in key geographical markets. The Head Office of InvestHK works together with 17 investment promotion units (“IPUs”) based in the Hong Kong Economic and Trade Offices (“ETOs”), the Beijing Office and the Hong Kong Economic, Trade and Cultural Office in Taipei, as well as 13 overseas consultants in key locations not covered by IPUs. InvestHK’s Head Office sets the overall direction of promotional efforts and reviews the performance of the IPUs. Heads of the ETOs handle day-to-day management of the IPUs and take part in investment promotion work. The IPUs work seamlessly both with the ETOs and InvestHK’s Head Office. InvestHK’s worldwide network is shown below:



Work of InvestHK

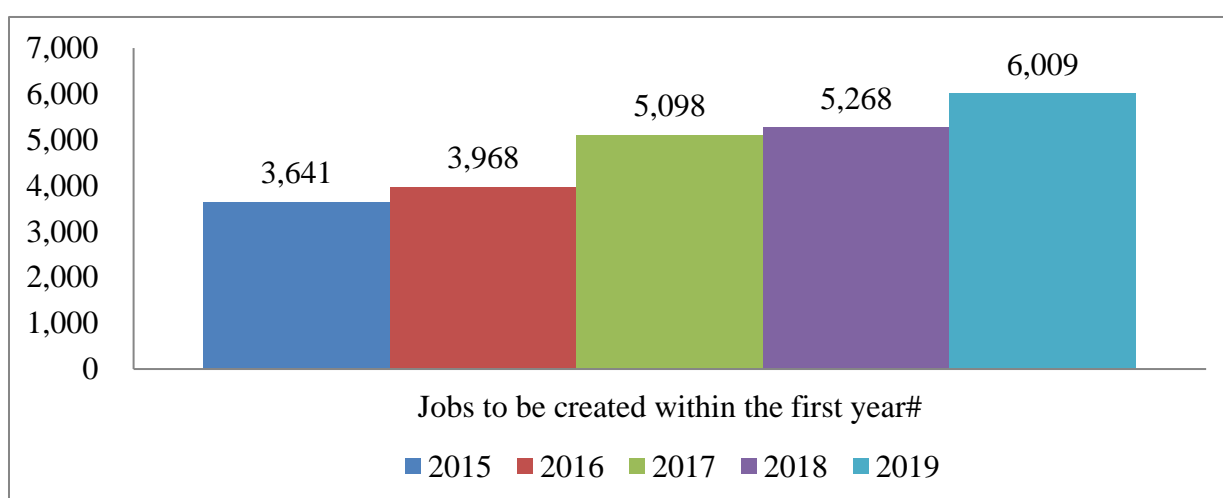
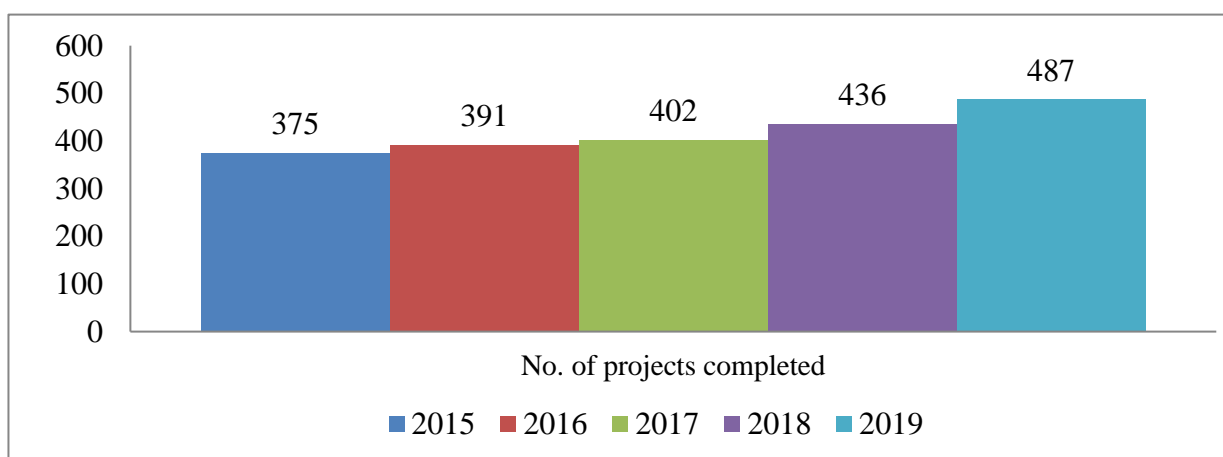
7. In identifying and reaching out to target companies, InvestHK offers one-stop customised support services, from the planning to implementation stages. The services offered include market intelligence, guidance on relevant law and regulations for the sector concerned, facilitation of visa applications, advice on funding and other support schemes, contact information of banks, introduction to business partners, etc. InvestHK continues to support companies to grow through aftercare support.

8. An important role of InvestHK is to advise companies on Government’s policies or regulations. InvestHK seeks information from relevant Bureaux/Departments (“B/Ds”) or regulators, and where necessary, help line up cross-departmental meetings with the company concerned so that the company can fully take into account the requirements of the relevant government policies or regulations when developing its business plan and implementation details.

RESULTS IN 2019

9. Since its establishment in 2000, InvestHK has completed over 5 500 investment projects², supporting overseas and Mainland companies to set up or expand their businesses in Hong Kong. These projects have created more than 61 500 jobs in the first year of operation or expansion.

10. In 2019, InvestHK completed a record number of 487 projects (a year-on-year increase of 11.7%), involving direct investment of more than \$52.3 billion and creating 6 009 jobs within the first year of operation or expansion. Of these 6 009 jobs, 3 346 (56%) were top management and professional jobs³. The results of InvestHK's work in the past five years are shown in the following charts. Breakdowns of completed projects by sector are at [Annex B](#).



