

**For discussion
on 18 May 2021**

**LEGISLATIVE COUNCIL
PANEL ON COMMERCE AND INDUSTRY**

Promotion of Inward Investment

PURPOSE

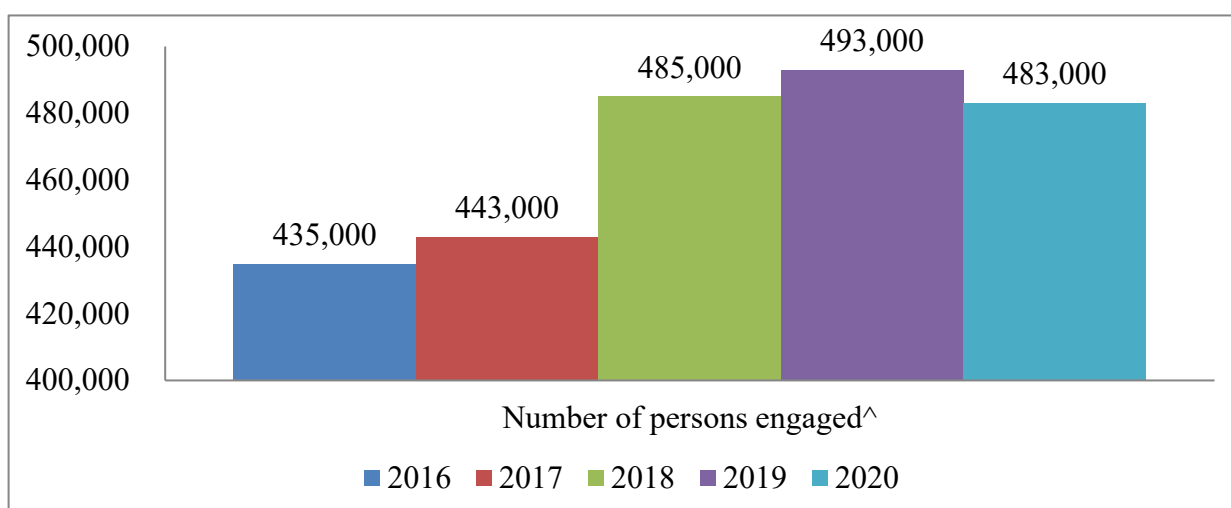
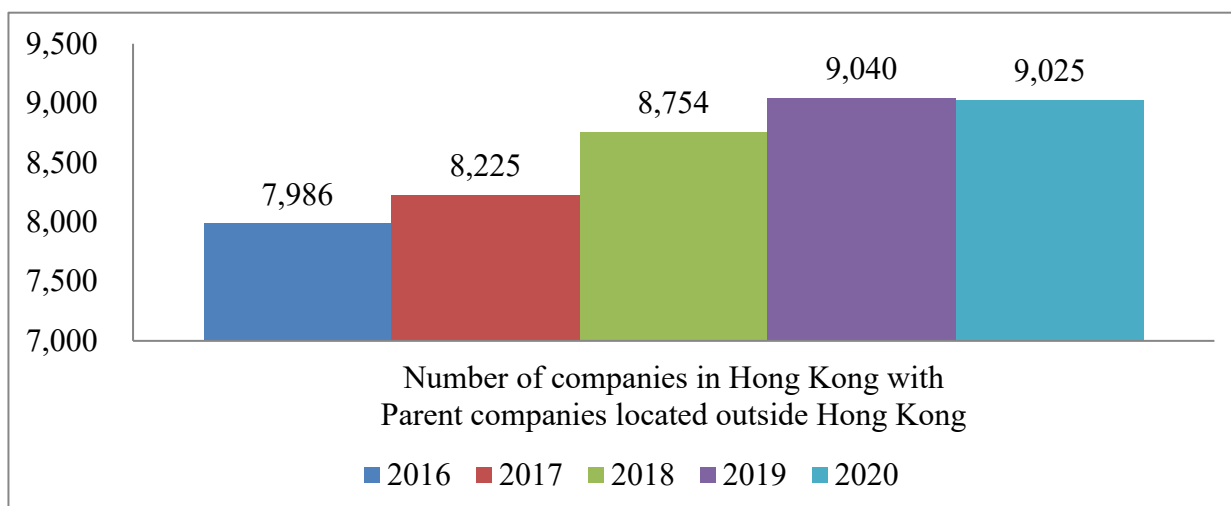
This paper briefs Members on the work of Invest Hong Kong (“InvestHK”) in 2020 and outlines its work plan for 2021-22.

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. The World Investment Report 2020 of the United Nations Conference on Trade and Development ranks Hong Kong as the third largest FDI recipient in the world as at end-2019, after the United States (“US”) and the United Kingdom (“UK”).

3. According to the 2020 Annual Survey of Companies in Hong Kong with Parent Companies Located outside Hong Kong conducted jointly by InvestHK and the Census and Statistics Department, Hong Kong was home to 9 025 overseas and Mainland companies in 2020, broadly the same as in 2019¹. Together, these 9 025 companies employed some 483 000 persons, representing about 17% of the total number of persons engaged in Hong Kong as of June 2020. The survey results for the past five years are shown in the following charts:

¹ The fieldwork of the 2020 survey was conducted around June to September 2020.



^ Figures are rounded to the nearest thousand

ABOUT INVESTHK

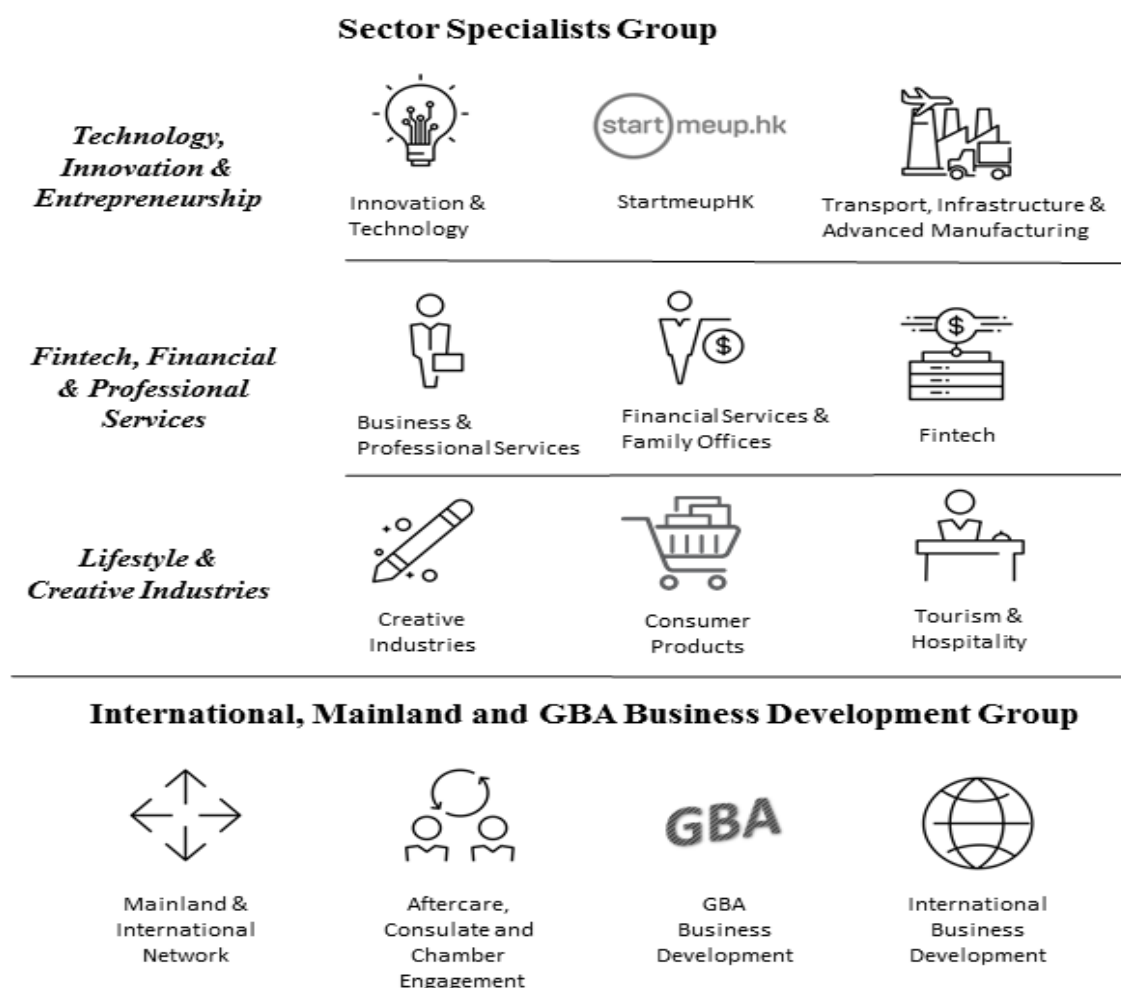
4. InvestHK’s mission is to attract and retain FDI and to promote Hong Kong as a leading international business hub. Its strategy for promoting inward investment aligns with the Government’s overall policy objectives, viz. the development of innovation and technology (“I&T”), the Guangdong-Hong Kong-Macao Greater Bay Area (“Greater Bay Area”) development and the Belt and Road Initiative, leveraging Hong Kong’s traditional strengths as well as the opportunities brought about by the National 14th Five-Year Plan.

