

# Hong Kong: THE destination for Businesses





# Hong Kong Leading in International Rankings

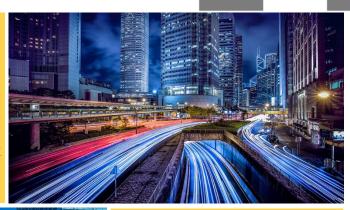
# #1 World's Freest Economy

Economic Freedom of the World 2024 Annual Report by Fraser Institute



# #1 Investment Environment

The Legatum Prosperity Index 2023





# #2 Emerging Ecosystem

US-based Startup Genome: The Global Startup Ecosystem Report 2023



# #3 Most Preferred Seat of Arbitration

2021 Queen Mary University of London and White & Case International Arbitration Survey

# #3 Global Financial Centre

Global Financial Centres Index 36 Report by Z/Yen and China Development Institute



# #4 Largest FDI Inflow

UNCTAD World Investment Report 2024







# **Strong Global Business Community**

### **Major Places of Origin**











iainiand China

Japan

US

Singapore

### **Major Lines of Business**



Import/export trade, wholesale and retail



Financing and banking



Professional, business and education services



Transportation, storage and courier services



One Country, Two Systems

**Excellent Access** to Markets

**Innovative Hub** 

**Vibrant Lifestyle** 

Easy Access to Funds

Dynamic Startup Ecosystem















One Country, Two Systems



# Distinctive Status and Advantages of Hong Kong under 'One Country, Two Systems'

Hong Kong has maintained its **own currency, political** and **legal systems**. It is the **only place in the world** with global advantage and China advantage converge in one place.



# An international financial, shipping and trading centre

- Stable currency pegged to US Dollar
- Free flow of capital and goods
- Largest offshore RMB business hub
- No tariff on import or export of goods



# Free, open, and regulated business environment

- Common law legal system
- Strong Intellectual Property Protection

16.5% Profits above HK\$2M

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

### Simple and low tax system

### ON

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



# A Gateway to China & the World

- Enjoy close connection with the world market
- Receive strong support from the motherland



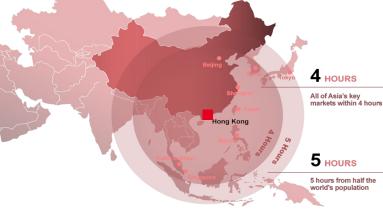
# One Country, Two Systems



### **Asia's World City**

### **Heart of Asia**

- Reach out to all of Asia's key markets within 4 hours and half of the world's population in 5 hours
- 120 airlines operate flights to 220 destinations worldwide
- 240+ international container vessel sailings to 460+ destinations worldwide every week



#### **International Education**

**50+ International Schools** in Hong Kong, providing more than 10 curricula, including British, American, Australian, Japanese, Singaporean, French, German, Korean, Canadian and the International Baccalaureate programme.

#### **Extensive Global Networks**

- 114 Consulates-General / Honorary Consulates
- 8 international organisations (highlights)









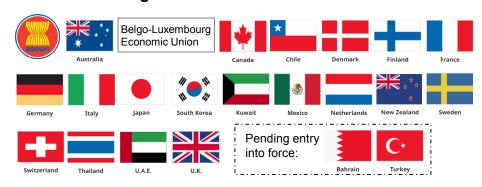




8 Free Trade Agreements with 20 economies



24 Investment Agreements with 33 economies





### **Excellent Access** to Markets



### **Northern Metropolis**

The **second engine** of economic growth of Hong Kong covering Yuen Long and the North districts (1/3 of Hong Kong's area), mainly driven by innovation & technology **development** leveraging the proximity with the GBA.

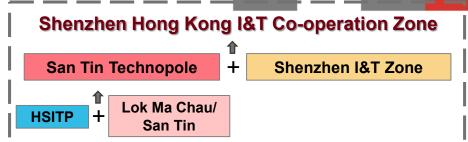


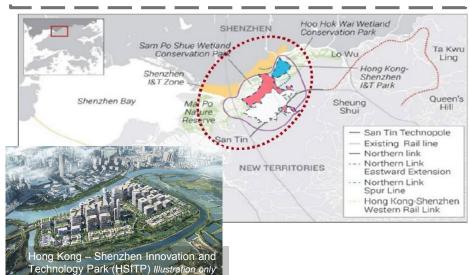
4 Major Zones

- High-end Professional Services and Logistics Hub
- Innovation and Technology Zone

- **Boundary Commerce and** Industry Zone
- Blue and Green Recreation, Tourism and Conservation Circle

A complete I&T ecosystem:





 Other industries with tremendous opportunities include Healthcare/ Life & Health Technology, Modern Logistics, Construction, Professional Services, **Environment Protection, Education, and Tourism.** 



# **Excellent Access** to Markets



### Hong Kong's Unique Opportunities brought by National Initiatives

### The 14th Five-Year Plan

**Developing the 8 Centres** 





### **The GBA Development**

An important economic cluster comprises of 9 Cities + 2 Special Administrative Regions







**Innovative Hub** 

### **Support to Hong Kong's Innovation Development**

### **Proven IPO track record**

#### Global Leader in IPOs and IPO Funds Raised



Ranked **No.1** for 7 times in the past 13 years

No. 1 in total IPO funds raised last 12 years



69% of IPO funds raised came from listings from New Economy



12% of IPO came from listings of International Companies

centre

Chapter 18A Biotech Companies and Chapter 18C Specialist Technology Companies permits listings of biotech and specialist technology companies that do not meet Main Board financial eligibility requirements