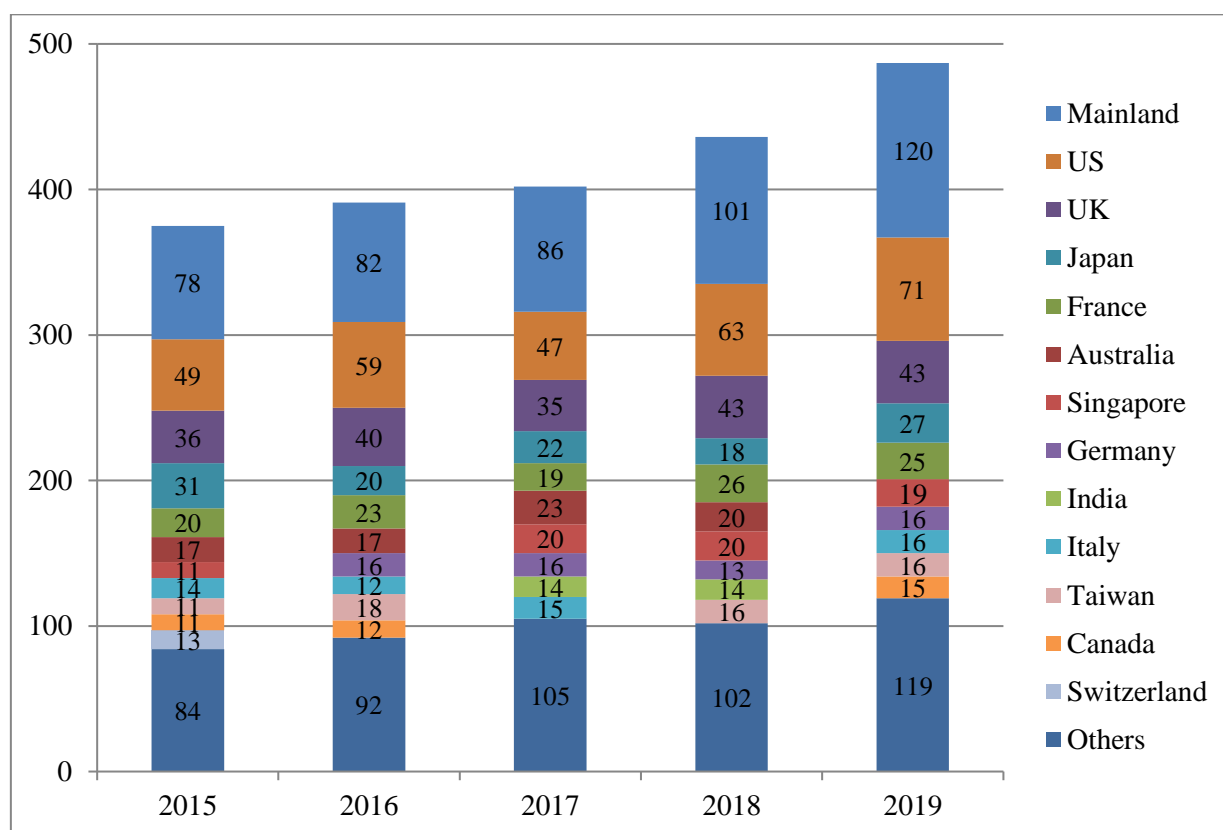
As reported by the companies assisted by InvestHK. Not all companies were willing to disclose the data.

² Investment projects each resulting in an overseas or Mainland company setting up or undergoing a significant expansion in Hong Kong with the assistance of InvestHK. The figure does not include companies set up in Hong Kong without such assistance.

³ The figures on investment and jobs were provided by the companies.

11. In terms of FDI, the top three completed projects would each involve a direct investment of over \$6 billion. Two of the projects were from the transport and industrial sector, and one from the financial services sector. In terms of job creation, the top three completed projects would each create 300 or more jobs within the first year of operation or expansion. Two of the projects were from the tourism and hospitality sector, and one from the consumer products sector.

12. In 2019, InvestHK completed 120 projects related to Mainland companies, representing 25% of the total number of projects completed in the year. Other major sources of investment projects were the US (71), the United Kingdom (“UK”) (43), Japan (27), France (25), Singapore (19), Germany (16), Italy (16), Taiwan (16) and Canada (15). The top ten source markets of investment projects completed in the past five years are shown in the following table:



13. As part of InvestHK's aftercare programme⁴, InvestHK contacted, in 2019, 631 out of the 1 229 companies assisted by InvestHK between 2016 and 2018. Among those contacted, 581 companies (92%) were still in operation. The total number of staff employed by these companies at the time of contact was 8 420.

STRATEGY IN 2020-21

14. Since 2019, the local business sector has been suffering from a threefold impact of the US-China trade conflict, the social unrest in Hong Kong and the COVID-19 outbreak, facing significant difficulties in running their businesses. In particular, the social unrest in Hong Kong has affected the city's international image and undermined its attractiveness to some investors. The COVID-19 outbreak gave rise to further uncertainties in the global macro-economic environment and outlook. With different anti-pandemic measures taken by various overseas jurisdictions, including border control and quarantine requirements, business activities around the world have been significantly affected. These factors all together have created considerable challenges to our economy and have significant negative impact on business sentiment. Many potential investors have put their investment plans on hold, and adopt a wait-and-see approach. Nevertheless, we believe that many foreign investors would look at investment opportunities in and the potential of an investment destination on the medium to long term horizon.

15. Against this backdrop, we will need to flex our approach in investment promotion for 2020-21, taking into account the development of the pandemic. Our focus in the near-term is to strengthen our aftercare engagement with existing overseas and Mainland companies in Hong Kong and their parent companies, and at the same time maintain visibility and dialogue with potential investors.

⁴ InvestHK has an established programme to conduct aftercare contacts with companies which have previously been supported by InvestHK and other strategic multinational companies already set up in Hong Kong to keep track of their developments and to facilitate expansion of their businesses in Hong Kong. The first aftercare contacts will be conducted within 12 to 18 months after the completion of projects, while the second aftercare contacts will be conducted within 30 to 36 months after the completion of projects.

16. While it is inevitable that some of our plans (particularly events) will be impacted and disrupted, our strategy and aspirations remain intact. Once the pandemic subsides and a more stable business environment returns, InvestHK will step up efforts in all channels to proactively attract and assist overseas and Mainland companies to set up or expand their businesses in Hong Kong, by leveraging Hong Kong's full range of advantages.

Strengthening of Aftercare Services

17. In June 2018, InvestHK set up a small dedicated team to enhance its aftercare services for overseas and Mainland companies in Hong Kong. Working with sector and overseas colleagues, the dedicated team has developed a structured and systematic outreach programme to help and support these companies to expand their presence in Hong Kong. InvestHK reaches out to key investors and holds strategic discussions to help them consider and evaluate new areas and opportunities for growth, including those arising from the Belt and Road Initiative, Greater Bay Area development and I&T development.

18. In 2019, InvestHK made contact with over 1 200 such companies, mostly through one-to-one meetings, networking events and other meeting opportunities we organised. Our aftercare programme also extends to one-to-one meetings with investors at their company headquarters outside Hong Kong. These meetings affirm the Government's commitment to supporting foreign investment and reinforce the companies' senior management the confidence in continuing to do business and invest in Hong Kong.

19. As soon as the pandemic eases and business resumes, high-level conferences and roundtables, on top of one-to-one meetings, will be organised in other regional and global business centres such as Japan and the US. These events will enhance networking with key decision makers, providing them with up-to-date information on the business environment of Hong Kong and the latest Government policies.