Re-organisation of InvestHK’s Head Office

5. To better cope with the rapid-changing environment and step up investment promotion efforts, a re-organisation of InvestHK’s Head Office took

place on 1 April 2021. The new structure reflects InvestHK’s priority areas including initiatives featured in the Chief Executive’s 2020 Policy Address such as Greater Bay Area inward investment coordination, development of the family office business, talent attraction and leveraging digital platforms.

6. Under the new structure, the nine sector teams all come under the Sector Specialists Group for greater synergy. They are grouped into three categories, namely (a) Technology, Innovation and Entrepreneurship; (b) Fintech, Financial and Professional Services; and (c) Lifestyle and Creative Industries. The promotion efforts of the nine sector teams are set out at **Annex A**. In addition, a new International, Mainland and Greater Bay Area Business Development Group is set up to work closely with InvestHK’s representatives around the globe, as well as international and local networks such as chambers and consulates. It leverages initiatives including the Greater Bay Area development and the Belt and Road Initiative to generate maximum impact. The chart showing the updated organisation structure of the two Groups is as follows -



InvestHK's Global Network

7. InvestHK proactively identifies and reaches out to companies 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”) overseas and in the Mainland, 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:



8. 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.

9. An important role of InvestHK is to advise companies on Government's policies and regulations. InvestHK liaises closely with relevant bureaux/ departments ("B/Ds") or regulators in providing the information sought, and where necessary, helps 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 and regulations when developing its business plan and implementation details.

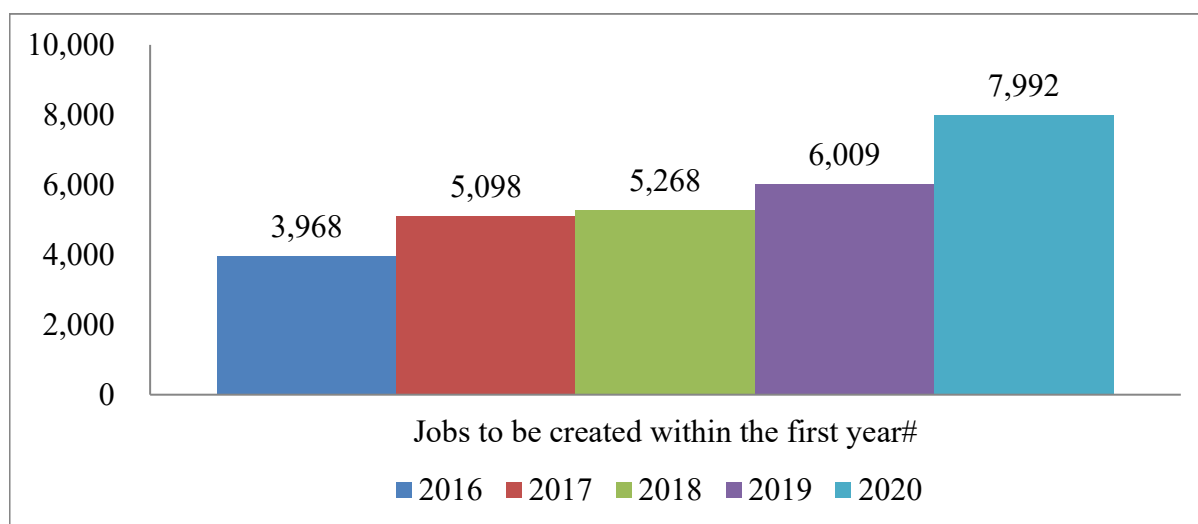
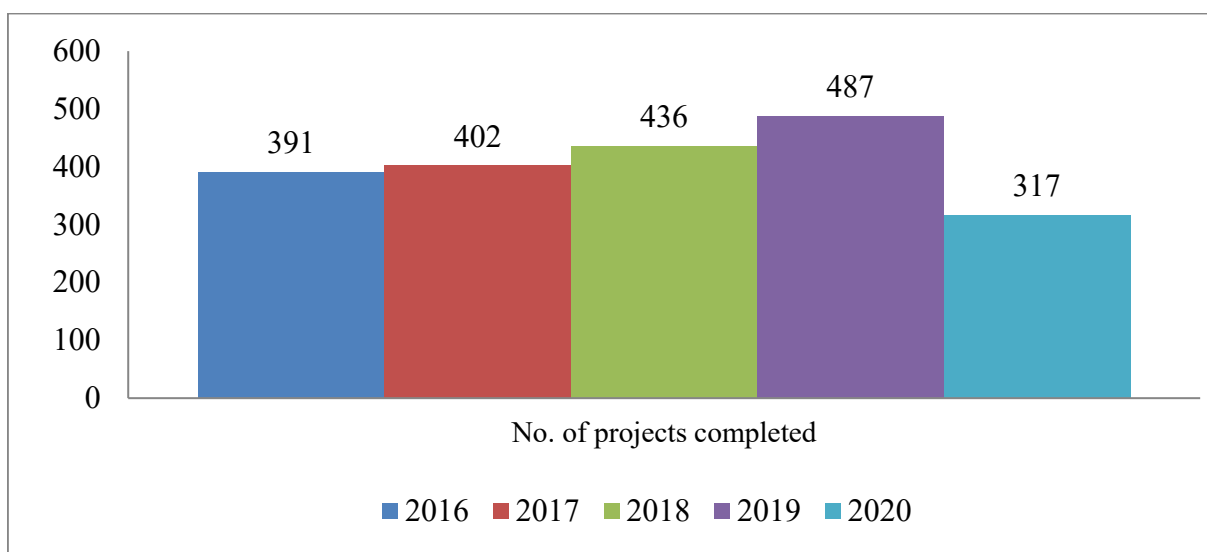
RESULTS IN 2020

10. Since its establishment in 2000, InvestHK has completed over 5 800 investment projects², supporting overseas and Mainland companies to set up or expand their businesses in Hong Kong. These projects have created more than 69 500 jobs in the first year of operation or expansion.

11. In 2020, InvestHK completed 317 projects, involving direct investment of more than \$18.1 billion and creating 7 992 jobs within the first year of operation or expansion. The decrease in the number of completed projects in 2020 reflects the challenges arising from the COVID-19 pandemic, especially travel restrictions which significantly affected investment plans. Of the 7 992 jobs created, 4 928 (62%) 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**.

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.

