

ONE COUNTRY TWO SYSTEMS

InvestHK

- ✓ **Common Law prevails**
- ✓ **Independent Commission Against Corruption (ICAC)**
- ✓ **China's risk manager**



HEART OF ASIA



GLOBAL SUPER CONNECTOR

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More than **100** airlines operate about **1,000** flights daily, linking the Hong Kong International Airport to **190** destinations worldwide, including **47** Mainland cities

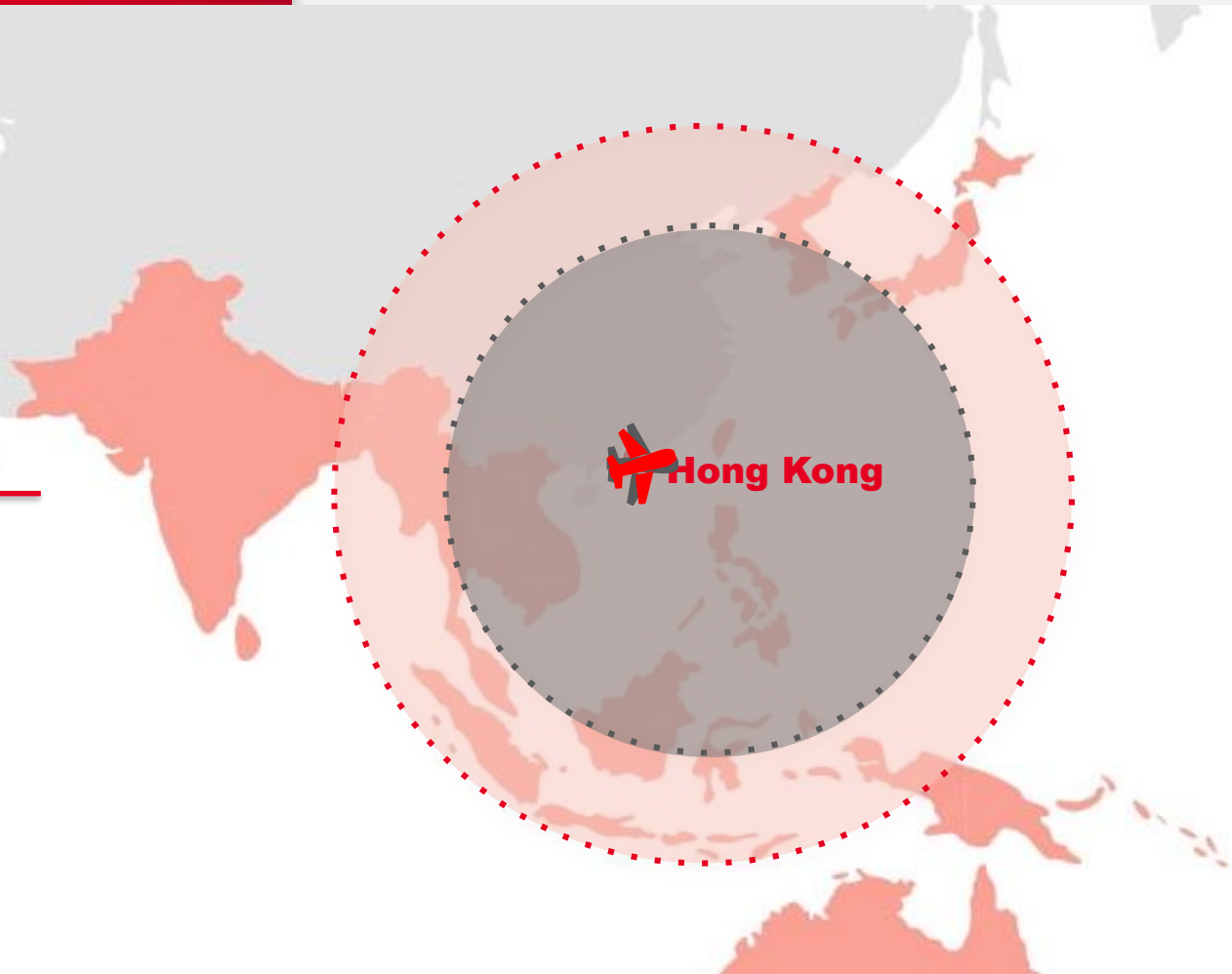
The busiest air cargo airport in the world – **4.4 million tonnes of cargo** handled in 2015



