

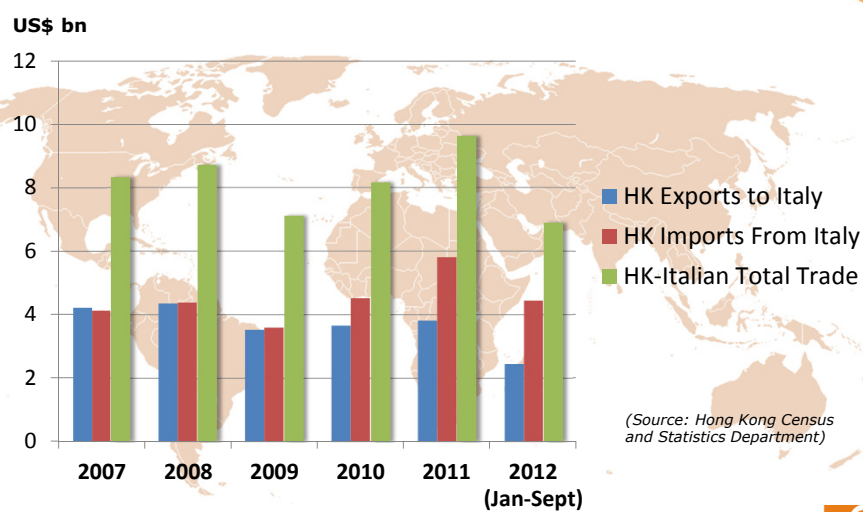
Think Asia, Think Hong Kong: Realising Opportunities in a High-Growth Region

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Deputy Executive Director

Milan
27 November 2012



Growing Hong Kong-Italy Ties



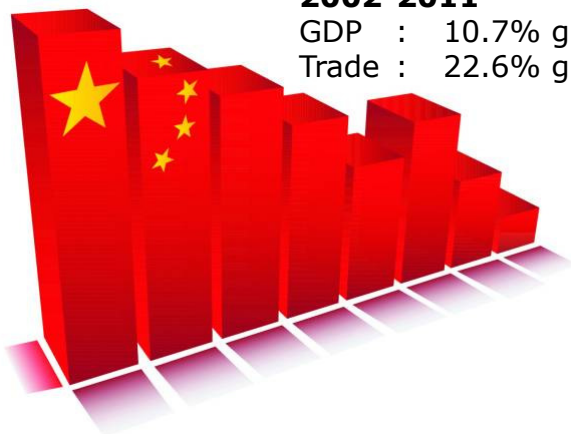
The China Opportunity

World's **2nd largest** economy

2002-2011

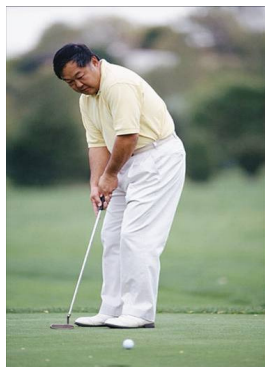
GDP : 10.7% growth per annum

Trade : 22.6% growth per annum



China: From Production Base to Consumer Market

The size of China's middle-income class is estimated at 230 million. According to Boston Consulting Group, this number may grow to 400 million in the next 10 years