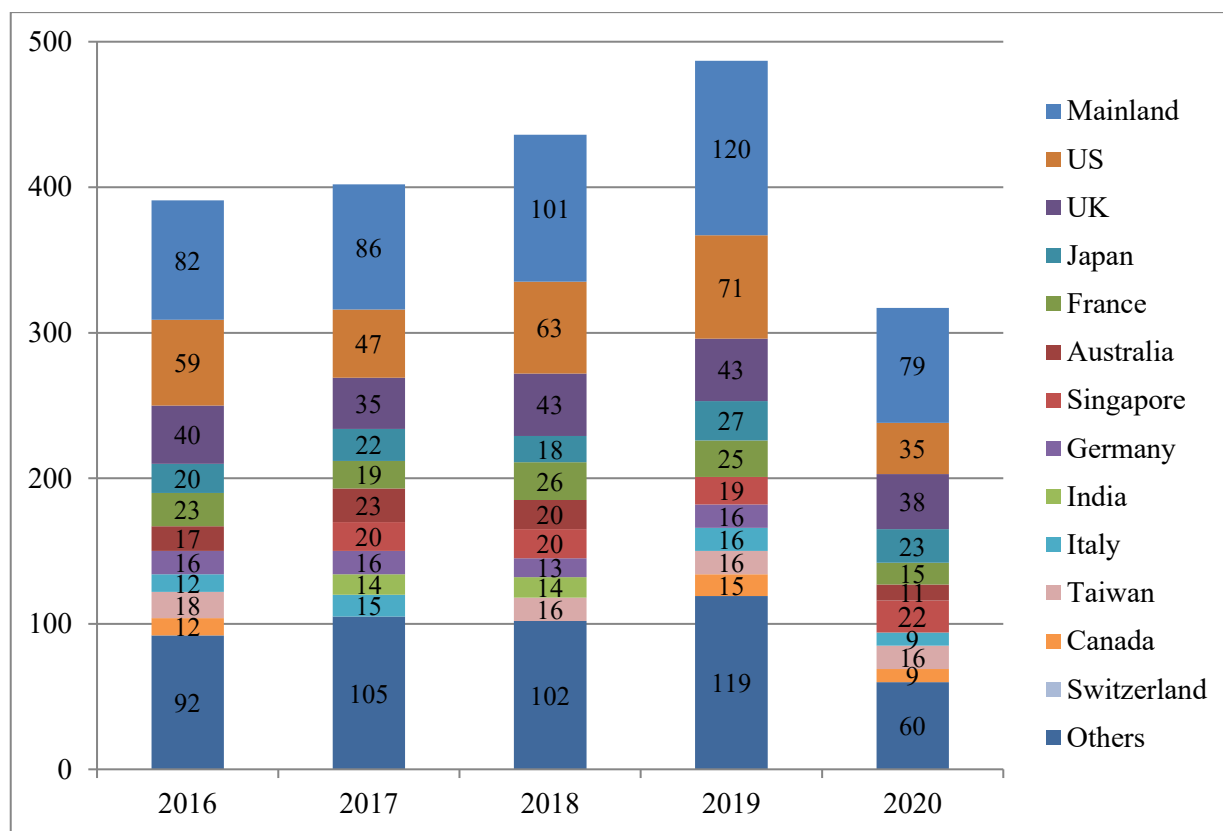


As reported by the companies assisted by InvestHK. Not all companies had disclosed the data to InvestHK.

12. In terms of FDI, the top three completed projects in 2020 each involved a direct investment of over \$2.5 billion. Two of the projects were from the financial services sector and one from the transport and industrial sector. In terms of job creation, the top three completed projects each created 400 or more jobs within the first year of operation or expansion. These three projects were from financial services, consumer products and tourism and hospitality sectors.

13. In 2020, InvestHK completed 79 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 UK (38), the US (35), Japan (23)

and Singapore (22). The top ten source markets of investment projects completed in the past five years are shown in the following table :



14. As part of InvestHK’s aftercare programme⁴, in 2020 InvestHK contacted 649 out of the 1 325 companies it has assisted between 2017 and 2019. Among those contacted, 600 companies (92%) were still in operation. The total number of staff employed by these companies at the time of contact was 12 688.

STRATEGY IN 2021-22

15. The COVID-19 pandemic has given rise to significant uncertainties in the global macro-economic environment and outlook. With anti-pandemic measures including border control and quarantine requirements imposed around the globe, investment and other business activities worldwide have been significantly impacted. Some investors have put their investment plans on hold, whilst some

⁴ InvestHK has an established programme to conduct aftercare contacts with companies which it has previously rendered support 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.

see new opportunities arising from challenging times. Nevertheless, based on our global outreach, we believe that many foreign investors will gradually resume their investment plans when travel restrictions ease. In the medium term, anticipated economic growth in Asia, the development of the Greater Bay Area, Regional Comprehensive Economic Partnership (“RCEP”) and the Belt and Road Initiative will all heighten investment interest.

16. In response to the challenges brought by the COVID-19 pandemic, InvestHK has been dynamically adjusting its investment promotion strategies by leveraging digital platforms to reach out to investors in both traditional and emerging markets. InvestHK will continue to strengthen its online and targeted promotional activities on priority areas (e.g. the Greater Bay Area development, I&T and family office, etc).

17. Once the pandemic further subsides and a more stable business environment returns, InvestHK will further 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 and Engagement of Consulates and Chambers

18. It is an important part of InvestHK’s investment promotion work to provide aftercare services to companies which it has previously assisted, as well as other major overseas and Mainland companies which have established operations in Hong Kong. Working with the sector teams and overseas colleagues, the Aftercare Team of InvestHK has developed a structured and systematic outreach programme to 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, particularly those arising from the Greater Bay Area development, Belt and Road Initiative, and I&T development.

19. In 2020, InvestHK made contact with over 1 000 such companies 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. Through these meetings, we affirm the Government’s commitment to supporting foreign

investment and apprise companies of the latest Government support measures and policies, with a view to reinforcing the confidence of the companies' senior management in continuing to do business in Hong Kong. As soon as the pandemic further eases and business resumes, we plan to conduct high-level conferences and roundtables, on top of one-to-one meetings, in regional and global business centres such as Japan and the US.

20. In tandem with the re-organisation, the Aftercare Team has strengthened liaison with overseas chambers/consulates in Hong Kong to further the outreach to foreign businesses. The Aftercare Team conducts a campaign of engagement covering all foreign chambers in Hong Kong, with a particular focus on those from major FDI source markets and with more frequent and intense communication at leadership level. One major focus of the outreach is to introduce foreign companies to expansion opportunities and potential partners in the Mainland, with particular focus on the Greater Bay Area. The programme of joint webinars/seminars with chambers/consulates will also be stepped up.

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

21. 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, Cyberport, the Hong Kong Airport Authority, the Hong Kong Monetary Authority (“HKMA”), the Securities and Futures Commission (“SFC”), the Hong Kong Productivity Council, the Hong Kong Tourism Board, the Hong Kong Trade Development Council, the Hong Kong Science and Technology Parks Corporation (“HKSTPC”), the Insurance Authority and the Financial Services Development Council (“FSDC”).

22. 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 target companies. In 2020, we successfully attracted many renowned companies in priority sectors to set up operations in Hong Kong. For example, China Henan International Cooperation Group set up a regional office to operate international engineering contracting, consulting, and investment; Clover Aviation Capital set up its aircraft financing and leasing business; Pan Pacific Holdings (the operator of Don Don Donki) and Japanese sushi restaurant chain Sushiro are actively

expanding in Hong Kong; Australian hyper-scale data centre specialist AirTrunk launched its first data centre in Hong Kong; Geek+, a global AI robotics company specialising in smart logistics is rapidly expanding its Asia-Pacific regional headquarters in Hong Kong.

23. InvestHK will continue 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 National Initiatives

24. The Mainland, a key engine of global economic growth, is a key market of InvestHK. The opportunities brought by the 14th Five-Year Plan, Greater Bay Area development, and the Belt and Road Initiative are key elements of Hong Kong's inward investment proposition and are invariably topics of keen interest in all of our events and 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 the Greater Bay Area and the Belt and Road markets.

25. A dedicated Greater Bay Area Business Development Team was set up on 1 April 2021 to attract international companies to expand into the Greater Bay Area via Hong Kong. The team has started discussions with relevant Mainland counterparts on the establishment of the "Pan-Greater Bay Area Inward Investment Liaison Group", with a view to strengthening collaboration and synergy through developing joint propositions and promotion materials, organising joint events as well as sharing best practices. InvestHK will also engage key industry stakeholders across the Greater Bay Area and co-organise events both locally and globally. For instance, InvestHK will jointly organise a conference with the Department of Commerce of the Guangdong Province and the Macao Trade and Investment Promotion Institute in the second half of 2021 to showcase the business opportunities in the Greater Bay Area.

26. In November 2020, InvestHK organised a webinar titled "Greater Bay Area: Creating Extraordinary Opportunities", highlighting Hong Kong's

innovation capacity and connectivity in the Greater Bay Area. We also organised a hybrid (in both physical and virtual forms) investment promotion symposium in Sydney in March 2021 to promote the latest development and business opportunities of the Greater Bay Area to the Australian business community. We plan to organise another event in Melbourne in the second half of 2021.

