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HAINAN FREE TRADE PORT INVESTMENT GUIDE

—全球投资服务热线—

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Global Investment Service Hotline

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photo by meng mingzhu

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Hainan is China’s largest special economic zone (SEZ), the largest pilot free trade zone and the only free trade port with Chinese characteristics. The building of a free trade port with Chinese characteristics in Hainan is a major initiative planned, guided, and promoted by General Secretary Xi Jinping in the reform and opening-up strategy, and a strategic decision made by the Central Committee of the Communist Party of China (CPC) in light of the domestic and international situations

The Central Committee of the CPC and the State Council officially unveiled the Overall Plan for the Construction of Hainan Free Trade Port (hereinafter the “Overall Plan”) on June 1, 2020. This marked that the construction of Hainan Free Trade Port entered the stage of full implementation. The Overall Plan states that the the coverage areas of Hainan Free Trade Port include the entire Hainan Island. By 2025, a free trade port policy and institutional system featuring free and facilitated trade and investment will be initially established. It will become a new model for opening-up economy in China by 2035. A high-level free trade port with strong international influence will be completed by 2050

The report of the 19th National Congress of the CPC states that “We will grant more powers to pilot free trade zones to conduct reform, and explore the opening of free trade ports.” General Secretary Xi Jinping solemnly announced

at the 30th anniversary of the establishment of the Hainan Province and Hainan SEZ on April 13, 2018 that the Party Central Committee decided to support Hainan to build the pilot free trade zone, gradually explore and steadily promote the construction of free trade port with Chinese characteristics as well as formulate free trade port policies and institutional systems step by step. Based on the characteristics and unique advantages of Hainan, General Secretary Xi drew up a new blueprint for the development of Hainan in the new era, demonstrating China’s determination and responsibility as a major power in opening wider to the world and promoting economic globalization

Since the release of the Overall Plan, the construction of the Hainan Free Trade Port has been in full swing to achieve more results in the early stage. Greater efforts are made to implement major policies on “zero tariffs, low tax rates, and simplified taxation rules”. It set many records in terms of institutional innovation in China. It ranks top in China in the growth rate of new market entities and newly established enterprises. The amount of actually utilized foreign capital doubled compared to the previous year. Pilot projects advance on a rolling basis, and supervision and risk prevention are being tightened. Hainan is springing ahead to make new progress in the construction of a free trade port

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2021 NEW IMPRESSION



THE "6+1+4" POLICY FRAMEWORK OF HAINAN FREE TRADE PORT

“6” — “Five aspects of freedom and facilitation + Safe and Orderly Flow of Data”

Trade Freedom and Facilitation

Under the premise of effective regulation, a special zone for customs supervision with independent customs clearance will be established. Institutional arrangements for freedom and facilitation featuring “zero tariff” will be made. For trade in service, Freedom and facilitation policy measures based on “access and permission of operation” will be implemented

Investment Freedom and Facilitation

Efforts will be made to significantly lower market-entry requirements of Hainan Free Trade Port, Strengthen the protection of intellectual property rights, Guarantee fair competition, create a fair, transparent and predictable investment environment, and further stimulate the vitality of all types of market entities

Free and Convenient Cross-border Capital Flow

Committed to developing finance in a way that serves the real economy, focusing on trade and investment freedom and facilitation, opening-up capital projects on a phased basis, and advancing the free and convenient flow of capital in Hainan Free Trade Port and overseas

Free and Easy Access for People

Based on the development needs of Hainan Free Trade Port, a wider talent and residence policy will be implemented targeted at high-end industry talents to build a highland of talent agglomeration. Under the premise of effective prevention and control of foreign related potential security risks, a more convenient entry and exit management policy will be implemented

Free and Convenient Transportation

Efforts will be made to implement a highly free, convenient and opening-up transportation policy, advance the construction of western land and sea new channel international shipping hub and aviation hub, and accelerate the construction on a modern integrated transportation system

Safe and Orderly Flow of Data

Under the premise of ensuring safe and controllable data flow, we will work to open the data field even wider, make innovations in the design of safety systems, achieve full convergence of data and foster the development of data economy

“1” — Constructing Modern Industrial System

Modern Industrial System

We will work to vigorously develop the tourism, modern service and high-tech industries, continuously consolidate the foundation of real economy and enhance industrial competitiveness

“4” — Institutional Construction in Four Aspects

Tax System

A tax system adapted to a high-level free trade port will be established on a gradual basis according to the principle of zero tariff, low tax rate, simplified tax rules, strengthened rule of law and implementation by phases

Social Governance

Every effort will be made to promote the government institutional reform and the transformation of government functions, encourage the application of blockchain and other technology integration to the modernization of governance system and governance capacity, and construct a complete, science-based, standardized and well-functioning free trade port governance system

Rule of Law System

We will strive to establish a rule of law system for the free trade port based on Hainan Free Trade Port Law, with local laws and regulations and commercial dispute resolution mechanisms as important components, and create a world-class legal environment for the free trade port

Risk Prevention and Control System

Effective measures will be developed to guard against and resolve major risks in trade, investment, finance, data flow, ecology, public health and other fields in a targeted manner