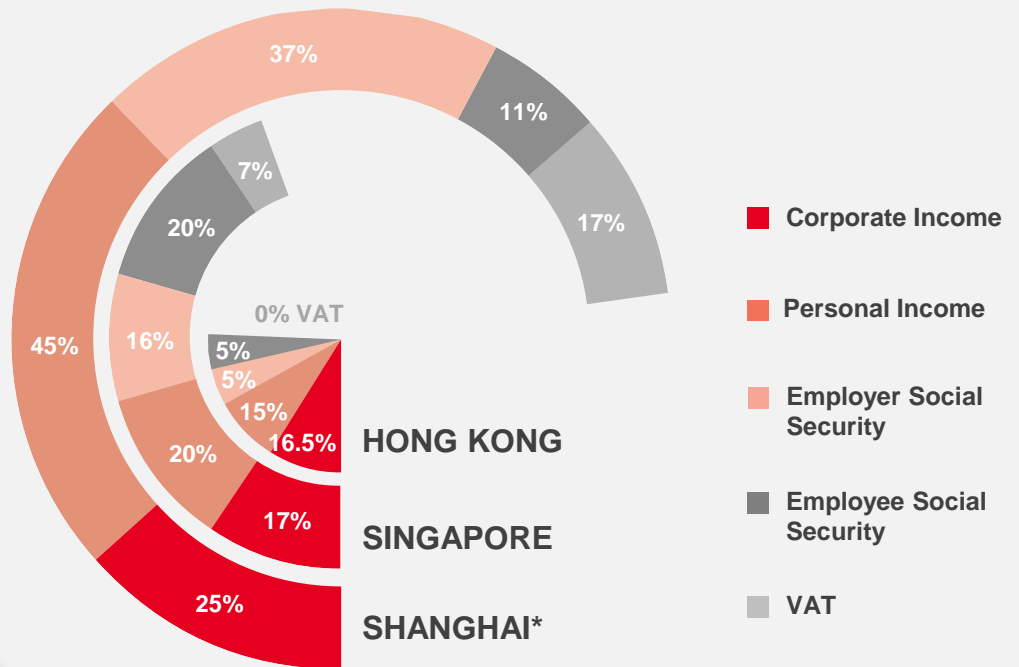
Most of Asia's key markets within four hours' flight time



From half the world's population



LOW & SIMPLE TAX SYSTEM



* There is no standard rate across the Mainland China. Shanghai is used as an example.



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



Hong Kong has signed Comprehensive Double Taxation Agreements (CDTAs) with 34 jurisdictions.



Negotiations with 12 jurisdictions are in progress.

(as of Jan 2016)

GREATER PEARL RIVER DELTA

Invest**HK**

POPULATION

64_{mn}

>UK, Italy, South Africa

EXPORTS

US\$527_{bn}

>UK, Italy

GDP

US\$962_{bn}

>Indonesia, Netherlands, Turkey

LAND AREA

56,000_{km²}

<Ireland, Latvia, Panama,
West Virginia (US)



MOBILE CONNECTIVITY

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The world's second fastest speed for internet access

>92.6Mbps

(average peak connection)

Source: Akamai Technologies, Q12015

Household broadband penetration rate

83.8%

(OFCA, Nov 2015)



No.1 in Asia

for smartphone penetration rate

>227%

(OFCA, Nov 2015)

SOCIAL MEDIA – EAST MEETS WEST

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BUSINESS-TO-CONSUMER

138,000 HNWIs in HK,
up **273%** (2008-2014)