27. At the same time, InvestHK continues to step up its efforts in attracting Mainland companies to Hong Kong, examples include :

- In 2020, InvestHK showcased the significant role of Hong Kong in the Belt and Road Initiative in the promotional events held in Beijing, Jinan and Wuhan. InvestHK also organised investment promotion activities in Mainland cities such as Chengdu, Guangzhou, Nanchang, Ningbo, Tai'an, Wenzhou, Xiamen and Xi'an to introduce Hong Kong's business advantages and to promote Hong Kong as an ideal platform for Mainland companies to "go global".
- InvestHK collaborated with the Commercial Office of the Economic Affairs Department of the Liaison Office of the Central People's Government in HKSAR and the Department of Commerce of Jiangsu Province in organising the "Jiangsu-Hong Kong: Symposium on Arising Business Opportunities from RCEP" on 20 April 2021 to attract more Jiangsu enterprises to "go global" via Hong Kong and to connect overseas investors and chambers in Hong Kong with Jiangsu enterprises.
- 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 2021, comprising seminars, visits and business matching sessions.

Overseas Promotion

28. 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 a programme of investment promotion visits to both traditional and emerging markets, which we are planning to resume as soon as travel restrictions allow. The visits complement and enhance the on-the-ground investment promotion work of the IPUs and overseas consultants.

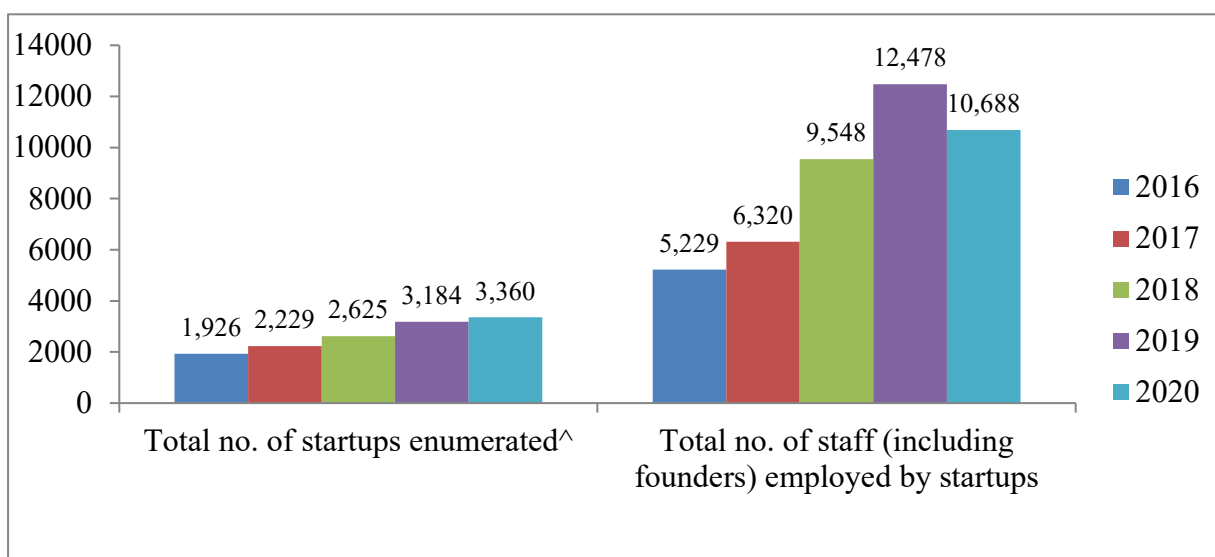
29. Due to the COVID-19 pandemic, InvestHK carried out part of its investment promotion work in 2020 by organising webinars instead of physical seminars to promote Hong Kong as a platform for overseas companies to expand their businesses in Asia. For instance :

- In April 2020, InvestHK co-organised a webinar with the Mexican Chamber of Commerce to present the latest Government measures to support enterprises and individuals to overcome the business challenges arising from the pandemic.
- In April and May 2020, InvestHK collaborated with HKSTPC, accelerators and relevant organisations to organise a series of webinars for the Italian business community to promote the start-up ecosystem in Hong Kong and encourage Italian companies to leverage Hong Kong as a strategic location to access regional markets.
- In collaboration with the Colombia China Chamber of Commerce, InvestHK organised a webinar in July 2020 for the South American market to promote Hong Kong as a business hub in the Greater Bay Area.
- The Head Office of InvestHK also worked with the 17 IPU's and 13 overseas consultants to launch various online investment promotion activities, such as virtual visits and webinars in Bangkok, Berlin, Brussels, Dubai, Jerusalem, Nordic, Seoul, Singapore and Sydney, etc.

Promoting Hong Kong as a Leading Hub for Startups and Entrepreneurship

30. InvestHK's Startup Team, "StartmeupHK", focuses on attracting innovative and scalable startups as well as entrepreneurs to Hong Kong, providing them with a one-stop service platform to support their set up in the city; promoting Hong Kong as a premier startup destination and helping to build the startup ecosystem to transform the city into an I&T hub.

31. To track the growth of Hong Kong's startup ecosystem, InvestHK conducted its seventh annual survey in 2020 to poll operators of major co-work spaces, incubators and accelerators in Hong Kong. As at September 2020, a total of 3 360 startups were operating in these premises, representing an increase of 6% over 2019. The number of people employed was 10 688. The survey results are shown in the following chart :



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

32. In 2021-22, the StartmeupHK Team is strengthening its promotional efforts in key startup hubs around the world, through StartmeupHK Salon events in Brussels, Mumbai, Santiago, Shenzhen, Singapore and Toronto. The team is also stepping 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.

33. One of the StartmeupHK's major startup initiatives is the StartmeupHK Festival, a week-long series of startup events focusing on sectors where Hong Kong has competitive strengths or business opportunities. The coming StartmeupHK Festival is scheduled for 24 to 28 May 2021.

Family Offices

34. The Chief Executive announced in the 2020 Policy Address plans to further develop the family office business in Hong Kong. InvestHK is setting up a dedicated Global Family Office Team to promote Hong Kong as a family office hub in Asia, and offer one-stop support services to overseas and Mainland family offices which are interested in establishing a presence in Hong Kong.

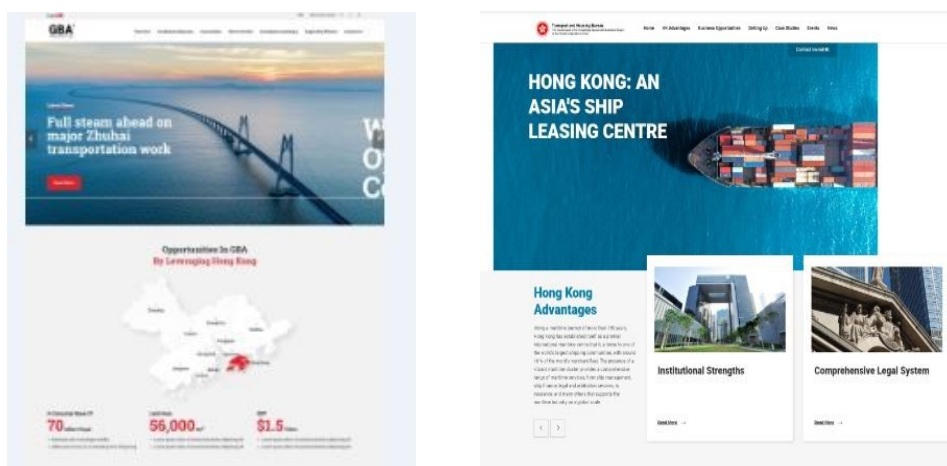
35. The Global Family Office Team, comprising members stationed in Hong Kong, Beijing, Guangzhou and Brussels, will collaborate with key industry

stakeholders including the Financial Services and the Treasury Bureau, HKMA, SFC and FSDC to step up promotion initiatives.

Marketing and Social Media Communications

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

37. To promote specific priority sub-sectors, InvestHK has set up two dedicated mini-sites - one on ship-leasing in collaboration with the Transport and Housing Bureau to promote the concessionary taxation regime and other Hong Kong advantages, and another one on Greater Bay Area to promote Hong Kong as an integral part of the development, including the various facilitation measures and investment landscape of the cities in the area.