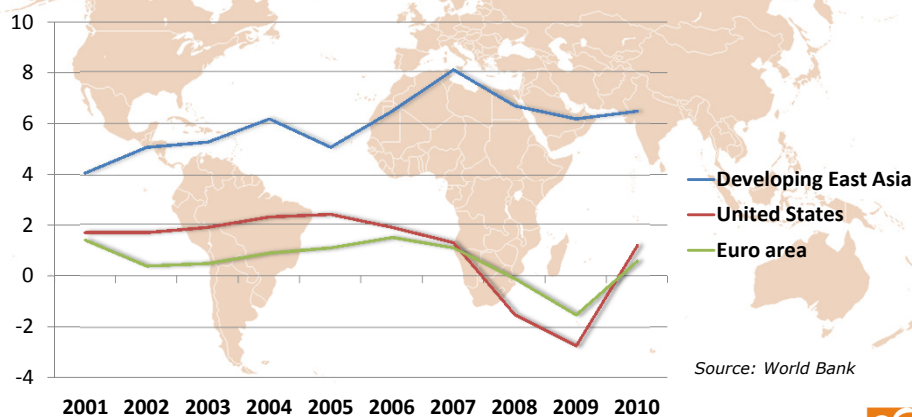
Opportunities in Asia

- **Annual GDP growth** of developing Asia was **9%** (2006 to 2011)
- Asian **share in global private consumption** expected to increase to **17.5%** in 2014
- Asia Pacific's **share of global wealth** will rise to **23%** in 2015
- Wealth in India and China will increase at a compound annual rate of **18%** and **14%** respectively through 2015



Growing Consumption in Asia

**Household Consumption Expenditure
Per Capita Growth (Annual %)**



Why Enter China via Hong Kong?

Companies' Concerns:



Finding good business partners

Realising profits

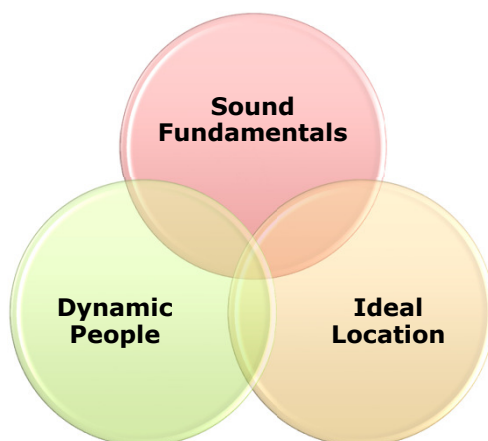
Coping with bureaucracy

Mitigating risks

Retaining quality staff



Hong Kong Advantages



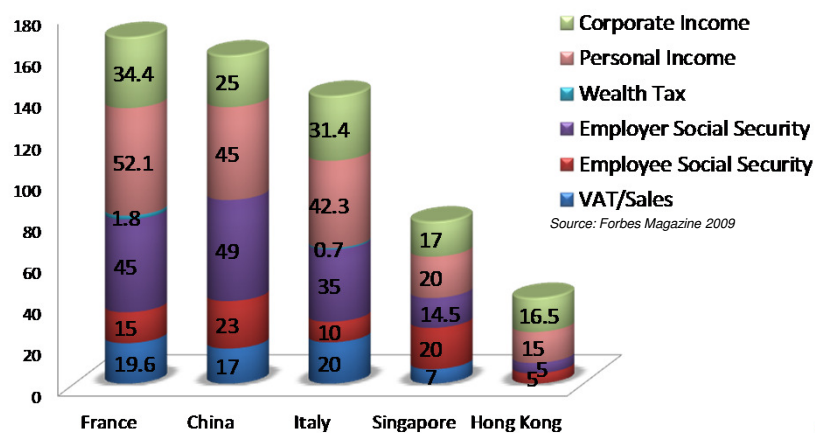
Hong Kong: Sound Fundamentals

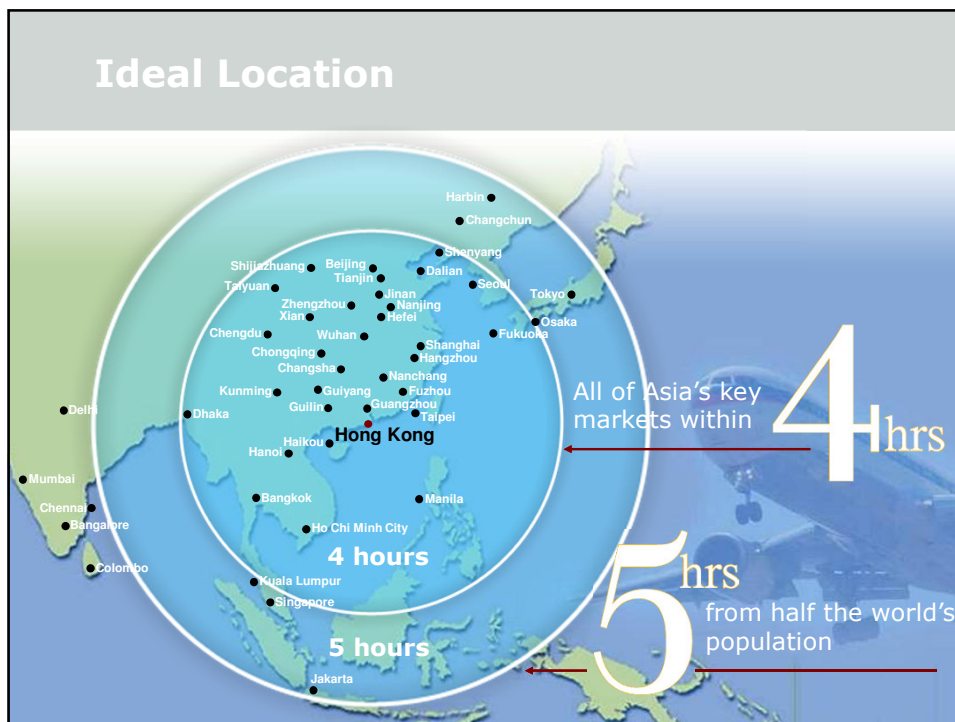
- Rule of law
- Strong, independent legal system
- International arbitration centre
- Intellectual property protection
- Free flows of information, people, goods, capital
- Open, transparent government
- Rated world's freest, most globalised economy



Hong Kong: Low and Simple Tax System

Tax Misery Index – Less Pain, More Gain





Our Personal Advantage



Dynamic People
Hong Kong is the Chinese city that speaks your language...

Generations of entrepreneurial spirit

Unrivalled China market and international business experience

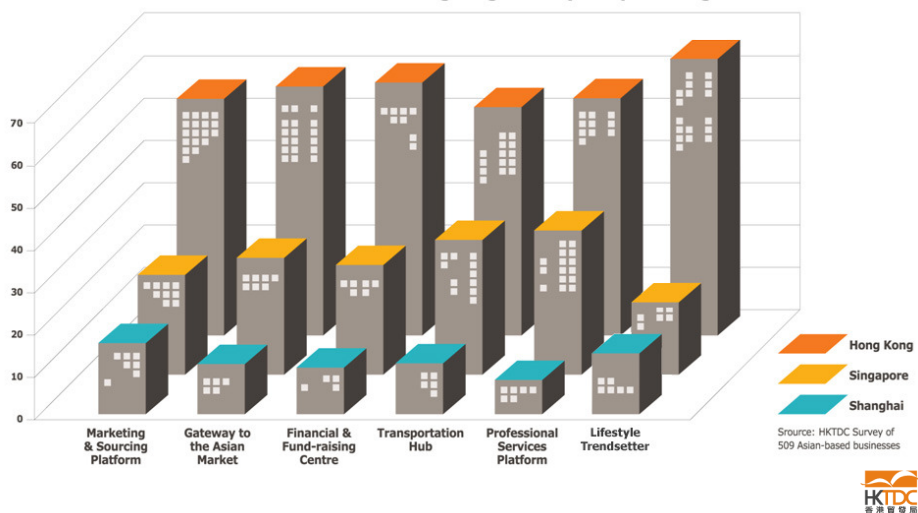
Diverse international workforce

... the language of international business!