Collaboration with B/Ds, “HK Inc” and Other Partners

20. To maximise synergy and impact, InvestHK works closely with relevant B/Ds, as well as “HK Inc” members to attract and assist companies to set up or expand their businesses in Hong Kong. Key partners include Create Hong Kong (“CreateHK”), Cyberport, the Hong Kong Airport Authority, the Hong Kong Monetary Authority (“HKMA”), the Hong Kong Productivity Council (“HKPC”), the Hong Kong Tourism Board (“HKTB”), the Hong Kong Trade Development Council (“TDC”), the Hong Kong Science and Technology Parks Corporation (“HKSTPC”), the Insurance Authority and the Financial Services Development Council (“FSDC”).

21. Working across the Government and with key stakeholders, InvestHK takes a proactive and targeted approach in identifying and attracting specific companies to invest in Hong Kong. InvestHK works closely with relevant B/Ds and key partners as well as ETOs to identify, call upon and follow up with companies in specific sectors, notably the financial services, I&T and maritime sectors. In the past year, it successfully attracted many renowned companies in priority sectors to set up operations in Hong Kong. For example, Pan Pacific Holdings (the operator of Don Don Donki) is actively expanding in Hong Kong; China FAW Group (a Mainland automaker) set up its overseas financial and risk management centre; Cainiao Network (the logistics arm of Alibaba Group) is building a smart logistics centre with gross floor area of 380,000 square metres at the Hong Kong International Airport; Home Credit moved its headquarters from Czech Republic to Hong Kong; US burger chain Five Guys set up its Asia Pacific regional headquarters in Hong Kong; Roche Group set up an innovation hub in Hong Kong; US Barracuda Networks set up its Asia Pacific regional headquarters; Belgium software company Odoo set up its Asian regional headquarters; China Energy Conservation and Environment Protection Group set up a corporate treasury centre and Rohto Pharmaceutical Co Ltd set up an advanced research laboratory in Hong Kong.

22. InvestHK will continue our liaison with overseas chambers/consulates in Hong Kong to further our reach to foreign businesses, and to work closely with financial and professional service providers, including banks, law firms and accountancy firms. InvestHK will also continue to maintain close relationships across our overseas network with governments, chambers and trade associations.

Playing an Active Role in Major Mainland Initiatives

23. The opportunities brought by the Belt and Road Initiative and the Greater Bay Area development are key elements of Hong Kong's inward investment proposition and are invariably topics of keen interest in all of our events and most one-to-one meetings. They further enhance Hong Kong's role as a two-way development base for "going global" and attracting foreign investment. With Hong Kong's unique business advantages, as well as its strategic location and status as an international financial, maritime and trading centre, Hong Kong is a springboard for Mainland companies to "go global" and for overseas companies to access Belt and Road markets as well as the Greater Bay Area.

24. To seize the business opportunities arising from the Belt and Road Initiative and the Greater Bay Area development, InvestHK continues to reach out to companies through marketing campaigns, seminars and investment promotion visits. For instance:

- In 2019, InvestHK organised "Belt and Road" roundtable meetings in Changchun, Changsha, Chengdu, Chongqing, Hohhot, Jinan, Kunming, Wuhan, Xiamen, Xian and Zhengzhou to showcase the significant role of Hong Kong under the Initiative.
- In 2020, InvestHK plans to organise investment promotion activities in various Mainland cities, such as Chengdu, Nanchang, Qingdao and Wuxi. It also plans to organise a seminar at the China International Fair for Investment and Trade to be held in Xiamen in September 2020.
- To help Mainland enterprises to understand more about Hong Kong's business environment, InvestHK plans to organise a study mission to Hong Kong in the second half of 2020, comprising seminars, visits and business matching sessions.

25. InvestHK plans to organise investment promotion events in Sydney and Melbourne in 2020 to promote the latest development and business opportunities of the Greater Bay Area to the Australian business community.

Overseas Promotion

26. InvestHK has year-round investment promotion activities around the world, delivered by our Head Office, 17 IPUs and 13 overseas consultants. This is supplemented by an active programme of investment promotion visits to both traditional and emerging markets. The visits complement and enhance the on-the-ground investment promotion work of the IPUs and InvestHK's overseas consultants. Seminars or high-level roundtable meetings with senior executives of companies were organised to tie in with some of these visits. For instance :

- In May 2019, InvestHK co-organised a seminar with the London ETO to promote the development and opportunities in creative industries. The seminar was supported by TDC and the UK Department for International Trade.
- In October 2019, InvestHK organised a series of seminars in Lima, Santiago and Sao Paulo to promote the advantages of Hong Kong and encourage South American companies to leverage Hong Kong as a strategic location to access regional markets.
- In collaboration with the Korea Chamber of Commerce and Industry and with the support of the Tokyo ETO, InvestHK organised a seminar to promote Hong Kong's position in I&T to the Korean business community in Seoul in October 2019.
- InvestHK participated in the Hong Kong Business and Professional Delegation to Malaysia and Thailand led by the Secretary for Commerce and Economic Development in November 2019. During the mission, InvestHK co-organised a lunch seminar with TDC to promote Hong Kong's unique strengths to the Thai business community.

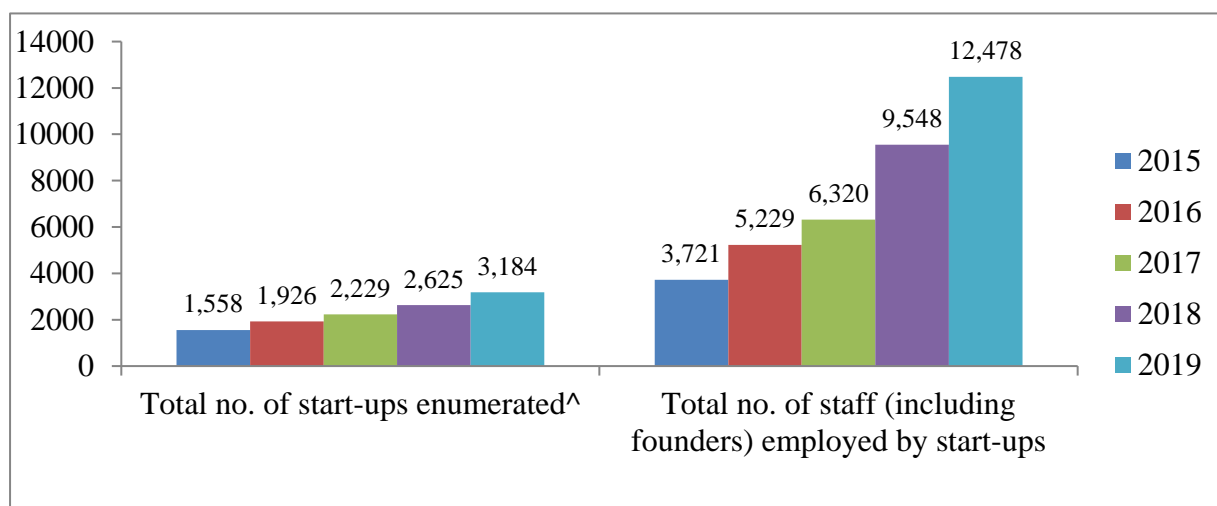
In 2020, InvestHK has so far conducted investment promotion visits to Bangalore, Hyderabad, Jakarta, Jerusalem, Oslo, Surabaya, Tel Aviv, etc. We will resume such visits as soon as the pandemic subsides.