38. InvestHK has also strengthened its digital marketing and social media strategy, for instance by creating a StartmeupHK LinkedIN account. 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 2021

39. InvestHK aims to complete 345 investment projects in 2021, amid the COVID-19 pandemic and challenging macro-economic conditions. InvestHK will continue to make its best efforts to attract overseas and Mainland companies to Hong Kong during this difficult period.

ADVICE SOUGHT

40. Members are invited to note the progress and results of InvestHK’s work in 2020 and the work plan for 2021-22.

**Invest Hong Kong
Commerce and Economic Development Bureau
May 2021**

Promotion Efforts of the Sector Teams

Depending on the development of the COVID-19 pandemic, the promotion efforts of the nine sector teams of the Head Office of Invest Hong Kong (“InvestHK”) are as follows:

I. Technology, Innovation and Entrepreneurship

(i) Innovation and Technology

2. To align with the Government’s policy of supporting innovation and technology (“I&T”) development, InvestHK will continue to work closely with the Innovation and Technology Bureau, Innovation and Technology Commission, key partners including the Hong Kong Science and Technology Parks Corporation (“HKSTPC”), Cyberport, Hong Kong Productivity Council, the five research institutes and six research local universities and the business technology community to help transform Hong Kong into a leading international centre for I&T. We will work with key stakeholders to organise and participate in various events in technology hubs in Canada, Europe, Japan, Korea, Israel, the Mainland, the United Kingdom (“UK”), the United States (“US”), etc, to promote business opportunities in artificial intelligence (“AI”), big-data, information and communications technology, robotics, smart manufacturing, smart city technology, renewable energy, new materials, environmental technology, biotech and biomedical technology.

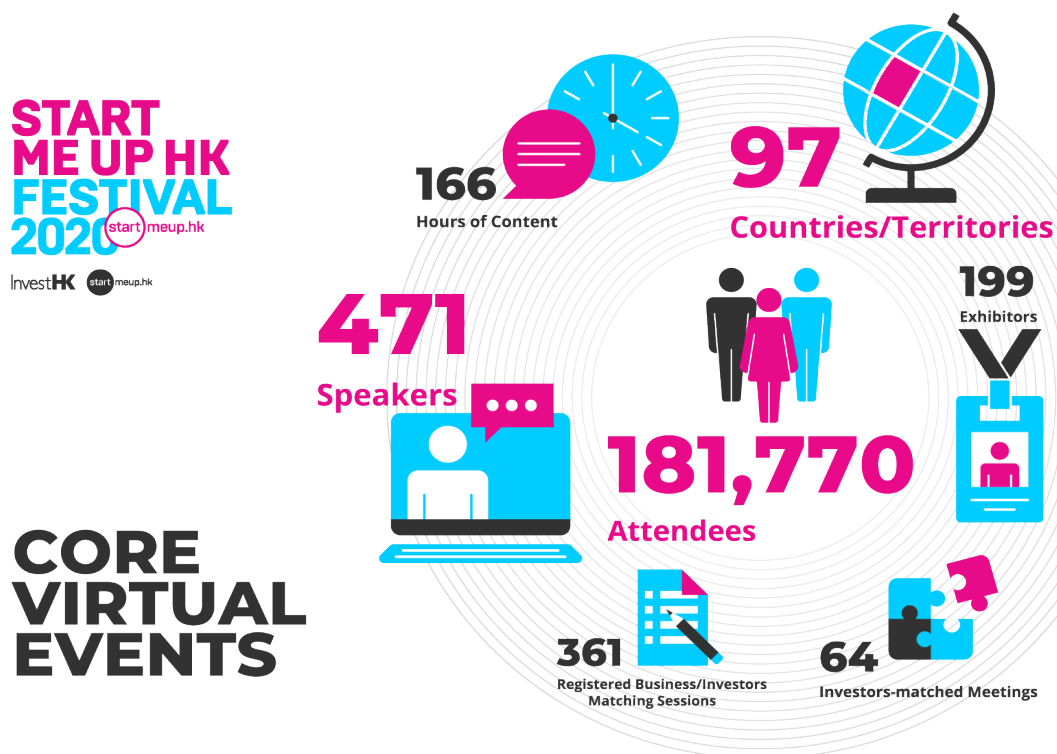
3. Under the National 14th Five-Year Plan, InvestHK will continue to launch investment promotion activities and facilitate investment opportunities in connection with research and development (“R&D”), sales and marketing as well as regional business expansion by leveraging Hong Kong as an international I&T hub through closer collaboration with the Mainland cities in the Greater Bay Area. Specifically, we will focus on helping overseas companies to leverage our top-notch basic research capabilities and world-class R&D infrastructure to commercialise their innovations, engage in Traditional Chinese Medicine development, deploy smart manufacturing technology, and capture the business opportunities arising from the facilitation measures for Greater Bay Area development.

4. In 2020, InvestHK organised and participated in various thematic seminars, forums and webinars to promote Hong Kong’s I&T development as well as our advantages as an international I&T hub for R&D and business development. For example, InvestHK participated in the 2020 World Alliance Forum held in San Francisco in November 2020 and the SmartHK Forum held by the Hong Kong Trade Development Council (“TDC”) in Chengdu in November 2020.

5. To build on these promotional efforts, InvestHK will further step up our efforts in 2021-22 to promote Hong Kong with our enhanced manpower in key markets such as the Greater Bay Area, Asia-Pacific, the Americas and Europe. InvestHK will launch a dedicated website to highlight the ecosystem and business opportunities that Hong Kong’s I&T sector offers. InvestHK will also partner with 21st Century Business Herald (“21 世紀經濟報道”) to promote our I&T sector to technology companies in the Greater Bay Area and the Mainland.

(ii) *StartmeupHK*

6. In 2020, InvestHK supported 50 overseas and Mainland startups to establish a base in Hong Kong. One major 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 2020 Festival was its fifth edition and it went virtual for the first time due to the pandemic. Event statistics for the Festival are shown below.



7. To raise Hong Kong's profile as a startup hub, InvestHK participated in a number of online startup events overseas, sponsoring virtual booths, speaking at the events, hosting separate side events and meetups, and meeting with potential clients and multipliers in regions including Australia, Canada, Europe, Greater Bay Area, Malaysia and South America. InvestHK will also continue to work closely with HKSTPC, Cyberport and other organisations to promote Hong Kong as a major startup hub.

8. The virtual StartmeupHK Festival this year is scheduled for 24 to 28 May, and will comprise 14 main events. The events will feature keynote speeches, panel discussions, exhibitions, investor matching, hackathons, and job fairs, across industry sectors such as AI, fintech, property tech, smart city and healthtech. The Festival will include two focused events on the Greater Bay Area and the opportunities it offers, as well as the opportunities to make an impact through technology. InvestHK will leverage the Festival platform to disseminate messages on other areas such as talent attraction and family office business.

(iii) Transport, Infrastructure and Advanced Manufacturing

9. To enhance Hong Kong's status as an international maritime centre, InvestHK has been working closely with the Transport and Housing Bureau ("THB"), Hong Kong Maritime and Port Board ("HKMPB"), Marine Department, TDC, Hong Kong Shipowners Association, Hong Kong Liner Shipping Association and major industry associations on joint promotions. Initiatives include speaking at 22 high-profile maritime webinars, engaging various renowned business and shipping media to interview HKMPB members, producing sponsored contents on five media and providing aftercare services to reach out to maritime companies that have already set up in Hong Kong.

10. Strategically, the dedicated maritime desk of InvestHK will put efforts on the Mainland market that has largely recovered from the pandemic. We will also leverage on the network of the overseas Marine Officers (based in London, Shanghai and Singapore) and overseas IPUs to conduct joint investment promotions. We will impress upon the maritime companies to leverage Hong Kong to tap into the thriving maritime community in the Mainland, where the demand for ships and shipping services is boosted by the 'dual circulation' strategy. As one of the top three shipbuilding countries in the world, China (including the HKSAR) owns almost 16% of the world fleet. It creates ample business

opportunities for ship financing in Hong Kong. The 0% profits tax rates for ship leasing companies launched last year and the proposed tax incentives to ship managers, ship brokers and ship agents will also draw more ship lessors, shipowners, operators and ship management companies to Hong Kong.