4.7M

in Asia Pacific

59.3 million visitors
in 2015



45.8M

from Mainland



84%

of the world's
leading luxury and
fashion retailers
are in HK

US\$ **63**bn

sales

One restaurant every

600 people



PRIME CONDUIT FOR FDI

InvestHK

ALL TIME HIGH –

7,904 companies of which **3,798** are
RHQs and ROs in 2015

Source: 2015 Annual survey, HKSAR Government's Census & Statistics Department

| Rank | FDI Inflows (2014) | US\$ bn | FDI Outflows (2014) | US\$ bn |
|----------|--------------------|------------|---------------------|------------|
| 1 | China | 129 | USA | 337 |
| 2 | Hong Kong | 103 | Hong Kong | 143 |
| 3 | USA | 92 | China | 116 |
| 4 | UK | 72 | Japan | 114 |
| 5 | Singapore | 68 | Germany | 112 |
| 6 | Brazil | 62 | Russia | 56 |
| 7 | Canada | 54 | Canada | 53 |
| 8 | Australia | 52 | France | 43 |
| 9 | India | 34 | Netherlands | 41 |
| 10 | Netherlands | 30 | Singapore | 41 |

Source: World Investment Report 2015, UNCTAD

BUSINESS- TO-BUSINESS



Launched in
Nov 2014



Expect to be
launched in 2016

957

listed Mainland enterprises

US\$1.32 tn

accounting **61.6%** of market total

(Total market cap)

Source: HKEX (as of Feb 2016)