27. To promote investment opportunities and encourage companies to set up their operations in Hong Kong, InvestHK also sponsors and supports events which tie in with its targeted sectors and markets, such as the Art Business Conference in New York, Collision Conference in Toronto and “Investing in Aviation Finance: Europe” in London.

Promoting Hong Kong as a leading hub for startups and entrepreneurship

28. InvestHK launched the StartmeupHK programme in 2013 and set up a dedicated team in 2014 to attract innovative and scalable entrepreneurs to Hong Kong, provide a one-stop service platform to support startups, investors, accelerators, incubators, etc. setting up in the city, promote Hong Kong as a premier startup destination and help build our ecosystem to transform the city into an I&T hub.

29. To track the growth of Hong Kong’s startup ecosystem, InvestHK conducted its sixth survey in 2019 to poll operators of major co-work spaces, incubation and accelerator programmes in Hong Kong. As at September 2019, a total of 3 184 startups were operating in these premises, representing an increase of 43% (955 startups) over 2017. The number of people employed by these startups also increased significantly by 97% to 12 478. The survey results are shown in the following chart:



[^] The survey is conducted by InvestHK in collaboration with operators of major co-work spaces, incubation and accelerator programmes in Hong Kong to enumerate the startups operating in the premises of these co-work spaces, incubation and accelerator programmes. The survey does not cover startups operating outside these premises.

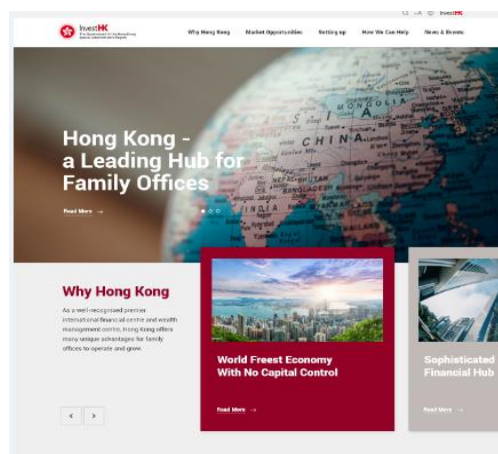
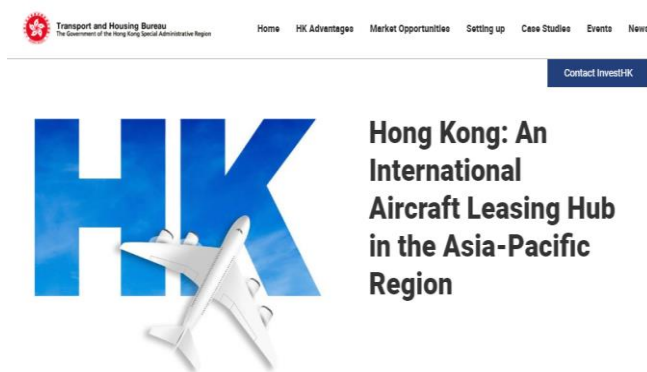
30. In 2020-21, the StartmeupHK team will actively promote Hong Kong as a vibrant startup hub, focusing on areas such as fintech, property tech, corporate innovation labs and ventures, and accelerators. Depending on the development of the pandemic, InvestHK plans to stage or sponsor startup events and roundtable meetings in cities including Amsterdam, Bangkok, Copenhagen, Madrid, New York, Paris, Shanghai and Toronto to reach out to potential entrepreneurs, innovation labs, incubator and accelerator platforms. The team will also step up its public relations and marketing activities for overseas markets to highlight the latest initiatives, both Government- and private-driven, to members of the startup community.

31. One of the StartmeupHK’s major startup initiatives is the StartmeupHK Festival, a week-long series of startup events focused on sectors where Hong Kong has competitive strengths or business opportunities. The StartmeupHK Festival this year is tentatively rescheduled to July.

Marketing and Social Media Communications

32. InvestHK adopts an integrated marketing communications strategy, through advertising, publications, social media, public relations activities, events, and strategic research to position Hong Kong as a prime international business location.

33. To promote specific priority sub-sectors, InvestHK has set up two dedicated mini-sites - one on aircraft leasing in collaboration with the Transport and Housing Bureau (“THB”) to promote the concessionary taxation regime and other Hong Kong advantages, and another one on family offices in collaboration with HKMA and FSDC to promote Hong Kong as an ideal place for setting up family offices.



34. InvestHK has also strengthened its digital marketing and social media strategy. Where feasible, it localises content for relevance and impact. In particular, it will continue to create a wider and larger scale impact through quality content designed for Mainland audience to raise Hong Kong’s position as a FDI destination and raise InvestHK’s brand awareness across the Mainland market.



Targets for 2020

35. At the beginning of 2020, InvestHK intended to complete 490 projects in the year. However, the macro-economic conditions and COVID-19 outbreak will undoubtedly adversely impact the likelihood of reaching this target. InvestHK will make its best efforts to attract FDI during this challenging period.

ADVICE SOUGHT

36. Members are invited to note the progress and results of InvestHK’s work in 2019 and the work plan for 2020-21.

**Invest Hong Kong
Commerce and Economic Development Bureau
April 2020**

Promotion Focus of the Sector Teams and the StartmeupHK Team

Depending on the development of the pandemic, the promotion efforts of the eight sector teams and the StartmeupHK team at the Head Office of InvestHK are as follows: -

I. Pillar Industries

(i) Business and Professional Services

2. By leveraging the Belt and Road Initiative and Greater Bay Area development, InvestHK will further strengthen Hong Kong's status as the regional hub for a wide range of high-end business and professional services including legal, accounting, consulting, real estate, engineering, surveying, human resources and education through its promotional efforts. In 2019, a marketing brochure was jointly developed with the Department of Justice ("DoJ") and released in April 2019 to highlight and promote the legal services of Hong Kong. A joint reception was organised in Paris with DoJ in April 2019 to promote legal services to the French business community.

3. In 2020-21, a strong emphasis will be placed on promoting technology-oriented professional services. A marketing booklet will be published in the second quarter of 2020 to promote Hong Kong as a key hub for tech-related business and professional services and to showcase the success stories of companies in this sector. A joint seminar with DoJ is planned to be held in Jakarta in June to promote Hong Kong as a legal and dispute resolution service hub. In 2020, InvestHK's promotion in respect of business and professional services will accord more emphasis to the Greater Bay Area development. In the second and third quarter of 2020, InvestHK, together with mainland professional associations, plans to arrange seminars and roundtables in Guangzhou. In addition to the Greater Bay Area, InvestHK also plans to conduct investment promotion visits to Beijing, Chengdu, Chongqing, Jakarta, New York and San Francisco.