# Comprehensive ICT infrastructure



connection

computing

Centre

### **Sourcing Centre**



### **World-class talent**

Universities in Hong Kong are among the best in the world

(Source: Quacquarelli Symonds (QS) World University Ranking 2025)

2 world's top 40 medical schools











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# Research capacity

The government establishes technology centres and R&D centres to promote innovation and technological development

















**Innovative Hub** 

### **Government's Commitment to Innovation & Technology**















### R&D Facilities

#### **Examples:**

- Hong Kong-Shenzhen Innovation & Technology Park
- Expansion of Cyberport & Science Park

# Industrial Infrastructures

### Examples:

- Data Technology Hub
- Microelectronics Centre
- Advanced Manufacturing Center

# Academic Research Fund

### Examples:

- Research Endowment Fund
- University Grant Committee Fund

# Global R&D Collaboration

### Examples:

 InnoHK Research Clusters (28 Health and Al/Robotic Labs)

# Innovation & Technology Funds

### Examples:

- Innovation and Technology Fund
- Innovation & Technology Venture Fund
- Green Tech Fund
- Smart Traffic Fund



**Innovative Hub** 

### **Government Provides Substantial Financial and Policy Support**

#### **Research and Development Application**

## **Promotion**

### **Enterprise Support** Scheme

**HK\$10m** (US\$1.28m)

R&D project funding is granted in the form of matching funding in equal amounts



### Partnership Research **Programme**

**50%** Research costs for



collaboration with local universities and research institutions

Research, Academic and

**Industry Sectors One-**

plus Scheme (RAISe+)

### Additional tax deduction for R&D expenses

As long as R & D expenditure meets the requirements, additional tax deductions can be obtained

300%

The first HK\$2 million (US\$256,410)

200% After the first HK\$2 million (US\$256,410)

### **New Industrialisation Funding Scheme**

#### 1/3 or HK\$15 million (US\$1.92m)

The total expenditure of the approved project, whichever is lower. The entire production line or most of it should meet the criteria of "smart production"

### New Industrialisation SME Export Marketing **Acceleration Scheme**

for the set-up of new production facilities on a one (Government) to two (company) matching basis, ~ subject to a funding ceiling

of **HK\$200m** (US\$25.6m)

# Fund

HK\$1m (US\$128,000)

cumulative limit

financial assistance to SMEs for participation in export promotion activities

**Dedicated Fund on** Branding, Upgrading and Domestic Sales

### Research and Development **Cash Rebate Scheme**

#### 40% Rebate

Applicable to ITF projects and projects conducted by designated research institutions



### HK\$100m(US\$12.8m)

applicable to projects on transformation and commercialisation of R&D outcomes. The two stages of projects to be completed within around five vears

### **Research Talent Hub**

Wage subsidy for a maximum of 4 research staff for up to 3 years

Ph.D. HK\$35,000/m (US\$4,487) Master HK\$23,000/m (US\$2,949) Bachelor HK\$20,000/m (US\$2,564)

### **Technology Voucher Programme**

HK\$600.000 at maximum (US\$76,923)

Each business can benefit from up to 6 projects to promote the use of technology

### E&M InnoPortal

Software technology solution matching platform between government and suppliers



### HK\$7m (US\$0.9m)

cumulative limit

financial assistance to HK enterprises to implement projects that explore and develop the Mainland, FTA or IPPA markets through developing brands. upgrading and restructuring operations and promoting sales

#### **Patent Application** Visa schemes Grant

HK\$250,000



or 90% of the sum of the total direct costs of patent application, which ever is lower

Various schemes to facilitate visa entry



### Living allowances

HK\$120,000 /

**year** (US\$15,385) For PhD holders subsidised

under Research Talent Hub

### Procurement policies that support innovation

Policies to Drive Technology Adoption in Government **Programs** 

# **Public Sector Trial** Scheme

Maximum HK\$1 million (US\$128,000) application

To support prototype production or trials under ITF projects





# **Vibrant Lifestyle**



### **A Vibrant City**



A nature-filled city with many stunning yet easily accessible hiking trails and beautiful beaches



A global foodie feast with a diverse array of international cuisines and options



World-class events of sports, arts and culture

### **An Accessible City**



Reliable and low-cost World #1 Public Transit System\*, and well-established network of roads, ports and airport

### **A Cashless City**



(Octopus cards/ credit cards/ e-wallets)

### A Multi-cultural City



An **open society** embracing different ethnicity, religion and background

# 3. How Can InvestHK Help



# Step-by-step Assistance



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









- Guidance in strategic implementation and evaluation of business decisions
- Connecting with relevant
   Consulates, Chambers of
   Commerce and business
   associations
- Advising on living and working in Hong Kong

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

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

- Providing advice, tools & supports for expansion/ sustainable growth
- Support across marketing and public relations

# 3. How Can InvestHK Help



### **Our Network**



### InvestHK's Global Network in 34 cities



- 17 Dedicated Teams in the Beijing Office and Hong Kong ETOs
- 17 Consultant Offices
- 1 Consultant Office to be in operation in January 2025



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# Hong Kong: The world's super connector

where opportunities converge