60 SELECTED KEY POLICIES OF HAINAN FREE TRADE PORT

- 01 Maximum personal income tax of 15% for eligible talents
- 02 Corporate income tax of 15% on encouraged industrial enterprises
- 03 Exemption from import duties, import value-added tax and consumption tax on imported production equipment for enterprises' own use
- 04 Export tax rebates on domestically built ships that are registered at Yangpu Port of China and engaged in international transport. Exemption from import duties, import value-added tax and consumption tax on imported operational vehicles and yachts
- 05 Exemption from import duties, import value-added tax and consumption tax on raw and auxiliary materials imported for production
- 06 Exemption from import duties, import value-added tax and consumption tax on imported goods purchased by island residents
- 07 Quota for offshore duty-free shopping raised to RMB 100,000 per person per year and with expanded categories of duty-free products
- 08 Exemption from corporate tax on the income acquired from new foreign direct investment before 2025 for tourism, modern services and high-tech industry enterprises
- 09 Qualified capital expenditures to be fully tax-deductible; or accelerated depreciation and amortization
- 10 Tax exemption on imports and sales for overseas exhibits during the exhibition
- 11 Products originating from Hainan, including output products whose added value exceeds 30 percent after the domestic processing of imported intermediary products, are exempt from taxes when entering the rest of China
- 12 Allowing flights in and out of Hainan to refuel with bonded aviation fuel
- 13 Export tax rebates on domestically built ships that are registered at Yangpu Port of China and engaged in international transport
- 14 Allowing ships (those engaged in domestic and foreign trade) that transit at Yangpu Port of China to refuel with bonded oil
- 15 Building Yangpu Port of China into an international port of registry
- 16 Adopting a trial policy of tax rebates at the port of departure on goods that use Yangpu Port of China as a transit port for the final departure from China
- 17 Adopting an import & export management system featuring 'free flow through the first line and efficient control at the second line' in Yangpu Bonded Port Area and other qualified zones
- 18 Allowing overseas high-level universities and vocational colleges specialized in science, engineering, agriculture and medicine to open branch schools independently in Hainan
- 19 Building Hainan into an international education innovation island
- 20 Establishing a multi-functional free trade account system
- 21 Replacing pre-audit with post-audit for the banking sector on authenticity review of cross-border and new international trade
- 22 Applying the negative list of cross-border trade in services for Hainan Free Trade Port
- 23 Granting enterprises market access with a prior commitment
- 24 Applying the special list of market access to Hainan Free Trade Port
- 25 Applying the negative list of foreign investment access to Hainan Free Trade Port
- 26 Treating domestic and foreign enterprises as equals in government procurement

60 SELECTED KEY POLICIES OF HAINAN FREE TRADE PORT

- 27 Implementing a more convenient visa-free entry policy
- 28 Salary ranges employed as main indices to evaluate talents
- 29 Implementing a negative list management system on the issuance of work permits for foreign employees
- 30 Permitting foreign personnel to serve as legal representatives in legal bodies, public institutions and state-owned enterprises
- 31 Removing restrictions on overseas ship and aircraft financing
- 32 Decentralizing the registration management of foreign debts issued by enterprises to Hainan
- 33 Expanding the scope of cross-border asset transfer
- 34 Prioritizing the support of listing Chinese enterprises overseas
- 35 Allowing enterprises listed overseas to handle foreign exchange registration directly at banks
- 36 Establishing Hainan International Intellectual Property Rights Exchange
- 37 Supporting overseas securities, funds, and futures institutions to set up wholly-owned or jointly-owned institutes in Hainan
- 38 Supporting the establishment of property insurance, life insurance and reinsurance companies, mutual insurance organizations and self-insurance companies
- 39 Supporting to develop cross-border medical insurance products in cooperation with overseas institutions
- 40 Supporting the construction of trading venues for international energy, shipping, property rights and equity stakes
- 41 Enabling non-residents to participate in trading and fund settlement at trading venues
- 42 Developing over-the-counter (OTC) derivatives services
- 43 Conducting cross-border asset management services
- 44 Issuing Hainan provincial bonds globally
- 45 Opening up value-added telecommunications services
- 46 Developing services of online data processing and transaction processing
- 47 Opening basic telecommunications services up in a safe and orderly fashion
- 48 Developing the International Internet Data Interaction Pilot Project
- 49 Expanding air traffic rights, including the Fifth Freedom and Seventh Freedom
- 50 Building an international aviation hub
- 51 Building a new international land and sea transport hub to connect Western China with the world
- 52 Building a regional medical center
- 53 Building a national base of blockchain technology and innovation-driven development
- 54 Building a pilot zone for cruise tourism
- 55 Building a pilot zone for reform, development and innovation of the yacht industry
- 56 Building Hainan into an International Design Island
- 57 Building a national base of sino-foreign trade of culture products
- 58 Authorizing the Hainan government to manage and adjust the use of cultivated land, permanent basic farmland, forestland and land for construction
- 59 Granting greater autonomy to various industry organizations
- 60 Formulating laws and regulations based on the reality of Hainan's free trade port construction

THE HIGHEST LEVEL OF OPENING-UP

Development Led by Legislation

Public opinions are being solicited for the Law of the People's Republic of China on Hainan Free Trade Port (Draft). Hainan will put in place a law-based system for free trade port based on the Hainan Free Trade Port Law, featuring local regulations and commercial dispute resolution mechanism. It may be granted greater latitude for legislation and flexibility

Fertile land for opening up

Keeping in line with high-level international trade rules, Hainan explores the establishment of internationally competitive opening-up policies and schemes to lead the development of open economy at a higher level

“Zero tariff, low tax rate, simplified taxation rules”

Hainan applies the “zero tariff” policy for certain imported goods, adopts the management of “one negative and three positive” lists, implements the “double 15%” favorable policies for personal income tax of high-end and highly-demanded talents and corporate income tax for enterprises in encouraged industries, and releases favorable tax policy dividends

Trade and investment freedom and facilitation

Trade freedom and facilitation:

Hainan's “single window” service for international trade covers seaports and airports. Yangpu Bonded Port Area is the first to implement the import and export management regime featuring open “first-line” and controlled “second-line”

Investment freedom and facilitation:

Hainan innovatively adopts a “single window” service for international investment and operates China's most open and internationally competitive access policy for foreign investment

Build Hainan Free Trade Port as

A clear-cut and an important portal that leads the nation in opening wider to the world in the new era

“Zero tariff/low tax rate/simplified taxation rules /more freedom”

Free and convenient flow of factors of production

Free and convenient cross-border capital flow:

Hainan puts in place a multi-functional free trade account system, facilitates cross-border investment and financing, innovatively pilots offshore international trade. The cumulative trade scale exceeds US\$1.8 billion

Free and easy access for people:

Hainan operates a visa-free policy for tourists from 59 countries, allows overseas personnel to sit over 30 types of vocational qualification examinations, and recognizes over 200 types of overseas vocational qualifications

Free and convenient transportation:

Hainan will adopt a more open policy for transportation by air and sea. It meets the conditions for the world's highest-level “Seventh Freedom”, and boasts “Port of Yangpu (China)” as the port of registry

Safe and orderly flow of data:

Under the framework of the national security system for cross-border transmission of data, Hainan will launch a pilot program for security management of cross-border data transmission, operate value-added telecommunications services, and allow basic telecommunications services in a safe and orderly manner

Law-based, international and convenient first-class business environment

Innovative institutional integration:

Hainan released 111 cases of institutional innovation, setting many records in China

Minimal approval procedures:

Minimalist approval procedures available for 10 out of the 11 major parks in the Free Trade Port

Service for personnel:

Hainan Free Trade Port launches the “Single Window” service for personnel

Law-based environment:

The International Court of Arbitration, Intellectual Property Court, International Commercial Mediation Center, etc. have been established successively in the international law-based environment

Global stage

Communications and cooperation:

Hainan consistently fosters international communications and cooperation. The Boao Forum for Asia Annual Conference and China International Consumer Products Expo are regularly held in Hainan

International exchanges:

The Consulate General of the Kingdom of Cambodia in Haikou is the first foreign consulate in Hainan since the founding of the People's Republic of China

LINK TO THE WORLD

Build Hainan Free Trade Port as

An important portal for China opening-up to the Pacific and Indian Ocean

An important strategic fulcrum in the 21st Century Maritime Silk Road

As regional center and the frontier of opening-up to the world

Hainan Free Trade Port is the regional center connecting Northeast Asia and Southeast Asia, and will become the frontier for China opening-up to RCEP member states

4-hour flight economic circle:

Covering 21 Asian countries and regions, which account for 47% of the global population, and nearly 30% of the world GDP

8-hour flight economic circle:

Covering 59 countries and regions in Asia, Oceania, Europe, Africa, etc., which account for 67% of the global population, and nearly 41% of the world GDP

International aviation and shipping hub

Hainan Province will build an integrated airport system with airports in Haikou, Sanya, Qionghai, etc. as the center, supported by other airports and utility airports. It has made initial results in building five major natural deep-water ports including Haikou Port, Yangpu Port, Basuo Port, Sanya Port, and Qinglan Port, and will build an international modern port cluster

International integrated transport hub:

Haikou is designated by the state as one of international integrated transport hub cities. Meilan International Airport has been rated "SKYTRAX Five-star Airport" for three consecutive years. It will achieve a throughput of 35 million passengers and throughout of 400,000 tons of goods by 2025

New International Land-Sea Trade Corridor:

Hainan is linked to the international main shipping routes for trade through its dense sea routes, and has formed a domestic trade route network covering major ports in coastal regions of China, and a foreign trade route leading to Southeast Asia and Asia and Europe

International hub seaport:

International hub seaport – Yangpu Port is the best natural deep-water port in Hainan, and can operate 350 days in a year. It will become an international container hub port leading to the New International Land-Sea Trade Corridor



BLUE SEA AND BLUE SKY



The most beautiful land The bluest sea

Top 10 beautiful islands in China
Top 8 beautiful coasts in China
Top 10 beautiful forests in China
—Chinese National Geography

With a coastline 1,944 km long and 68 bays of varying sizes



photo by Liang minbo

Golden latitude

Located at the golden latitude on the 18th northern line, Hainan is a unique tropical island province in China, with abundant sunshine and a long summer without winter
The annual sunshine hours is 1780-2600
Average annual temperature of 22.5-25.6°C



photo by Xu kaidi

LUCID WATERS AND LUSH MOUNTAINS

Tropical rainforest national park

The most concentrated, well-preserved, and largest contiguous tropical rainforest in China, with a forest coverage rate of 62.1%



photo by Song zhengqin & Yun anjie



Natural oxygen bar

Ranking top in China in terms of air quality and the density of hot springs
The premium air quality rate is 97.5%



photo by Wang quanwen



Clean energy island

The island will basically complete clean energy utilization by 2030
Achieve peak carbon dioxide emissions by 2025 and carbon neutrality by 2050

2021 NEW OPPORTUNITIES



CONSTRUCTING MODERN INDUSTRIAL SYSTEM

Hainan will develop tourism, modern service and high-tech industries; develop a strong and excellent tropical-style high-efficiency featured agriculture; create globally competitive modern industrial clusters and platforms; move faster to build an open, ecological, and service-oriented modern industrial system; write a new chapter for stellar industry development in the Hainan Free Trade Port

Tourism

International travel
Duty-free shopping



Modern service industry

Convention and exhibition economy
Boutique trade
Medical and health
International finance
Professional services
International education
Transport service



High-tech industry

- **New in three respects:** digital economy, new petrochemical materials, modern biomedicine
- **Future in three respects:** Nanfan Industry, deep-sea industry, aerospace industry
- **Excellent in three respects:** clean energy, energy saving and environmental protection, high-end food processing



High-efficiency agriculture with tropical characteristics

Food crops
Tropical cash crop
Perennial / winter fruits and vegetables
Featured livestock and poultry
Tropical fruit
Marine fisheries



INTERNATIONAL TOURISM

—International Tourism Consumption Center

This is an immensely wonderful island with the best sunshine and beaches, and diverse and unique culture, golf courses and duty-free shops! Hainan is expected to become a world-class tourist destination!