11. On aviation, InvestHK has been promoting the tax regime for aircraft leasing and financing since its introduction in 2017. We have worked closely with THB and industry associations such as the Hong Kong Aircraft Leasing and Aviation Finance Association through sponsoring and attending virtual aviation events organised by Ishka and Airfinance Journal in late 2020. In the second half of 2021, InvestHK will continue to participate actively in events like Ishka Global Aviation, Airline Economics and Airfinance Journal. We will promote the various business opportunities for aviation companies to tap into the largest and fastest growing aviation market in the Mainland via Hong Kong. The thriving opportunities include the doubling of handling capacity from the third runway system, the acquisition of the Zhuhai Airport enlarging the catchment area, the proposed provision of commercial helicopter services between Guangdong and Hong Kong, the development of the Intermodal Transfer Terminal, as well as the building of a new logistics centre facilitating the projected increase in passengers and cargo. Meanwhile, InvestHK will continue to carry out aftercare services to established aircraft leasing companies in Hong Kong.

12. InvestHK will also attract overseas and Mainland construction companies to seize the huge business opportunities in infrastructure development in Hong Kong, by making good use of our expertise in project management, investment and financing, tendering, arbitration, etc. We will also reach out to companies in advanced manufacturing, green mobility and renewable energy sectors to seize the opportunities brought by Hong Kong's positioning as a global I&T hub, and our pledge to achieve carbon-neutrality before 2050.

II. Fintech, Financial & Professional Services

(iv) Business and Professional Services

13. Through our promotional efforts, InvestHK aims to 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. A strong emphasis is also placed on technology-oriented professional services. In 2020, a marketing

brochure was published to promote Hong Kong as a key hub for tech-related business and professional services and to showcase success stories.

14. With emphasis on the Greater Bay Area development, InvestHK plans to arrange seminars and roundtables in Guangzhou together with professional associations in the Mainland in the second and third quarter of 2021. Education and training, including education technology, is also a major sub-sector which InvestHK will continue to promote with various marketing initiatives.

15. The 14th Five-Year Plan supports Hong Kong to enhance its status as a centre for international legal and dispute resolution services and a regional intellectual property protection and trading centre. In April 2021, InvestHK, together with the Department of Justice (“DoJ”) and Law Society of Hong Kong, organised a webinar on the opportunities of the legal industry in Hong Kong under the Plan. InvestHK will also continue to promote Hong Kong’s mediation services by supporting the event “Mediate First Pledge” organised by DoJ in May 2021, with wealth management as the focus of event.

16. InvestHK will continue to promote the opportunities brought by the 14th Five-Year Plan to global professional services enterprises like consultancy, accounting, legal, testing and certification and education service providers. We will also promote the business opportunities for environmental engineers and consultants, and education institutions that focus on green talent arising from the climate target.

(v) *Financial Services and Family Offices*

17. InvestHK continues to promote Hong Kong as China’s international financial centre where foreign financial companies can gain access to the Mainland market and Mainland financial companies to scale globally. In 2020, virtual investment promotion visits targeting financial companies were held in Belgium, Korea, the Mainland, Middle East, India, North Africa, Singapore and South America. InvestHK also joined flagship financial events held in Hong Kong such as the 2020 Hong Kong Green Finance Association Annual Forum, the Grand Launch of Family Office Association of Hong Kong and Asia Insurance Forum 2020 to reach out to industry players in various sub-sectors.

18. InvestHK is also actively promoting Hong Kong as a green bond financing hub for the Greater Bay Area by providing advice and one-stop solution

to Mainland clients and connect them with banks, financial institutions and environmental, social and governance service providers to issue bonds or raise funds for development projects that are positive for the environment.

19. To take forward the policy initiative on family office, InvestHK will collaborate with relevant key parties (e.g. the Financial Services and the Treasury Bureau, the Financial Services Development Council, the Hong Kong Monetary Authority (“HKMA”) and Private Wealth Management Association) to sponsor, organise and participate in relevant events to attract the target clients. This will include duty visits to key markets including countries in the Association of Southeast Asian Nations, Europe, the Mainland and Middle East. InvestHK and the HKMA would also serve as the one-stop contact points for family offices to seek advice and assistance.

20. In 2021-22, InvestHK will also focus on attracting private banks, private equity firms and asset management companies to Hong Kong, and plans to conduct investment promotion visits to Europe, the Mainland and North America.

(vi) *Fintech*

21. InvestHK actively engaged fintech companies and conducted and sponsored over 40 international fintech events in Asia Pacific, Europe, the Mainland, the Middle East and the US in 2020. InvestHK also conducted virtual investment promotion visits and six virtual roadshows to promote Hong Kong’s fintech ecosystem, the business opportunities and advantages of setting up a presence in our city. We also organised the Global Fast Track Programme to connect worldwide potential scale-ups with Hong Kong corporates and investors in order to scale their businesses from Hong Kong to Asia and the world.

22. The 2020 virtual Hong Kong Fintech Week drew over 1.2 million viewers, more than 500 exhibitors, over 350 speakers, 230 journalists and 29 delegations from over 130 economies. Over 18 000 total business contacts were made. We will continue to organise, sponsor and participate in significant fintech events in order to drive more fintech business launching in Hong Kong.

23. The 2021 Hong Kong Fintech Week will be held from 1 to 5 November. InvestHK is considering hybrid format for organising the main conference, exhibition and networking events taking into account the development of the pandemic. If feasible, InvestHK will also consider resuming the cross-boundary

physical programme with virtual sessions to showcase the interplay between Hong Kong and other Greater Bay Area cities' fintech ecosystem.

24. Furthermore, InvestHK has started the preparation of the Global Fast Track, the core business driven programme of the Fintech Week which attracts global innovative fintech companies using Hong Kong to scale their businesses to the Greater Bay Area, Asia and the world. The companies will be introduced to the Hong Kong corporates and investors for exploring potential deals, investments and fintech adoption. Activities include tailored matchmaking meetings, pitching and mentorship to ensure quality engagements. InvestHK, regulators and HK Inc.⁵ partners will also offer landing consultations to fast-track the companies' set-up progress.

25. InvestHK has also revamped the FintechHK website which serves as a centralised digital marketing platform to promote fintech initiatives and the latest development by the regulators and stakeholders. Besides, a series of "FintechHK Fast Track" video and a video campaign with Fintech Association of Hong Kong are rolling out to amplify the success of fintech companies using Hong Kong to launch or expand their business and how InvestHK has assisted their journey.

26. Riding on the potential business opportunities arising from the 14th Five-Years Plan, InvestHK will advise and facilitate our clients to tap into the Greater Bay Area market for cross-boundary business, such as Wealth Management Connect, Insurance Connect, Regulatory Technology, Trade and Supply Chain Finance. A rich pool of fundraising options in Hong Kong for strategic expansion in the region will also be explored.

III. Lifestyle and Creative Industries

(vii) Creative Industries

27. To promote Hong Kong as a creative hub and investment opportunities in the creative industries, InvestHK conducted virtual investment promotion trips in 2020 to meet with clients in Australia, Korea, the Mainland, Singapore, Spain and the UK. A series of webinars were arranged in collaboration with key stakeholders and partners to promote the opportunities of the creative industries to overseas investors. To provide the latest information on the support measures for

⁵ Such as Cyberport, Hong Kong Applied Science and Technology Research Institute, HKSTPC and TDC.

business during the pandemic, a webinar on “Business Support Measures - Special 100% Loan Guarantee Scheme and SME Financing Guarantee Scheme” was organised.

28. In 2021-22, InvestHK will continue its effort in attracting creative companies to set up or expand in Hong Kong by working with key partners and stakeholders. Hong Kong has become the art and creative hub in Asia with the Government’s multiple initiatives and landmark projects in support of creative industries. The 14th Five-Year Plan has emphasised the role of Hong Kong as the international cultural exchanges centre. InvestHK will continue to organise, sponsor and support events in the creative industries to promote Hong Kong as the creative hub and opportunities. In March 2021, InvestHK organised a creative and lifestyle sector webinar “New Mindset New Result” for businesses in the creative industries, consumer products, tourism and hospitality. In April, a seminar on “Communications Strategies for Chinese Companies to Go Global” was organised in collaboration with PRHK and The Hong Kong Chinese Enterprises Association. Events sponsored or supported in the first quarter of 2021 include SXS Online in the US and Marketing Pulse in March 2021, future events to be sponsored include Art Basel in Hong Kong in May 2021. We are now working on a digital ecosystem pitchbook and a webinar series featuring the opportunities in the creative industries, consumer products and tourism and hospitality will be arranged to promote the opportunities in these sectors in the latter half of 2021.