4. Education and training, including education technology, is also a major sub-sector which InvestHK will continue to promote with various marketing initiatives such as sponsoring the “Reimagine Education - Global Ed Tech Venture Fellow Programme” to be held in Hong Kong in 2020, after supporting the Artificial Intelligence (“AI”) and Education forum during the week-long StartmeupHK Festival 2019.

(ii) *Creative Industries*

5. In 2019, InvestHK conducted investment promotion trips to Korea, the Netherlands, Singapore, Spain and the UK to promote the investment opportunities in the creative industries. Roundtable seminars on “Creative Industries and its Opportunities in Hong Kong” were arranged in Hague, London and Seoul. A series of seminars, briefing and networking events on the Creative Industries and Design were arranged in various cities in the UK, namely Derby, Glasgow, Leeds, London, Manchester and Newcastle. A breakfast seminar “Hong Kong - Taking Creative Services Companies to New Heights” was organised in collaboration with the Digital Chamber of Commerce in Singapore. InvestHK also sponsored the Art Business Conference in New York.

6. To promote Hong Kong as a vibrant creative industries hub, InvestHK will continue its effort in attracting creative companies to set up or expand in Hong Kong. Hong Kong has become the art and design hub in Asia with the Government’s multiple initiatives and landmark projects in support of creative industries. Planned investment promotion initiatives in 2020-21 include sponsoring and participating in key international events or business conferences in various sectors to reach out to potential investors, these include the Art Business Conference in London in September 2020, Business of Design Week in Hong Kong in December 2020 and Art Basel Hong Kong in March 2021.

7. A SME Funding Seminar was organised in collaboration with the Trade and Industry Department (“TID”) and HKPC to promote various government funding schemes to different sectors encompassing creative industries, consumer products, tourism and hospitality in January 2020. InvestHK will also work closely with key stakeholders e.g. Hong Kong Design Centre, Cyberport, West Kowloon Cultural District, TDC, CreateHK etc. to promote various initiatives of the creative industries to overseas investors.

(iii) *Consumer Products*

8. To attract and retain consumer products companies in Hong Kong, InvestHK will continue to promote the city as a centre for e-commerce, sourcing and retail operations. Apart from that, InvestHK sponsored the Prime Source Forum in Hong Kong which was attended by senior executives in global sourcing for apparel and related industries. The Consumer Products team of InvestHK attended all major sourcing forums in Hong Kong. Cosmoprof Asia, one of the largest beauty and personal care trade shows in the region was also sponsored. Topical seminars were held in early 2020 in Hong Kong providing funding advice to small and medium enterprises and entrepreneurs. InvestHK continues to support and participate in industry events with active outreach to industry players, such as through the GS1 Hong Kong Summit, LOHAS fair, HOFEX and Natural and Organic Asia. InvestHK also attended the Macao International Trade & Investment Fair to meet with Macao and Portuguese companies.

9. With growing consumer-led demand for sustainability and new materials, InvestHK collaborates with organisations such as The Mills and the Hong Kong Research Institute for Textiles and Apparel to support companies engaged in technology related to the consumer sector, especially highlighting the research funding available. A marketing paper regarding the advantages of Hong Kong as a sourcing hub is underway, with overseas promotional activities planned. As the importance of e-commerce grows, we are actively engaged in promoting the on-line opportunities to B2C (business to consumer) retailers, such as introducing them to the promotional and delivery services of the Hong Kong Post.

(iv) *Financial Services*

10. In 2019, InvestHK continued to promote Hong Kong as China's international financial centre where foreign financial companies gain access to the Mainland market and Mainland financial companies to scale global. Investment promotion visits targeting financial companies were held respectively in Amsterdam, Guangzhou, Korea, London, Shanghai and Shenzhen. InvestHK also joined flagship financial events held in Hong Kong such as the 2019 Asia Financial Forum, Asia 2019 Private Equity Forum, HKIB Annual Banking Conference, Bloomberg Top Fund Awards Presentation Ceremony 2019 and Asia Insurance Forum 2019 to reach out to industry players in various sub-sectors.

11. Last year InvestHK continued stepping up effort to attract high net worth individuals and financial companies to set up family offices in Hong Kong. To this end, InvestHK worked with HKMA to develop a dedicated website and a pitchbook providing the necessary information for family offices' set up and operation in Hong Kong as well as highlighting InvestHK as the government agency providing one-stop services to family offices. Other promotion initiatives included participating and arranging speaking sessions in key relevant events, such as Family Office Solutions Showcase 2019, FT Wealth Management Summit held in London, Wealth Management Summit organized by Private Wealth Management Association, PwC Asset and Wealth Management Conference, the Family Office Exchange organised by Association of Family offices in Asia held in Shenzhen.

12. In 2020, InvestHK will focus its efforts on attracting overseas and Mainland financial companies, in particular family offices, private bankers, private equity firms and asset management companies, to establish a business in Hong Kong by promoting Hong Kong as an ideal location for private wealth management business.

13. To actively reach out to potential target clients, InvestHK attended the Family Office Symposium and spoke at HKMA's Roundtable session with Family Offices in January 2020. In addition, InvestHK plans to attend financial services events such as FinCity Tokyo, City Week 2020 London forum, World Alliance of International Financial Centers annual meeting in France, Guangzhou International Finance Expo and Private Wealth Forum Asia 2020 in Singapore. Besides, InvestHK will sponsor Family Office Forums to be held respectively in London, New York and Zurich; as well as the 13th Asia Private Banking and Family Office Summit 2020 in Shanghai. A Flyer promoting Hong Kong as a leading hub for family offices will be developed. InvestHK will work closely with HKMA, the Private Wealth Management Association and Association of Family Offices in Asia in connecting with potential clients and joint marketing initiatives.

14. To attract more private equity funds to domicile and operate in Hong Kong, an online seminar on licensing requirements for private equity firms was organised in March 2020. Apart from that, InvestHK will sponsor the HKVCA 19th China Private Equity Summit 2020 to be held in Hong Kong in August 2020.

15. To encourage target financial companies to set up in Hong Kong, InvestHK plans to conduct investment promotion visits to Beijing, Chengdu, Shanghai, Australia, Dubai, Saudi Arabia and the Nordics. Besides, InvestHK plans to conduct joint activities such as overseas trips, events and conference with FSDC to the Greater Bay Area, Indonesia, Japan, London, Paris and Singapore to promote Hong Kong's financial industry.

(v) *Tourism and Hospitality*

16. To promote Hong Kong as an international culinary hub and travel destination, InvestHK conducted investment promotion visits to Japan, Korea and Shanghai in the first half of 2019. It held one-to-one meetings and attended trade fair targeting high-quality foodservices, trading and travel companies. In November 2019, InvestHK conducted roundtable presentation in Milan and attended an organic trade fair in Sweden with business matching sessions with over ten companies. InvestHK sponsored and participated in HOFEX 2019, Natural and Organic Asia and Foodie's Food Future Summit in Hong Kong in order to engage with industry partners and generate leads.