—David Scowsill, President of the World Travel and Tourism Council (WTTC)

Development basis

As the pillar and ace industry of Hainan, the tourism sector brought in a total revenue of 87.286 billion yuan in 2020. Hainan received a total of 64.5509 million tourist visits, one of the best performers in terms of tourism in the face of the epidemic



Sound hotel facilities:

There are 279 brand hotels in Hainan province, including 82 luxury hotels and 74 high-end hotels. There are 123 star-rated restaurants in the province, including 25 five-star and 38 four-star. Top hotels under the world's top hotel management groups have settled on the island



Sound layout of quality scenic spots:

There are 6 AAAAA-level tourist attractions in the province, in addition to well-known entertainment parks such as Atlantis and Sanya Haichang Fantasy Town. The construction of large theme park projects is in full swing



Complete cruise and yacht facilities:

Sanya Phoenix International Cruise Port had operated a total of 1027 domestic and foreign cruise voyages since 2016, with 1.31 million tourists. It now has 15 yacht wharves with 2,436 berths. In 2020, Hainan operated over 100,000 yacht voyages for over 750,000 tourists



Cultural, sports and tourism brands:

Hold 17 international brand events such as the Round Hainan Regatta, International Tourism Island Windsurfing Grand Prix, and Hainan Open, as well as a wealth of international cultural events such as the Hainan International Film Festival

Favorable policies

Operate a more open visa-free entry policy

On the basis of the current Chinese visa-free policy for foreigners, Hainan Free Trade Port further extends the length of stay, expands the scope of reasons for visa-free entry, and relaxes entry channels. In 2019, Hainan Province received over 2.84 million people for exit and entry

| Number of countries for visa-free service | Extended length of stay | Expand visa-free entry channels | Expand scope of reasons for visa-free entry |
|---|-------------------------|---|--|
| 59 | 30days | Independent declaration, invited by organizations | Business, visits, family visits, medical treatment, convention and exhibitions, sports competitions, etc |

The most open access policy for culture

Hainan will explore building an international tourism consumption center. Many policies have been issued to allow foreign investors to participate in cultural tourism undertakings in the form of wholly-owned, Chinese-foreign joint ventures or Chinese-foreign cooperation. The policy allows easier foreign investment access in the cultural field.

| Favorable policies | Non-free trade zone in the Mainland | Hainan Free Trade Port |
|--|--|--|
| Relax restrictions on artistic performances | Foreign-invested cultural and artistic performance troupes are not allowed | Foreign-invested cultural and artistic performance troupes in which Chinese parties have a controlling shareholding are allowed. Merely submit the application materials to the local provincial-level cultural and tourism administration authorities |
| Open overseas film and television broadcasting | Restricted broadcasting of overseas TV programs | Allow tourist hotels to receive overseas TV channels approved by the state with permission allowed. Merely submit the application materials to the local provincial-level cultural and tourism administration authorities |

China's first province to operate "zero tariffs" for importing tourism transportation vehicles

Enterprises which are registered in Hainan free trade port and have independent legal identification and engaged in transportation and tourism (the aviation enterprises must take Hainan free trade port as the main operation base) business could import the ships, aircraft's, vehicles & yachts for business operation and enjoy exemption of import tariff, import value-added tax and consumption tax

| Favorable policies | Non-free trade zone in the Mainland | Hainan Free Trade Port |
|---|--|---|
| Exemption of import taxes and fees broadcasting | The tariffs are mostly 10%-30%, and the value-added tax is up to 13% | Zero import tariffs, import VAT and consumption tax |

Key areas

Holiday and leisure: theme parks, island-loop travel road stations, international resort hotels, etc

Medial tourism: TCM healthcare, rehabilitation technology, forest healthcare, etc

Cruise and yachts: cruise tourism, yacht tourism, etc

Cultural and sports tourism: TV and film, cultural performances, e-sports, sports events, etc

Link to supporting policy



Policy text

Visa-free entry policy
Measures for Service and Management
of Visa-free Foreign Tourists to Hainan



Policy text

Policy on offshore duty-free policy for Hainan Island
Announcement on the Policy on Offshore Duty-Free
Shopping for Tourists on Hainan Island

DUTY FREE SHOPPING

——World-class shopping paradise

Development basis

Booming offshore duty-free shopping:

Hainan has become a new shopping paradise since the new offshore duty-free policy took effective from July 2020. In 2020, the total sales revenue of offshore duty-free shops in Hainan Province amounted to 32.7 billion yuan



Operators involved in the offshore duty-free shopping: Hainan Province has issued many offshore duty-free operating licenses. The license holders include China Duty Free Group, Hainan Tourism Investment holding Group, Hainan Development Holdings, CNSC, TimesDF, etc



The world's largest standalone duty-free shop: Sanya Haitang Bay International Shopping Center is the world's largest standalone duty-free shop, with a total building area of some 120,000 square meters and an area of 72,000 square meters for commercial purposes. Over 300 world-renowned brands operate in the Center

Policy advantage

China's only offshore duty-free policy

Hainan is the fourth offshore duty-free zone in the world. You can make duty-free shopping without going abroad. It has an absolute advantage in product prices and categories in the national retail sector, and is an important global market for duty-free purchase

| Favorable policies | Hainan's offshore duty-free policy | Policy advantages |
|--|---|---|
| The policy benefits a large population | Applicable to domestic and foreign tourists leaving Hainan or Hainan residents leaving the island at 16 years old and above | Compared to other forms of tax exemption, such as tax exemption for outbound personnel in the city and tax exemption for returnees, Hainan duty-free service applies to domestic and foreign tourists leaving Hainan and Hainan residents leaving the island, without the criterion for leaving the country |
| Increase duty-free shopping quota | 100,000 yuan per person per year, unlimited times | The duty-free shopping quota in Hainan is 20 times the duty-free shopping quota for outbound personnel, unlimited times |
| Cover high Average Transaction Value (ATV) | 45 categories (including electronic products, alcohol, etc.) | Compared to other forms of tax exemption, such as tax exemption for outbound personnel in the city and tax exemption for returnees, which have restrictions over some categories, Hainan duty-free shopping covers alcohol, electronic products, etc |