(viii) Consumer Products

29. In the early part of 2020, much effort was dedicated to assisting existing investors in Hong Kong to navigate the various Government funding schemes that were launched in response to the pandemic. In the subsequent months, many brands stepped up efforts to explore new channels, especially digital and e-commerce platforms. The Consumer Products Team provided advice to individual companies and launched thematic webinars.

30. There are increasing business opportunities in the circular economy and growing market demand in sustainable products. The team continues to monitor and promote globally opportunities in the upcycling, garment to garment recycling, new biodegradable fabrics, eco-friendly home/personal care products and zero waste manufacturing technologies.

31. InvestHK commissioned a consultant to produce a detailed report on the “Future of Sourcing: 2021 and Beyond”, which serves as a thought leadership paper on Hong Kong’s vital role in the global supply chain. The report covers the key business advantages, as well as recent developments in the startup and digital innovation in Hong Kong which are making a big impact in the industry. Over 18 in-depth interviews from industry leaders are included, as well as many opinion quotes. A series of webinars and targeted industry outreach activities to key international markets have been conducted since September 2020, and continuing throughout 2021-22.

32. InvestHK will continue to promote Hong Kong’s unique advantages in capturing consumer products opportunities arising from the “dual circulation” strategy, and that Hong Kong’s highly market-oriented and international business environment provides an ideal platform for retail, e-commerce, sourcing and retail tech companies to capture the burgeoning Greater Bay Area market and beyond.

(ix) Tourism and Hospitality

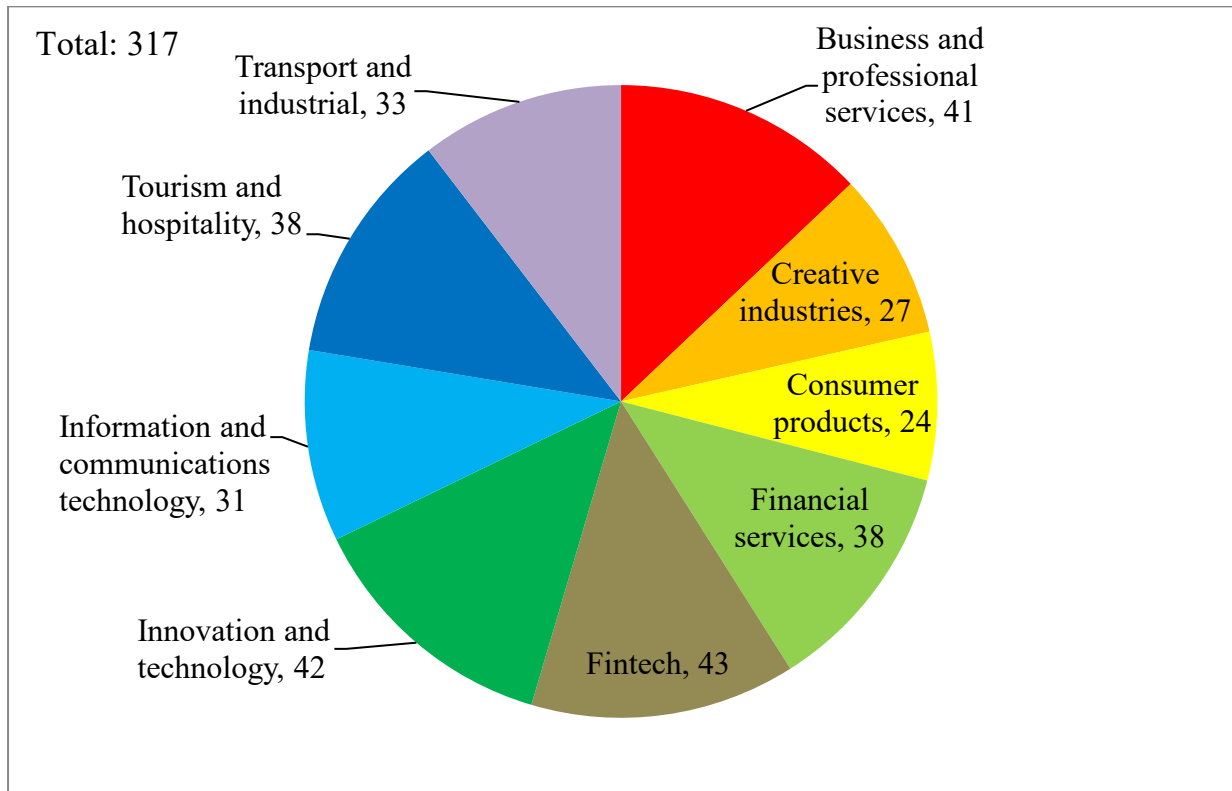
33. To promote Hong Kong as an international culinary hub and travel destination, InvestHK pro-actively conducted a number of online webinars and meetings in 2020. InvestHK held one-to-one meetings and worked with various chambers of commerce and stakeholders to organise webinars and explain the details of the schemes under the Anti-epidemic Fund targeting tourism and hospitality industries to clients. Virtual investment promotion trips were organised for markets including India, the Mainland, the Nordics, South Africa, Turkey and the UK. InvestHK also participated in three physical events and showed support to Meeting, Incentive, Convention and Exhibition (MICE) organisers targeting high-quality foodservices and trading companies.

34. In March 2021, InvestHK organised a webinar to explore the digital trends and consumer behavioural changes before and after the pandemic, and how entrepreneurs and businesses can restart and regrow with a new mindset to achieve new result. InvestHK went on a virtual investment promotion trip to Turkey in January 2021 and will conduct virtual trips to Italy, Malaysia, the Nordics and Thailand in the second half of 2021. We will showcase the opportunities to global food and beverage trading companies on how to benefit from the vast Mainland market through Hong Kong.

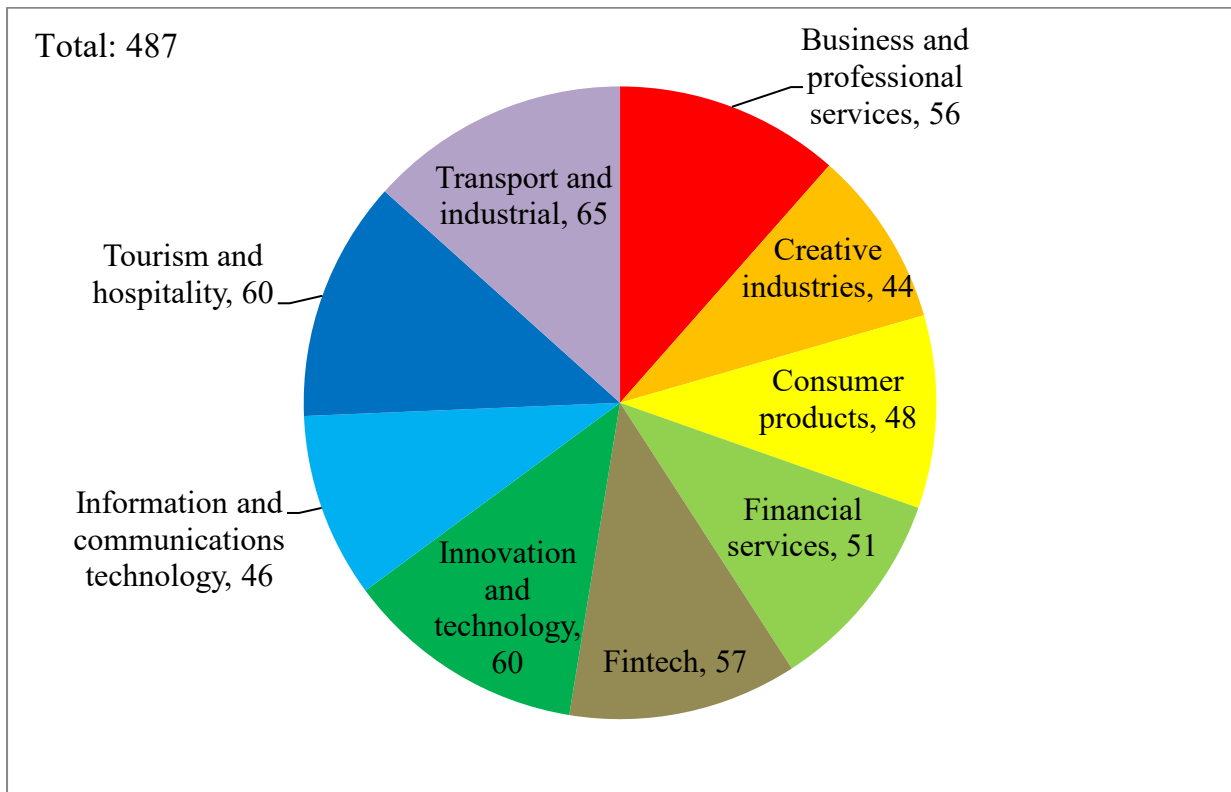
35. The COVID-19 pandemic pushed consumers to use digital platforms and applications. We are working on a pitchbook of digital ecosystem analysis and opportunities for Hong Kong. We aim to launch a series of events and use the pitchbook as a tool to promote Hong Kong in the coming year, together with our new foodtech priority sector. InvestHK is working with HKSTPC and Brinc to launch the first foodtech themed cohort programme, and attracting foodtech companies to base their R&D centres in Hong Kong while applying new customised food technologies for mass production and commercialization in the Greater Bay Area and inland provinces. InvestHK will continue to actively engage companies and update them about different incentives and/or subsidy schemes from the Government, which will benefit across various sub-sectors.