17. In January 2020, InvestHK organised a seminar with speakers from TID, HKPC and Hong Kong Post to provide information on SME funding to over 60 clients from Lifestyle teams. We will continue to organise such small and targeted seminars or webinars to engage with clients. In the latter half of 2020, we plan to conduct investment promotion trips to Changsha, Germany, cities in the Greater Bay Area, Spain and the UK. Throughout the year, InvestHK will continue to actively engage with companies and alert them about the different subsidy schemes from the Government which will benefit across various subsectors. Also, InvestHK will step up its partnership and sponsorship effort to relevant trade fairs and conferences in Hong Kong. To reinforce industry network coordination with stakeholders, InvestHK will continue to work closely with various chambers of commerce, HKTB, the Hong Kong Polytechnic University School of Hotel and Tourism Management, TDC, the Tourism Commission and the Vocational Training Council, to promote Government initiatives and exchange industry news.

(vi) *Transport and Logistics*

18. To enhance Hong Kong's status as an international maritime centre and, in particular, to spur further growth of the maritime services cluster, InvestHK has been working closely with the THB and the Hong Kong Maritime and Port Board ("HKMPB") through participating in and supporting high-profile international maritime events. InvestHK joined HKMPB's delegation to London in September and Shanghai in December 2019 to promote Hong Kong's maritime services and encourage companies to set up or expand their maritime-related functions in Hong Kong. In addition to prominent events like the Singapore Maritime Week and the international Capital Link forums, it also partnered with the HKMPB in the organisation of the highly successful Hong Kong Maritime Week in November 2019.

19. To enhance Hong Kong's profile in the global maritime industry and attract more renowned maritime enterprises to operate in Hong Kong, InvestHK has set up a dedicated maritime desk and participates in major international maritime conferences and exhibitions locally and overseas, and collaborates closely with the HKMPB, TDC and Hong Kong Shipowners Association on joint promotions. In 2020-21, InvestHK plans to actively participate in relevant overseas events such as the Capital Link forums, CMA Shipping Conference, Marine Money Forum in the US; the Asia Pacific Maritime and Lloyd's List Asia Pacific in Singapore; as well as Capital Link and Tradewinds forums in the Mainland to promote Hong Kong's international maritime centre status.

20. Since the introduction of the new tax regime for aircraft leasing and financing in 2017, the Transport and Industrial team, Financial Services team and Business and Professional Services team of InvestHK have joined forces with the overseas IPUs and consultants in promoting related business opportunities to Mainland and overseas financial institutions and aviation financiers, by working closely with the THB and industry associations such as the Hong Kong Aircraft Leasing and Aviation Finance Association. InvestHK sponsored and attended leading aircraft leasing and aviation finance events organised by Ishka Aviation Finance Festival held in London, Dublin and New York respectively in April, June and October 2019. We also participated in the SkyCo Aviation Finance Conference and Airfinance Journal China 2019 in the Mainland. In 2020-21, InvestHK will continue to actively participate in events like Ishka Global Aviation,

Airline Economics, and Airfinance in the US; as well as Ishka Global Aviation in Europe to promote relevant business opportunities.

21. As part of the Government’s initiative in leading the construction industry to implement Construction 2.0 for improving productivity, quality, safety and environmental performance of the industry by advocating innovation, professionalisation and revitalisation, InvestHK teamed up with the Construction Industry Council (“CIC”) in the promotion of construction technology and attracting overseas construction technology companies to set up in Hong Kong. InvestHK also actively participates in the organisation of the Construction Innovation Expo 2020 with the CIC.



II. Innovation-related Industries

(vii) Innovation and Technology

22. To align with the Government's policy of supporting I&T development, InvestHK will continue to work closely with the Innovation and Technology Bureau, Innovation and Technology Commission, key partners including HKSTPC, Cyberport, HKPC, the five research institutes and six research local universities and the business technology community in Hong Kong, in the Mainland and overseas to help transform Hong Kong into a leading international centre for I&T. It will work with key stakeholders to organise and participate in various events in key technology hubs in Canada, Europe, Indonesia, Israel, Japan, Korea, Mainland, Malaysia, the UK and the US etc., to promote business opportunities in big-data, information and communications technology, AI, robotics, smart manufacturing, smart city technology, biotech and biomedical technology.

23. In 2020-21, InvestHK will further step up our efforts to promote Hong Kong as an international I&T hub through enhancing our manpower in target markets. InvestHK has recruited two dedicated officers and will hire another officer in Q2 of 2020 to attract I&T companies in target markets, namely the Greater Bay Area, Americas and Europe respectively. In addition to these three markets, we will continue our efforts of promoting Hong Kong as an international I&T hub in other parts of the Mainland as well as Asia. Investment promotion visits to Beijing, Chengdu, Indonesia, Japan, Korea, Malaysia, Shanghai, Singapore and Taipei are planned for 2020-21.

(viii) Fintech

24. Since the establishment of the dedicated fintech team in InvestHK in September 2016, InvestHK has provided assistance to over 580 fintech companies. InvestHK has engaged and actively reached out to fintech companies and communities in the Asia Pacific, Europe, the Mainland, the Middle East and the US through duty visits as well as attendance and sponsorship of international fintech events. We sponsored 34 fintech events in Europe, the Mainland and the US in 2019. InvestHK also conducted duty visits and roadshows to Amsterdam, Australia, Beijing, Dublin, London, New York, Paris, San Francisco, Seoul, Shanghai, Shenzhen, Singapore, Tokyo and Zurich to promote Hong Kong's fintech ecosystem, the business opportunities and advantages of setting up a

presence in our city and the Hong Kong Fintech Week. InvestHK also organised the inaugural FintechHK Global Competition to attract worldwide potential startups to develop their business in Hong Kong.

25. In 2020-21, InvestHK will continue its efforts to showcase Hong Kong's unique advantages in developing fintech. InvestHK plans to organise the fifth edition of Hong Kong Fintech Week, the cross-boundary fintech event, in Hong Kong and Greater Bay Area in November 2020. We will continue to organise, sponsor and participate in significant fintech events. InvestHK will also establish a centralised digital marketing platform to promote the Hong Kong fintech initiatives and the latest development by the regulators and stakeholders.



(ix) *StartmeupHK*

26. In 2019, InvestHK supported 70 overseas startups to establish a base in Hong Kong, an increase of 32% over the previous year. Besides standard services such as advice on incorporating a company and opening bank account, InvestHK provides additional support to startups that are more specific to their needs, such as information on R&D funding programmes and connections to accelerators and incubators, and introductions to potential investors and business partners

27. One of the StartmeupHK's major startup initiative is the StartmeupHK Festival, a week-long series of startup events focusing on sectors where Hong Kong has competitive strengths or business opportunities. The 2019 Festival was well received, with over 17 000 delegates, 300 speakers and 420 exhibitors, highlighting the strengths of the Hong Kong ecosystem for startups.