Key areas

Duty-free Shops /high-end department stores/brand flagship stores/experience stores

Areas where brands operate

Haikou Mission Hills Centreville Duty-Free City / Haikou Mova Plaza Duty Free Shop
Haitang Bay Duty Free Shopping Complex / Sanya Hainan Duty-Free / Boao Duty Free Shop
Haikou Meilan Airport Duty Free Shop/Sanya International Duty Free Plaza/Sanya Phoenix Airport Duty Free Shop

CONFERENCE AND EXHIBITION

——Regional International Convention and Exhibition Center

Development basis

The effects of convention and exhibition economy are steadily improving:

During the first four year of "13th Five-Year Plan" period, the convention and exhibition sector in Hainan Province saw an annual growth rate of 11.6% in the added value. The convention and exhibition industry has an increasing effect in driving the development of other sectors



Boao Forum For Asia

The Boao Forum For Asia (BFA) is an unofficial, non-profit international organization headquartered in China that is held regularly at a fixed venue. It was jointly initiated by 29 member states. Boao Town, Qionghai City, Hainan Province is the permanent location for the headquarters of the forum

The Boao Forum for Asia Annual Conference 2021 – "A World in Change: Join Hands to Strengthen Global Governance and Advance Belt and Road Cooperation"

The Boao Forum for Asia Annual Conference 2021 is slated to be held in Boao, Hainan from April 18 to 21. The Annual Conference covers six topics, including "Interpreting China", "Insight into World Changes", "Belt and Road Cooperation", "Embrace Industrial Transformation", "Deployment New Technology" and "Shared Development"



China International Consumer Products Expo

The Overall Plan states that China International Consumer Products Expo will be held. The expo is hosted by the Ministry of Commerce and Hainan Provincial Government and organized by the Foreign Trade Development Bureau of the Ministry of Commerce and Hainan Provincial Bureau of International Economic Development (Hainan IEDB). It is the first national-level exhibition with the theme of Premium consumer products

The 1st China International Consumer Products Expo

The first China International Consumer Products Expo will be held at Hainan International Convention and Exhibition Center (Haikou) from May 7 to 10, 2021. Centering on the construction of Hainan International Tourism and Consumption Center, the event gathers resources in the global consumer sector, and creates a high-end trading platform featuring multiple business types and categories

Policy advantage

National exhibition enjoys "three types of taxes" exemption

To promote the Hainan Free Trade Port to develop the convention and exhibition economy and conduct international exchanges, the state operates a policy of tax exemption for the import and sales of foreign exhibits at the national exhibition during the exhibition period, and exempts tariffs for import exhibits, import value-added taxes, and consumption taxes for imported exhibits

| Favorable policies | Non-free trade zone in the Mainland | Hainan Free Trade Port |
|-------------------------------------|---|--|
| Tax exemption policy for exhibition | Only the 3rd China International Import Expo and China International Fair for Trade in Services enjoy the exemption policy for three types of taxes | Foreign exhibits at the national exhibition enjoy the exemption policy for "three types of taxes" during the exhibition period |

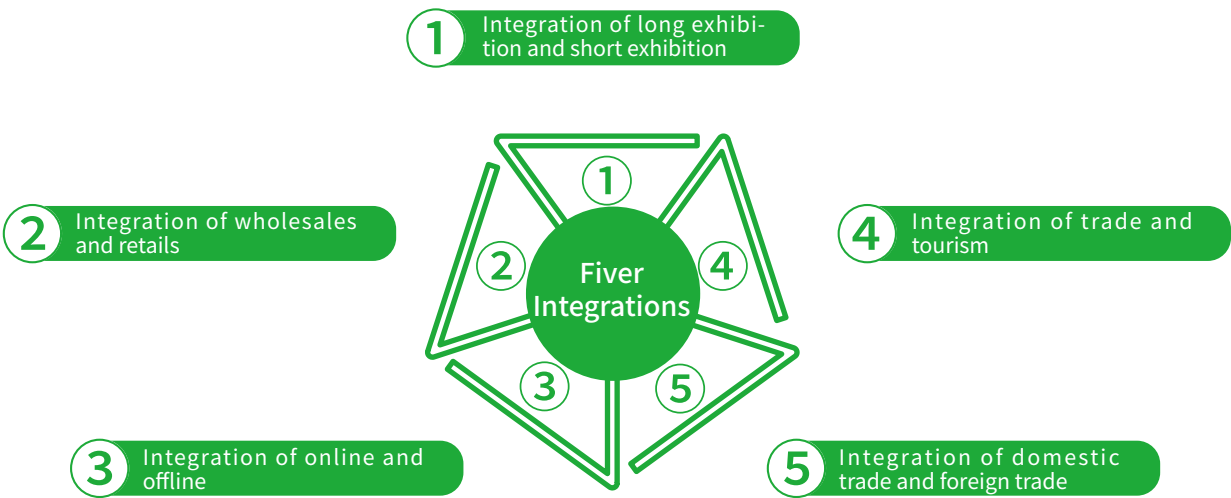
Key area

Exhibition and trading/summit and forum

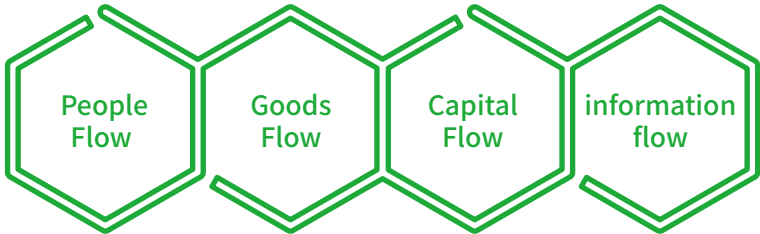
BOUTIQUE
TRADE

—Global Consumer Boutique Center

As the flagship project tailed for the International Tourist & Consumption Center, Global Consumer Boutique Center will operate under the principle of "Government-supported and Market-oriented" to realize the combination with four flows: people, goods, capital and information and feature mufti-function platform for bonded goods exhibition, wholesale trading and duty free retailing



