Cyberport welcomes the 2024-2025 Budget to promote the development of AI ecosystem
Accelerating local technology R&D and application to enhance Hong Kong's core strength in I&T

Hong Kong, February 28, 2024 – Cyberport welcomes the HKSAR Government's announcement of the 2024-25 Budget (the Budget), which introduces multiple measures to continuously promote the development of the artificial intelligence (AI) ecosystem, accelerate innovation and technology (I&T) application, proactively attract strategic enterprises for talent acquisition and investment, and contribute new impetus to the high-quality development of Hong Kong's economy. The Budget allocates HK$3 billion to support universities, research institutes, and enterprises to leverage the computing power of the Cyberport AI Supercomputing Centre (AISC), strengthen the Centre's cybersecurity and data protection, and to launch promotional and educational activities. Cyberport will fully cooperate in expediting the establishment of AISC, enhance the R&D capabilities of local research institutes and enterprises, and drive the development of the AI industry. Furthermore, Cyberport has continuously attracted key enterprises, pooling capital, technology, and talents to enhance local R&D capabilities in frontier technologies including AI, and accelerate translation and application of relevant technologies, elevating Hong Kong's overall competitive edge in I&T.

Simon Chan, Chairman of Cyberport, said, "The 2024-2025 Budget has a forward-looking layout and introduces an array of measures to continue focusing on the I&T development. The establishment of the AISC is crucial in advancing Hong Kong's frontier technology and related industry development. Cyberport will spare no effort in constructing the AISC to enhance the city's competitive edge in I&T infrastructure, attracting more leading technology companies from the Mainland and overseas to establish their presence in Hong Kong. Additionally, the Budget focuses on promoting the continuous development of high-potential industries and accelerating digital transformation of the business sector, injecting stronger impetus into the high-quality development of Hong Kong's economy. Cyberport and its community companies will continue to leverage their strengths to complement the Government's development strategies, and focus on R&D, translation and application of forefront technologies such as AI, GreenTech and Finance, while we will attract more key enterprises from different technology sectors, and promote the digital transformation and upgrade in society and business, contributing innovative strength and economic value to the technological innovation and high-quality development of Hong Kong and our country."

AI Supercomputing Centre

AI is one of the three major technology clusters that Cyberport focuses on developing. Cyberport has gathered over 190 start-ups specialising in the R&D of AI. It has also signed MoUs with several leading companies to foster collaborative exchanges in the relevant fields, propelling research, innovation, and technology application. This initiative is integral to creating a comprehensive ecosystem for the development of AI technology and industries. Cyberport fully support the HKSAR Government's policies by expediting the establishment of the AI Supercomputing Centre, with the first phase facility expected to start operating within this year at the earliest. The computing power of the supercomputing facility is expected to reach 3,000 petaFLOPS by early 2026 at the soonest. The scale of such power is equivalent to the capacity of processing nearly 10 billion images in one hour. The facility will enhance Hong Kong's R&D capabilities in various area such as life and health technology, AI and data science, advanced manufacturing, and new energy technology. Additionally, it will attract start-ups and research talent from both the Mainland and abroad, adding to Hong Kong's strengths in basic research and internationalisation.

Attracting Strategic Enterprises

Cyberport welcomes the Budget's continued commitment on attracting strategic enterprises. Over the past year, Cyberport has actively attracted leading enterprises, including Dmall, Integrity Technology, CertiK, and others, marshalling I&T capital, technology, and talent. These efforts are propelling R&D, translation and application in various frontier technology fields, and creating new I&T job opportunities locally to augment I&T talent supply and economic output. Furthermore, Cyberport continues to expand partnerships with Mainland and overseas entities, having successively signed MoUs with organisations such as the Dubai Future Foundation, Korea's largest start-up accelerator "d·camp", China Resources Research Institute, Huawei, Baidu, Ant Group, Shanghai Lingang Economic Development Group, Beijing Zhongguancun, Beijing International Big Data Exchange, among others. These collaborations have deepened the exchange of frontier technologies and I&T cooperation between Hong Kong and other regions, paving the way to attract more enterprises from the Mainland and around the globe. As of December 2023, Cyberport has witnessed over 80 enterprises from the Mainland and overseas landing at Cyberport , attracting a global assembly of I&T talents, resources, and funding. This supports Hong Kong's vision to become an international I&T centre and Cyberport's role as a "super connector", offering start-ups a platform to access markets both domestically and internationally.

Building an International Green Technology and Financial Centre

The development of the green technology and finance industries hold vast opportunities and represents a new track for economic growth. Cyberport welcomes the HKSAR Government's initiative to position Hong Kong as an "International Green Finance Centre".