RMB hub

RMB deposit in HK

¥ **33** bn

2007



¥ **852** bn

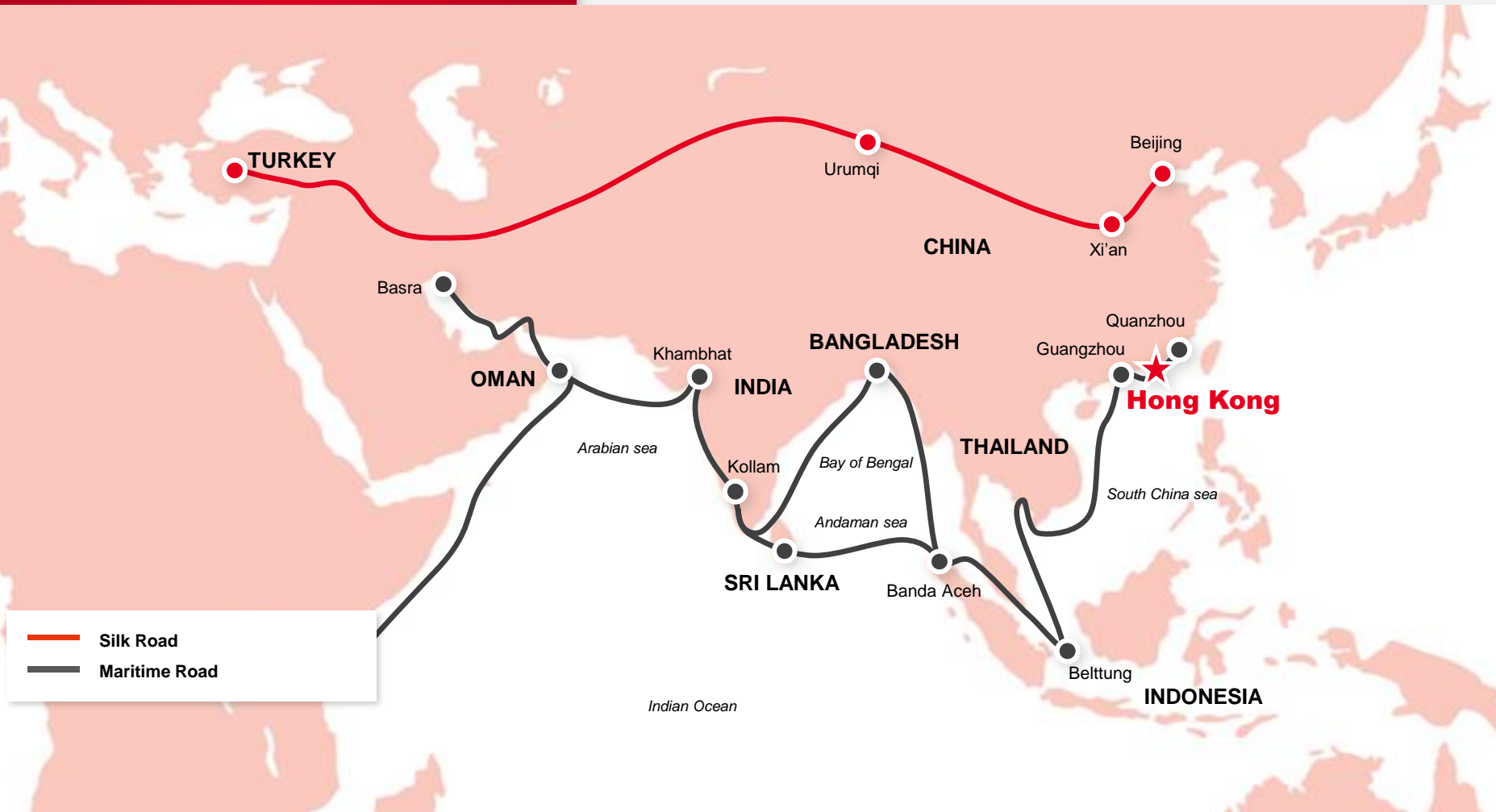
2016

ONE BELT ONE ROAD

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Hong Kong:

the super-connector between
Mainland China and the world



AUSTRALIAN COMPANIES IN HONG KONG



AUSTRALIAN VINTAGE LTD



FLIGHT CENTRE[®]
The Airfare Experts

BOUNCE INC
FREE-JUMPING REVOLUTION



DYNAMIC TOURISM AND HOSPITALITY SECTOR



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The Government of the Hong Kong
Special Administrative Region