Hong Kong: Asia's Business Hub

% of business executives giving the city a top ranking for 2012



Helping Italian Brands Flourish in Asia



Shop Window



Hong Kong: International Financial Centre

World's largest IPO market as of 2011

Global Renminbi offshore centre

Tops WEF's Financial Development Index 2011 and 2012

70 of world's top 100 banks are in Hong Kong



Hong Kong: Asia's Distribution Hub

No. 1 international air cargo hub

- 3.9 million tonnes throughput 2011
- 100 airlines,
- 170 destinations (47 mainland)



Photo credit: Hong Kong International Airport



One of world's busiest container ports

Serves 500 ports
24.4 million TEUs in 2011



Hong Kong: A Free-Trade Pact with China

Closer Economic Partnership Arrangement (CEPA)

Tariff-free access to the mainland for products

WTO-plus market access for services providers

Italian companies can benefit!

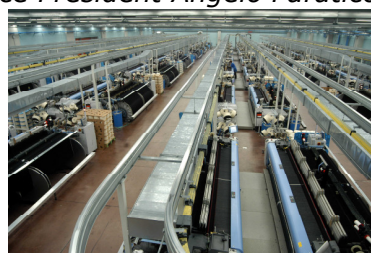
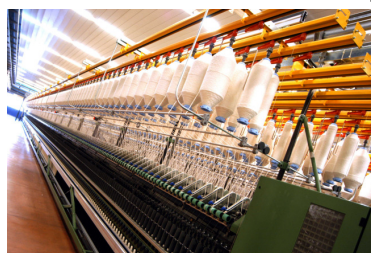


Success Story

Candiani Denim (Far East) Ltd

"Rule of law. Great logistics, port and airport.
Little bureaucracy. This is the ideal stepping
stone for Asia"

Vice President Angelo Paratico



Success Story

Sicis

"Hong Kong is a strategic location given its importance in the Asian and China markets. The ease of doing business here and simple tax regime also contributed to our decision to open in Hong Kong. It's an important Asian hub for luxury items and architectural products"



*Emanuele Travagliati,
Area
Manager,
Greater China*



HKTDG

Creating opportunities in international trade

Providing
Information

Matching
Business Partners

Connecting
Customers



Trade Fairs: Brand-Launching Platforms



HKTDC Hong Kong International Wine & Spirits Fair 2012



HKTDC Hong Kong International Jewellery Show 2012



HKTDC Inno Design Tech Expo 2007



For manufacturers: the HKTDC connects buyers and suppliers

The HKTDC Integrated Marketing Solution brings you a world of genuine buyers



Market Intelligence at Your Fingertips

The screenshot displays the HKTDC Research website interface. At the top, there is a navigation bar with the HKTDC logo and the text 'RESEARCH 經貿研究'. Below this, a main menu lists various market categories: Economists' Pick, China Trade, Hong Kong Economy, Traditional Markets, Emerging Markets, Product Industries, and Services Industries. The 'Developed Markets' section is highlighted with the sub-header 'Reshaping World Growth'. A featured article discusses Hong Kong's economic outlook, mentioning the latest export order book and the impact of emerging markets. To the right, there is a search bar and a list of related terms such as 'banks', 'bond', 'credit', 'mortgage', 'rating', and 'subprime'. Below the main article, there is an 'In Chart' section titled 'HKTDC Export Index' with a line graph showing the index from 2007 to 2011. Further down, there is a section for 'Inside the Store' featuring the 'HKTDC Trade Quarterly, Issue no. 20: Lifestyles of China's middle class'. A list of 'More options' includes surveys on jewellery shoppers, lifestyles of China's middle class, and a guide to doing business with the EU. A list of five featured articles is also visible on the right side of the page.

<http://research.hktdc.com>



Coming Soon: Asia's Top Fashion Events



HKTDC Hong Kong Fashion Week for Fall/Winter



HKTDC World Boutique, Hong Kong



HKTDC

Global Connections

11 offices on Chinese mainland, more than 40 worldwide



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