Among these measures is the launch of the Green and Sustainable FinTech Proof-of-Concept Subsidy Scheme in the first half of this year, which will provide early-stage funding support for Green FinTech, facilitating commercialisation and fostering the development of new Green FinTech initiatives. Additional funding is allocated to promote and facilitate the continuous development of financial services, including green and sustainable finance. Cyberport currently hosts the largest FinTech community in Hong Kong, with more than 430 FinTech start-ups and technology companies, where green finance is a major area of development. Start-up innovations span green finance, environmental, social and governance (ESG) reporting and investing, carbon credit trading, and responsible procurement in the digital market. In addition, Cyberport Smart Living and Smart City community brings together approximately 750 start-ups, including many GreenTech start-ups with R&D expertise in energy technology, environmental technology, smart building management, electric vehicles, and other fields, aiming to enhance Hong Kong's advantages in the green technology industry and to promote Hong Kong as an international green technology and financial centre.

Accelerating SME's Digital Transformation

Under the continued support of the HKSAR Government, Cyberport's "Digital Transformation Support Pilot Scheme" (DTSPP) will invite SMEs in the food and beverage industry and the retail industry to select suitable ready-to-use basic digital solutions and apply for matching subsidies of up to HK$50,000 starting early this year. The Scheme covers digital payment and shopfront sales, online promotion, customer management, and loyalty programmes. It is expected that at least 8,000 eligible SMEs will benefit from the pilot programme, marking their first step towards digital transformation.

Development of Web3.0

The Budget affirms the positive development of the Web3.0 ecosystem over the past year. Last year, the HKSAR Government allocated HK$50 million to Cyberport to accelerate the development of Web3.0 ecosystem, including talent cultivation, industry development and technology application, and enhancement of public awareness in relevant fields. Since the establishment of the Web3Hub@Cyberport in early 2023, it has attracted over 130 enterprises, currently gathering more than 220 enterprises, including unicorns and virtual asset trading platforms licensed by the HKSAR Government, and founders come from 15 countries including the Mainland and overseas, making it one of the largest Web3.0 communities in Hong Kong. Cyberport has conducted and supported over 50 diverse thematic events to facilitate exchanges in industry and technology, product demonstrations, and also focus on Web3.0 training and educational efforts, benefiting over 29,000 participants. Through the Web3 Academy, more training resources are provided. Additionally, Cyberport has opened a Web3 Living Lab, and welcomed over 5,000 members of the public to enhance their awareness of innovative technologies and applications in

Web3.0. It has also launched a Web3.0 Proof-of-Concept Subsidies Scheme to encourage start-ups to introduce relevant technological applications. Through University Partnership Programme, Cyberport aims to nurture more young talents in the field of Web3.0 technology.

Nurturing I&T Talents

Cyberport welcomes the Government's continued support for STEAM education, with an additional allocation of over HK$134 million to the "Knowing More About IT" programme for the next two academic years. Each publicly-funded primary school can receive up to HK$300,000 in subsidies. Cyberport is committed to bridging the education sector with start-ups to enhance I&T education and its application, creating a mutually beneficial relationship for schools and start-ups. This includes co-organising the "Knowing More About IT" and "IT Innovation Lab in Schools" sharing day with the Office of the Government Chief Information Officer (OGCIO) for primary students, which encourages primary and secondary schools to integrate innovative technology into their teaching. Over the last two years, nearly 80 Cyberport community member start-ups have showcased diverse solutions to around 300 primary and secondary schools as well as special education professionals, covering areas such as STEAM, blockchain, and mechanical hardware.

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Simon Chan, Chairman of Cyberport, said, " The 2024-2025 Budget is forward-looking and introduces an array of measures to continue focusing on the I&T development. The establishment of AI Supercomputing Centre is crucial in advancing Hong Kong's frontier technology and related industries. Cyberport will spare no effort in constructing the AISC to enhance the city's competitive edge in I&T infrastructure, attracting more leading technology companies from the Mainland and overseas to establish their presence in Hong Kong."

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About Cyberport
Cyberport is Hong Kong's digital technology flagship and incubator for entrepreneurship with over 2,000 members including over 900 onsite and over 1,100 offsite start-ups and technology companies. It is managed by Hong Kong Cyberport Management Company Limited, wholly owned by the Hong Kong SAR Government. With a vision to be the hub for digital technology, thereby creating a new economic driver for Hong Kong, Cyberport is committed to nurturing a vibrant tech ecosystem by cultivating talent, promoting entrepreneurship among youth, supporting start-ups, fostering industry development by

promoting strategic collaboration with local and international partners, and integrating new and traditional economies by accelerating digital transformation in public and private sectors.

For more information, please visit http://www.cyberport.hk/