FOOD TRADING



InvestHK

The Government of the Hong Kong
Special Administrative Region

DEMAND FOR F&B IS TREMENDOUS

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F&B IMPORT

↑40%

2010-2015

F&B RETAIL SALES

↑37%

2010-2015



RESTAURANT SALES

↑24%

2010-2015



REAL GDP FORECAST

↑3%_{p.a.}

2017-2020

POPULATION FORECAST

↑0.8%_{p.a.}

2011-2021

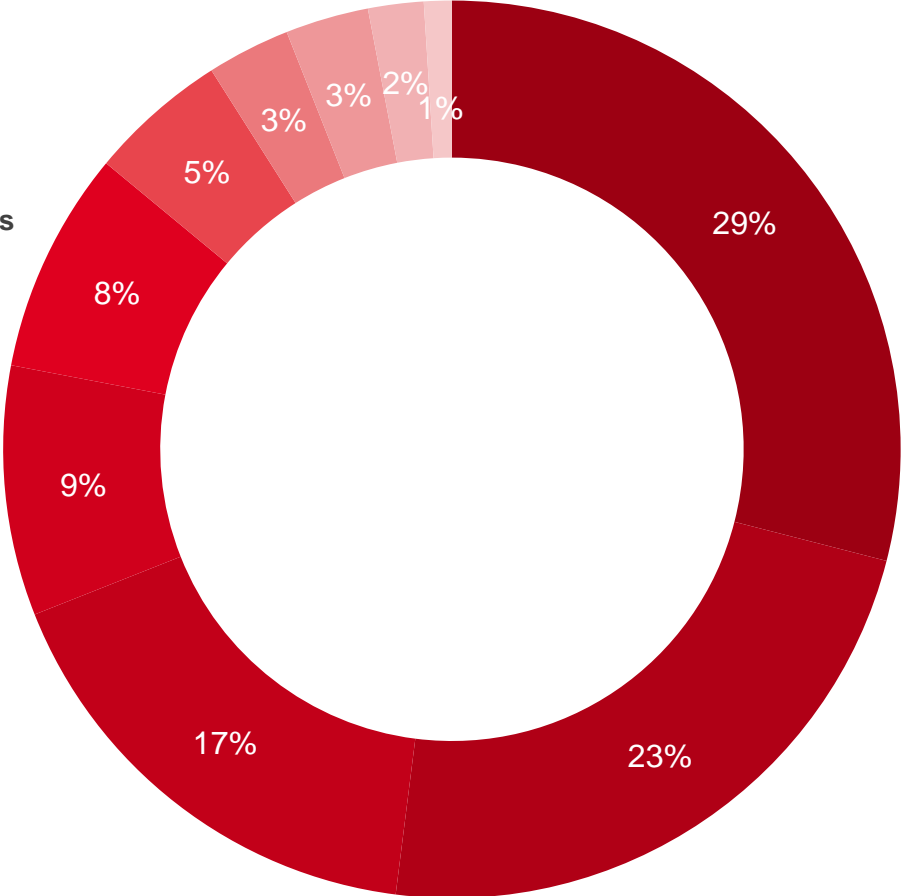


Source: Census and Statistics Department

Photo Credit: Hong Kong Tourism Board

BREAKDOWN % OF IMPORTED F&B ITEMS

- Meat and Meat Preparations
- Vegetables and Fruits
- Seafood
- Dairy Products and Eggs
- Others
- Cereals and Cereal Preparations
- Coffee, Tea, Cocoa
- Live Animals
- Sugars
- Feeding Stuff for Animals



Source: Census and Statistics Department

Photo credit: Hong Kong Tourism Board

**IMPORTS OF
MAJOR FOOD
ITEMS ARE
SKYROCKETING**

LIVE ANIMALS AND MEAT

↑28%

2010-2015

**US\$6,757 million
in 2015**

VEGETABLES AND FRUITS

↑58%

2010-2015

**US\$4,914 million
in 2015**

SEAFOOD

↑17%

2010-2015

**US\$3,543 million
in 2015**

**DAIRY PRODUCTS AND
EGGS**

↑124%

2010-2015

**US\$1,980 million
in 2015**

REGULATIONS FOR F&B TRADING ARE SIMPLE

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Apply for registration as food importer or food distributor

- Only basic information is needed (e.g., business address, contact means, and types of food to be imported or distributed)
- Photocopy of Hong Kong Identity Card or Business Registration Certificate is required
- Approval will be granted in 7 working days with a registration fee of HK\$195 for 3 years

Are you importing rice, egg, meat, ice cream, milk or spirits?

No

Yes

Apply for Import Licence from FEHD (egg, meat, ice cream or milk), C&ED (spirits) or TID (rice)

START YOUR BUSINESS!

*Marine importers to obtain health certificates issued by health authorities of countries of origin

FOODSERVICE



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The Government of the Hong Kong
Special Administrative Region

ADVANTAGES

- ❖ A great variety of restaurants and cuisines – **five Michelin three-star restaurants** as well as **eight out of 50 best restaurants in Asia** as voted by William Reed in 2015

OPPORTUNITIES

- ❖ 60 million visitors in 2015, stable increase of visitors from all over the world
- ❖ Ideal launch pad for international brands into Asia, particularly Mainland China
- ❖ Landlords want new and exciting restaurant concept



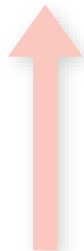
FOODSERVICE INDUSTRY SNAPSHOT

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| Restaurants | No. of establishments 2015 | Employment 2015 |
|--------------------|-------------------------------|--------------------|
| Total F&B services | 17,860 | 283,269 |

Source: Quarterly Report of Employment and Vacancies Statistics, December 2015, Census and Statistics Department

| Year | Restaurant Receipts (HK\$ million) | Y.O.Y. Growth |
|------|--|---------------|
| 2015 | 104,357 | 3.9% |
| 2014 | 100,386 | 3.5% |
| 2013 | 97,049 | 3.5% |