Breakdowns of Completed Projects by Sector

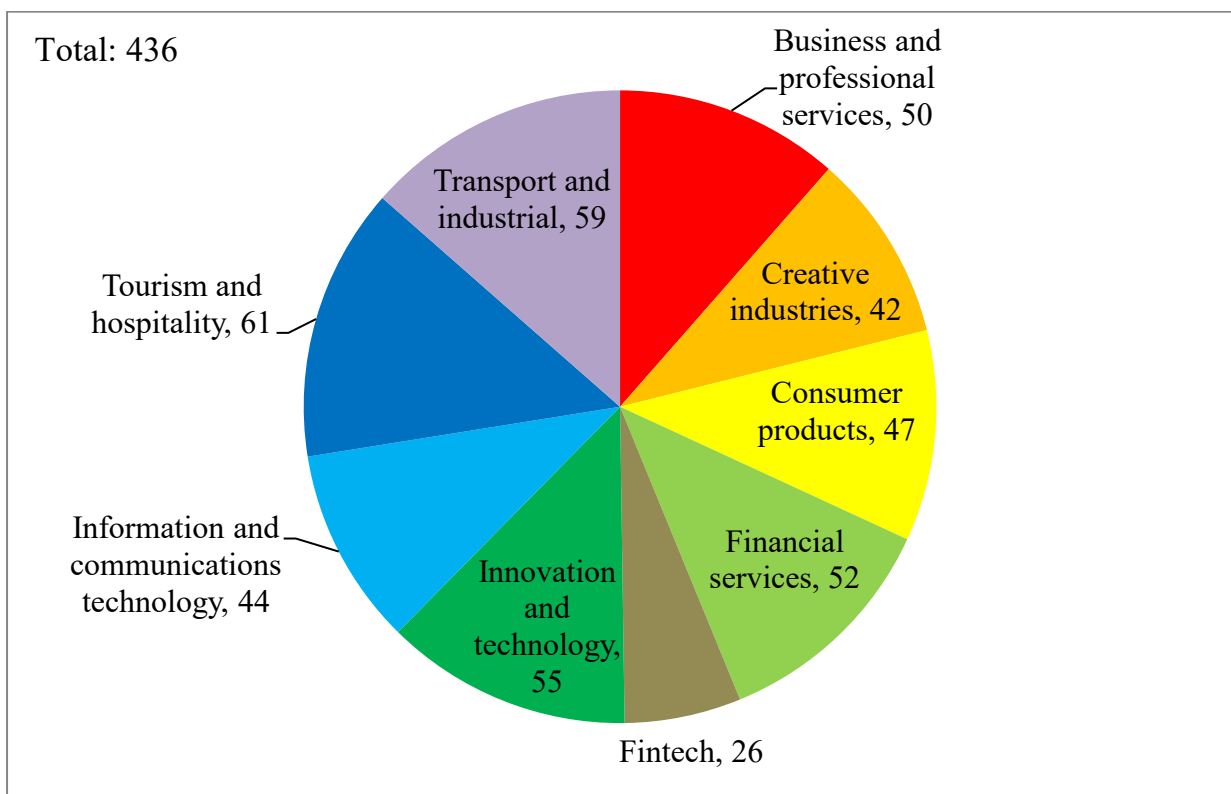
Investment projects completed in 2020



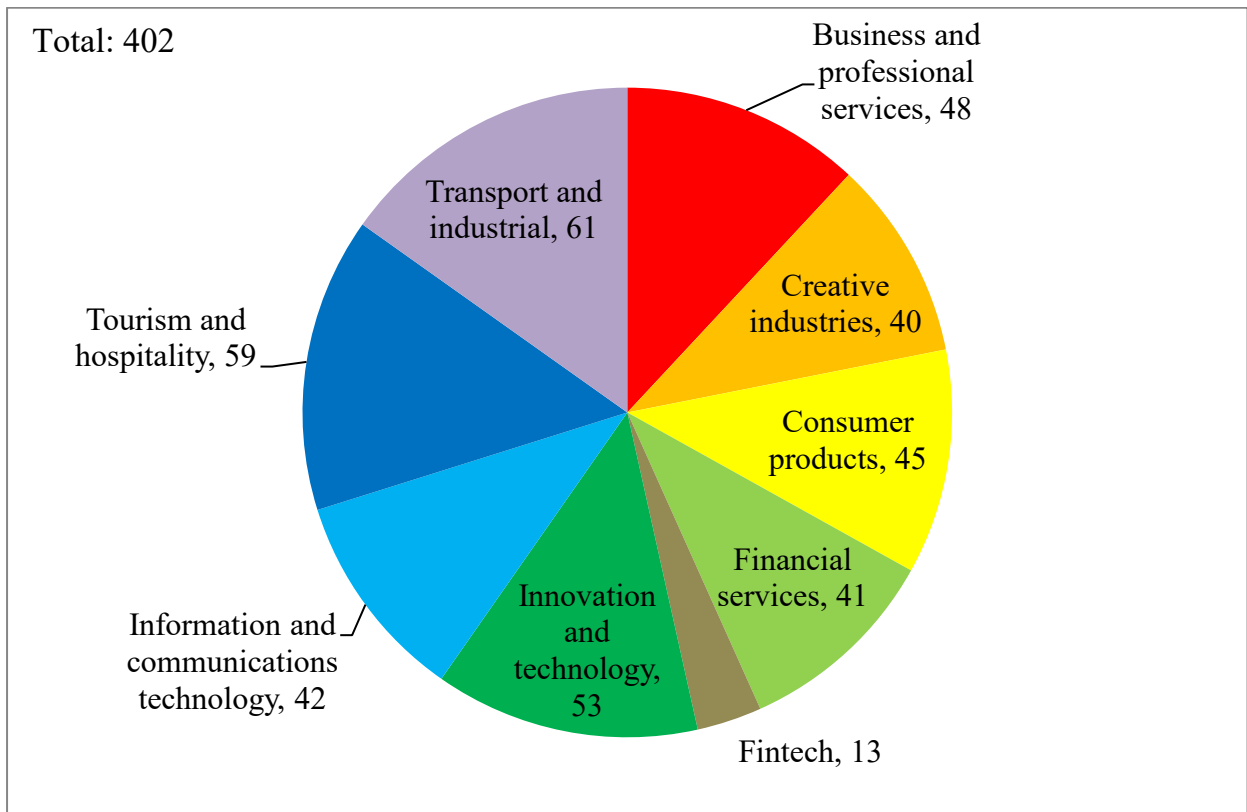
Investment projects completed in 2019



Investment projects completed in 2018



Investment projects completed in 2017



Investment projects completed in 2016