Four-flow Gathering



Project Planning:

Located in Aerial Industrial Park, taking up to 2,000,000 m2 in Jiangdong New District. The phase I project plans to build the area of 1,200,000 m2 to be the center of Belt & Road Boutique, global consumer boutique port, global imported goods agglomeration area, national exhibition and conference center



Project Functions :

This project provides a world-class exhibition and trading platform with the feature of optimal policies, the most complete functions, high efficiency and low costs for the high-quality consumer products in the world, meets the demands of the global consumer goods enterprises and brand exhibition and trading, and creates a perennial exhibition and ordering window and fashion publicity platform for the consumer goods in the world to achieve the upgrading purpose of "purchasing from the world and selling to the world"

Meet with the World, Look into the Future



MEDICAL
HEALTH

—A world-class health island

Policy advantage

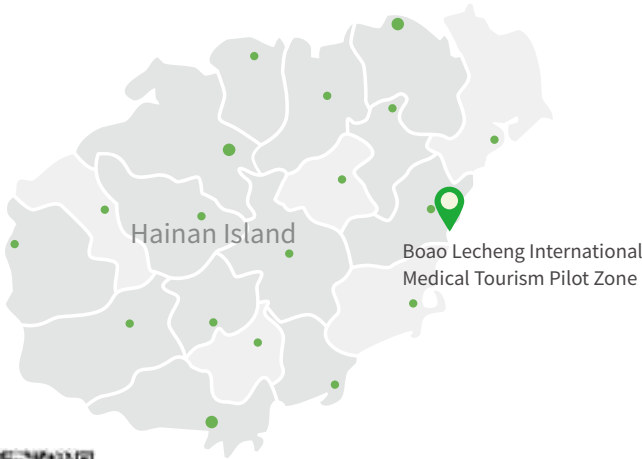
The State Council and Hainan Free Trade Port issued the Overall Plan for the Construction of Hainan Free Trade Port, Nine-point Favorable Measures Granted by the State to the Pilot Zone, Implementation Plan for Supporting the Construction of Hainan Boao Lecheng International Medical Tourism Pilot Zone, and other policies for pilot program in the health sector. As of March 2021, there were over 130 cases of the first import of licensed drugs and equipment in Hainan, creating the most open-up development climate for medical and health companies in China

| Policy category | Favorable policy | Non-free trade zone in the Mainland | Hainan Free Trade Port |
|----------------------------------|--|---|--|
| Licensed medicine | Relax import restrictions on medicines and equipment | Subject to supervision by the National Medical Products Administration; clinical trials carried out in China, which takes 2-3 years | Drugs and medical devices that are on the overseas markets but are not available on the domestic market are used in medical institutions in the park |
| | Relax quarantine requirements | Quarantine is required before the use | “Warehousing before quarantine” for low-risk special items |
| Licensed research | Open up cutting-edge technology research | Stem cell clinical trials are hampered | China’s first Measures for Administration of Access and Clinical Research and Stem Cell Medical Technology as well as Commercialization and Application were released, stating that stem cells’ clinical research are the pilot area |
| Franchise | Open up medical insurance business | Foreign shareholding shall not exceed 51% in health insurance joint-venture insurance companies established | Support insurance financial institutions to cooperate with overseas institutions to develop cross-border medical insurance products, and remove restrictions on proportion of foreign shareholding in health insurance companies |
| | Establish foreign-funded medical institutions | A limit of 70% for foreign shareholding | Gradually remove the restrictions on the proportion of foreign capital equity in joint venture or cooperative medical institutions, and gradually allow foreign capital to establish wholly-owned medical institutions in the pilot zone |
| Licensed international exchanges | Introduce foreign-funded medical schools | Restrictions on foreign-funded medical schools regarding running schools and establishing medical research institutions | Promote the pilot zone to cooperate with world-renowned medical schools to build medical schools |

Key areas

- Clinical treatment
- Healthcare
- Medical research
- Clinical trials

Recommended areas for investment



Link to supporting policy



Nine preferential policies granted by the state to the pilot zone



Implementation plan for supporting the construction of international medical tourism pioneer zone of Boao Lecheng

MODERN
FINANCE

—The new frontier for opening-up wider to the world in the financial industry

Development basis

Since the release of the Overall Plan for the Construction of Hainan Free Trade Port, Hainan has made breakthroughs in the development of a new type of international offshore trade, the cultivation of financial lease industry, the construction of financial factor markets, and so on, and has increasing capacity to open wider to the world in the financial sector

Launch Hainan Free Trade Account (FT Account)

Launch Yangpu “Global Trader Programme”

Hainan’s “first order” for aircraft and ship financial leasing completed

Hainan Free Trade Port’s “first order” for post-audit offshore trading business completed

Hainan International Clearing House completed the first group of capital increase and share expansion