Source: Report on Quarterly Survey of Restaurant Receipts and Purchases, December 2015, Census and Statistics Department

CHANGING LIFESTYLES MEANS OPPORTUNITIES

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Consumers are **more health conscious**

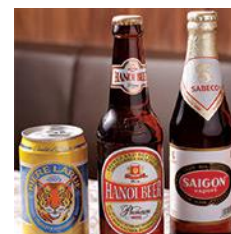
- Import of fruits and vegetables grew by 58% during 2010-2015
- More organic specialty stores, Green Monday campaign
- Ad hoc farmers' markets emerging

Consumers are **more enthusiastic about wine and craft beer**

- Import in 2015 over 60mn litres and doubled against 2008
- World's largest wine auction centre – US\$104mn sales in 2014
- 10 local breweries in Hong Kong & Beertopia in Oct

Consumers **eat out more** and are **more discerning**

- One restaurant for every 600 people
- More affordable luxuries e.g. macarons, eclairs, gourmet popcorn etc.
- Celebrity chefs restaurants in town – Jamie's Italian, Bread Street by Gordon Ramsay, Seasons by Olivier E



MORE TRENDS

- Landlords welcome new concepts.

Lee Tung Avenue



Belgium

Tower 535



Russia

-
- Hong Kong is a city never sleeps.
Coffee shops still sprout.



New Zealand



Italy

ALL YEAR ROUND DINING EVENTS AND EXHIBITIONS

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SUB SECTORS UNDER T&H

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(1) TOURISM AND TRAVEL RELATED

- ❖ MICE (conference and events organisers)
- ❖ Travel & Cruise
- ❖ Hotel
- ❖ Tourism Projects

Successful Companies



The Hong Kong Observation Wheel

SUB SECTORS UNDER T&H

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(2) PERSONAL SERVICES

- ❖ Hair salons, Spa, gym, yoga centre etc.

Successful Companies



Jean Louis David



BEAUTY SPA
MISS PARIS



design your body

SUCCESSFUL STORIES

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WOOLOOMOOLOO[®]
GROUP

WOOLOOMOOLOO[®]
P R I M E

WOOLOOMOOLOO[®]
steakhouse



Fast Facts

- ✓ **5** restaurants in Hong Kong and **2** in Singapore
- ✓ **>220** staff in Hong Kong
- ✓ Established in Hong Kong in 2004, Woolloomooloo Group has **expanded its footprint** to Causeway Bay, a dining hotspot in the city



Colin Smith, Founder and Managing Director, Woolloomooloo Group

“Hong Kong is a sophisticated market when it comes to the food and hospitality industry. The city is always evolving and so are restaurants. There are always new developments and new opportunities and that’s why we are able to continue to expand.”

GET IN TOUCH

InvestHK

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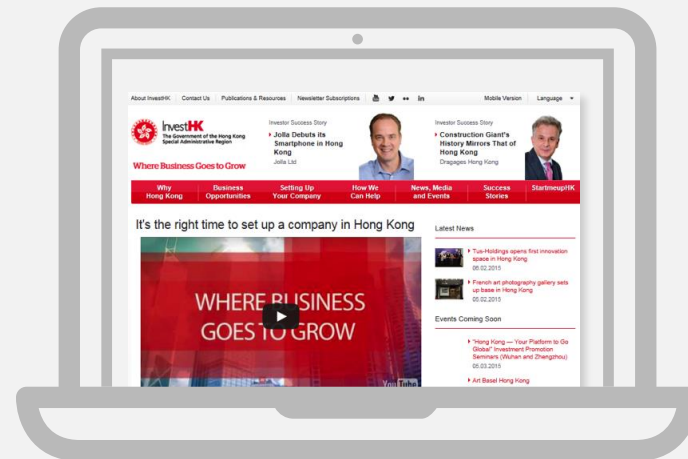


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