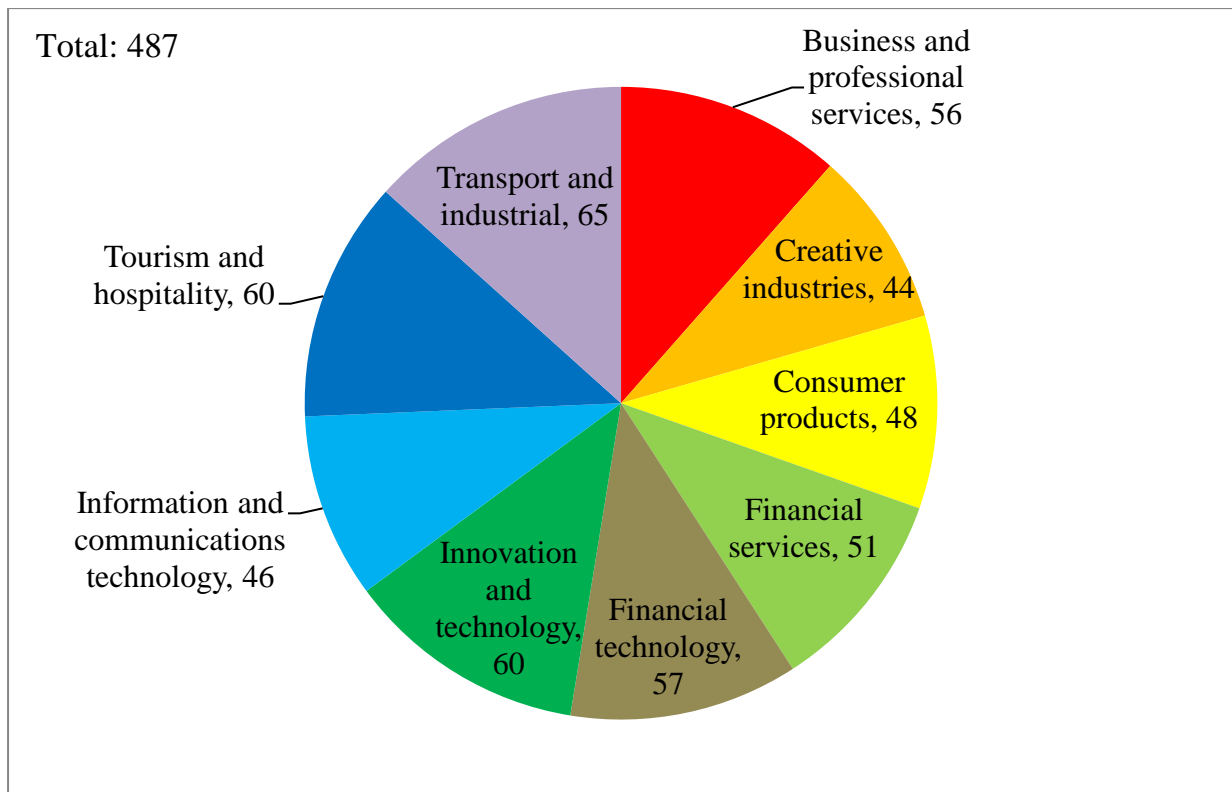
28. To raise Hong Kong's profile as a startup hub, InvestHK participated in a number of startup events overseas, sponsoring booths, speaking at the events, hosting separate side events and meetups, and meeting with potential clients and multipliers in cities including Amsterdam, Bangkok, Beijing, Brussels, Kuala Lumpur, London, Milan, Shanghai, Shenzhen, Toronto and Vancouver.



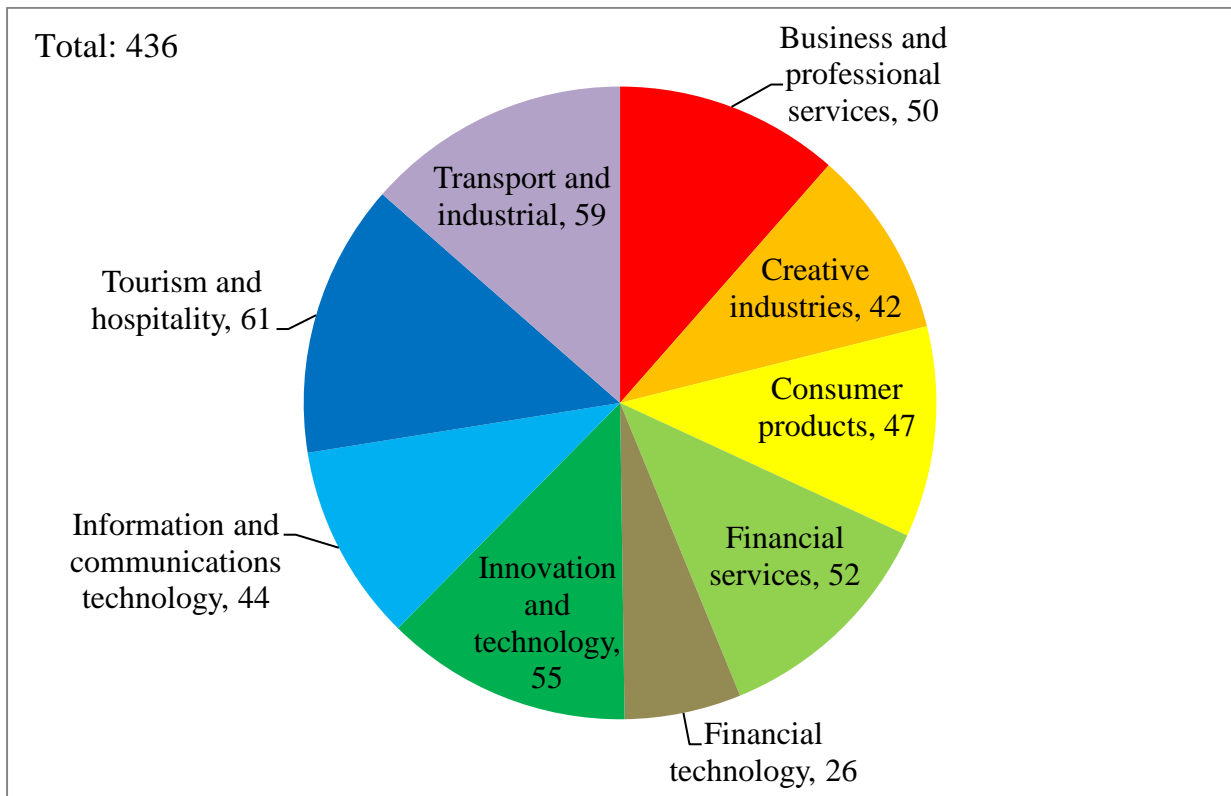
29. Tying in with the innovation agenda, InvestHK also continues to work closely with HKSTPC, Cyberport and other organisations to promote Hong Kong as a major startup hub.