Hainan’s “first order” for a new type of offshore switch business completed

Hainan International Energy Exchange approved to open

Policy advantage

Hainan Free Trade Port moves faster to opening-up wider to the world in the financial sector. The People’s Bank of China, the State Administration of Foreign Exchange, etc. unveiled many supporting policies especially for Hainan Free trade port in the financial sector

| Policy category | Favorable policy for Hainan Free Trade Port (incomplete) |
|-------------------------|---|
| Cross-border investment | Remove restrictions on the scope of use of corporate capital: remove restrictions on non-investment foreign-invested enterprises using capital for domestic equity investment |
| | The first in China to offer a pilot program in which registration for overseas listing of domestic companies can be processed at banks: companies in the Free Trade Port can go through registration procedures for overseas listing, change and cancellation directly at the banks |
| | The entry threshold for Qualified Foreign Limited Partner (QFLP) is the lowest in China: no minimum capital required for business registration, and non-discriminatory treatment of domestic and foreign investment |
| Cross-border financing | Pilot program for Qualified Domestic Limited Partner (QDLP): The Interim Measures for Hainan Province to carry out the pilot work of overseas investment by qualified domestic limited partners (QFLP) has been officially released |
| | Allow the external transfer of domestic credit assets: allow institutions in the province to carry out the external transfer business of domestic credit assets including bank non-performing loans and bank trade finance assets |
| Cross-border trade | Abolish the case-by-case registration of foreign debts for non-financial enterprises: eligible non-financial enterprises in the province can apply to the foreign exchange bureau for the one-time registration of foreign debts according to the convenient registration procedures, and can independently borrow foreign debt funds within the registered amount. The quota can be used on a circular basis |
| | Pilot program for facilitation of receipts and payments of foreign currencies earned through trade: provide facilitation measures such as optimizing document review, exempt of pre-registration for special re-exchange business, and exemption of import declaration verification procedures for foreign currency payments for trade in goods |

Key areas

- Cross-border finance
- Offshore finance
- Financial leasing
- Professional insurance services
- Factor trading market
- Asset management
- Financial intermediary service
- Fintech

Recommended areas for investment



PROFESSIONAL SERVICES

—Preferred area for opening-up wider to the world in professional service industry

Policy advantage

In conjunction with many institutional documents such as the Regulations on Certified Public Accountants in the Hainan Special Economic Zone, the Regulations on Lawyers in the Hainan Special Economic Zone, and the Regulations on Diversified Dispute Resolution in Hainan Province, Hainan Free Trade Port is at an advantage in opening wider to the world in terms of establishment of professional service enterprises, business operations, personnel practice, etc

Establishment of companies and business operation

| Type of enterprise | Requirements | Non-free trade zone in the Mainland | Hainan Free Trade Port |
|--|---|-------------------------------------|---|
| Special partnership accounting firm | A minimum number of partners | 15 | 10 |
| | A minimum number of certified public accountants | 60 | 40 |
| | Upper age limit for partners | Under 65 years old | Under 70 years old |
| | Establishment of personal accounting firm | Not allowed | Allowed |
| Law firms | Establishment of corporate law firm | Not allowed | Allowed |
| | A minimum number of partners in a Special general partnership law firm | 20 | 10 |
| | Minimum capital of special general partnership law firm | 10 million RMB | 1million RMB |
| | Certified Public Accountants and other professionals become partners of special general law firms | Not allowed | Allowed |
| | Cooperation with overseas law firms | Not allowed | mutually send lawyers and joint operation |
| Market research companies | Establishment of foreign market research companies in China | Limited to joint ventures | Wholly-owned allowed |
| International arbitration institutions | Establishment of foreign arbitration institutions in China | Generally not allowed | Supported |

Practice of professional service personnel

Vocational qualification examinations for overseas personnel: Management Measures for Overseas Personnel Sitting Vocational Qualification Examinations in Hainan Free Trade Port (Trial) allow overseas personnel to sit nearly 40 occupational examinations

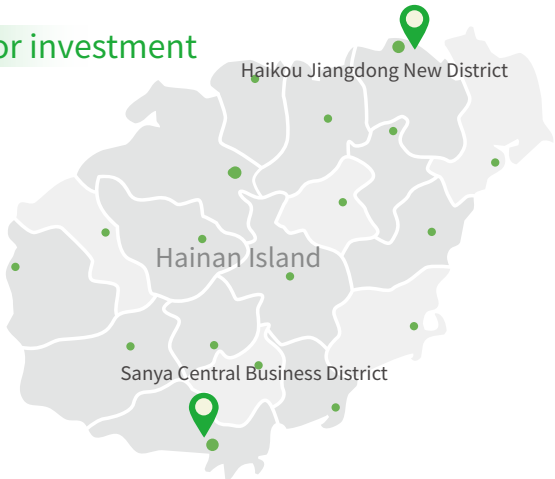
One-way recognition of overseas professional qualifications: The vocational qualifications recognized under the Management Measures for the Practice of Overseas Personnel in Hainan Free Trade Port (Trial) involve over 200 types of vocational qualifications in more than 20 countries as well as Hong Kong, Macao and Taiwan regions



Key areas

- Accounting firms
- Law firms
- International arbitration institution
- Market research company
- Intellectual property service agency

Recommended areas for investment



INTERNATIONAL EDUCATION

—International Education Innovation Island

Development basis

Hainan steps up efforts to build an international education innovation island. Since April 13, 2018, Hainan has cooperated with 36 well-known domestic and foreign universities and 51 well-known domestic and foreign schools, which relying on Lingshui Li'an International Education Innovation Pilot Zone, Sanya Yazhou bay science and Education City, Jiangdong International Education New District and other key education parks



Gathering of well-known universities at home and abroad

Bielefeld University of Applied Sciences of Germany independently runs a school in Hainan, China's first independent education project by an overseas university
Nankai University, Communication University of China, Central University for nationalities, Beijing Sport University and Southern University of science and technology have carried out Sino foreign cooperation in running schools with well-known foreign universities. Shanghai Jiaotong University, Zhejiang University, Ocean University of China, Agricultural University of China and other well-known domestic universities have set up branches in Hainan to carry out graduate student training



Global high-quality basic education institutions

Harrow School in Haikou has started enrollment, and international school projects such as Dulwich College and Wycombe Abbey school are steadily advancing

Policy advantage



Foreign universities are allowed to independently run schools:

Hainan is currently the only region in China that allows foreign high-level science, engineering, agriculture and medicine universities and vocational colleges to independently run schools



The first & most simplified examination & approval process for running a school in China:

The Ministry of Education and Hainan Province carry out joint examination and approval of Sino-foreign cooperative education at the undergraduate level or above