Breakdowns of Completed Projects by Sector

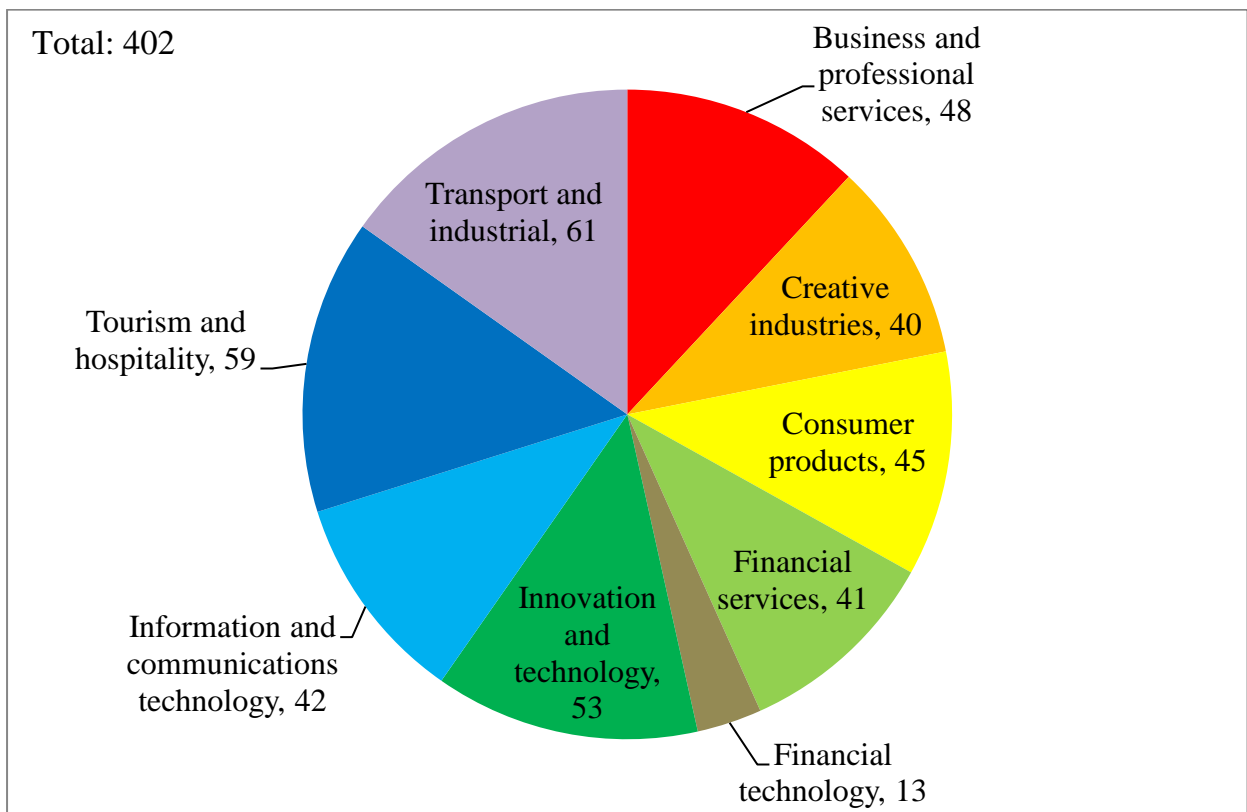
Investment projects completed in 2019



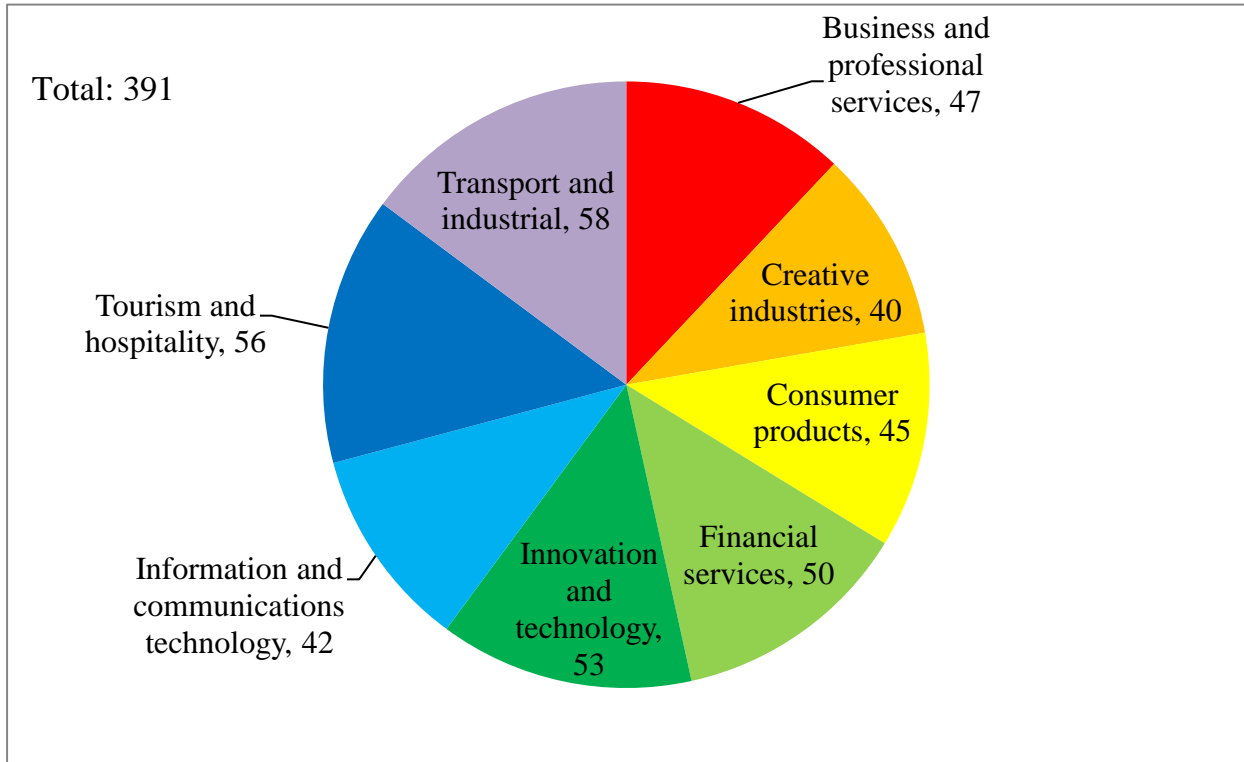
Investment projects completed in 2018



Investment projects completed in 2017



Investment projects completed in 2016



Investment projects completed in 2015