Key areas

Domestic well-known universities set up branches in Hainan / overseas high-level universities of science, engineering, agriculture and medicine and vocational colleges run independently / domestic and foreign well-known universities carry out Sino foreign cooperation in running schools / world-famous international schools

Link to supporting policy



Policy text



Policy text



TRANSPORTATION SERVICES

—International shipping and aviation hub



Policy advantage

—Air Transportation

China’s most open “Sky Special Zone”

Hainan Free Trade Port pilots the opening of the Seventh Freedom for passenger and cargo transportation, and the stopover right for passenger transportation. It is the first time for China’s civil aviation to pilot the opening of the Seventh Freedom for both passenger and cargo transportation at the same time. Hainan has the most open “sky special zone” in China



Example: After Hainan opens the Seventh Freedom right, an airline from country A can operate the flight route between Hainan and country B with the seventh freedom

Inbound and outbound flights can enjoy the lowest-priced bonded aviation oil in China

Hainan expands the scope of bonded aviation oil refueling, allowing all passenger and cargo flights entering and leaving the island to be refueled with bonded aviation oil, which has the lowest price in China

Example 1: In the case of an airline company that operates a domestic flight route with Hainan as take-off or landing area, a plane can be refueled with bonded aviation oil under the policy of allowing all inbound and outbound passenger and cargo flights to be refueled with bonded aviation oil, saving the fuel cost by about 13%

Example 2: In the case of an airline company with annual injection of 400,000 tons of bonded aviation oil in Hainan – The current purchase and sale price differential for domestic trade aviation oil in Hainan decrease by 50 yuan per ton; the comprehensive service fee for bonded aviation oil is cut by US\$100 per ton, with an annual saving of some 280 million yuan

“Zero-tariff” imports of aircraft and aviation materials

Import tariffs, import value-added tax and consumption tax are exempt for aircraft included in the List of “Zero Tariff” Means of Transportation and Yachts in Hainan Free Trade Port, and consumables such as materials required for aviation maintenance included in the List of “Zero Tariff” Raw and Auxiliary Materials in Hainan Free Trade Port

Example: Take, for example, the purchase of a Gulfstream G280 business jet by an airline company. The market price is about 160 million yuan, and the empty weight is about 13 tons

| Unit: RMB | Other regions in mainland China | Hainan Free Trade Port |
|------------------------|--|------------------------|
| Tariff | 160 million yuan*4%=6.4 million yuan | 0 yuan |
| Import value-added tax | 166.4 million yuan*13%=21.632 million yuan | |

—Ship transportation

Port of Yangpu (China) as the port of registry facilitates international shipping business

Build the Port of Yangpu (China) as the port of registry, remove the restriction on the proportion of foreign shareholding in ship registration entities, allow domestically built ships to register at the Port of Yangpu (China) and engage in international transportation and transportation services in Hong Kong, Macao and Taiwan; operate favorable policies such as tax refund

| Favorable policies | Non-free trade zone in the Mainland | Hainan Free Trade Port |
|-------------------------------------|---|--|
| Restrictions on applicants | The Chinese capital contribution amount of the company shall not be less than 50% | No restriction |
| Tax refund for domestic ship | - | Domestically built ships can enjoy tax refund if registered at Yangpu Port |
| Port of departure tax refund policy | 30 days for export tax refund | The port of departure tax refund policy will shorten the processing time to about 3-5 days |

Shipping companies have a great cost advantage in fuel oil refueling

Domestic ships that engage in the same ship transport for domestic and foreign trade with Yangpu Port as an entreport are allowed to be refueled with bonded oil required for the current voyage.The export tax refund policy shall be implemented for the locally produced fuel oil required for this voyage refilling at Yangpu Port

Example: for a domestic ship carrying goods for both domestic and foreign trade that uses Yangpu as an entrepôt, a single refueling of 300 tons of bonded oil saves an average of 1,691 yuan per ton. A single refueling can save some 507,000 yuan per ton

“Zero tariff” import of ships, yachts, and maintenance materials

Import tariffs, import value-added tax and consumption tax are exempt for vessels and yachts included in the List of “Zero Tariff” Means of Transportation and Yachts in Hainan Free Trade Port, and consumables included in the List of “Zero Tariff” Raw and Auxiliary Materials in Hainan Free Trade Port

Example: Take, for example, the yacht with the customs HS code of 89039100; assuming that its price is roughly 10 million yuan

| Unit: RMB | Other regions in Mainland China | Hainan Free Trade Port |
|------------------------|---|------------------------|
| Tariff | 10 million yuan * 8% = 800,000 yuan | 0 yuan |
| Import consumption tax | 10.8 million yuan *10%/90%=1.2 million yuan | |
| Import value-added tax | 12 million yuan * 13% = 1.56 million yuan | |

Save 3.56 million yuan in the import part alone, saving costs by 35.6%

Recommended areas for investment



Important areas

- Air transportation
- Ship transportation
- Aviation maintenance
- Warehouse and logistics
- Business jets and yachts

SEED TECHNOLOGY

—Nanfan Silicon Valley serving the country with a global perspective

Hainan has made remarkable achievements in Nanfan breeding. Of the 28,500 cultivated crop varieties nationwide, more than 70% have been cultivated in the southern breeding base. Take rice as an example. The southern hybrid rice takes up more than 60 percent of the country's rice planting area, with a cumulative increase of 500 million tons

Development basis



Advantages of excellent natural conditions for seed breeding and scientific research
Hainan has outstanding advantages in “sunshine, temperature and water” resources. Thanks to its advantageous warm climate in winter and spring, the breeding cycle of new crop varieties is shortened by 30% to 50%. Hainan Nanfan Scientific Research and Breeding Reserve covers an area of about 268,000 mu (one equal equivalent to 666 square meters), and has become a well-known “incubator” and “accelerator” for breeding new varieties in the Chinese seed industry



Introduction and transfer base for global animal and plant germplasm resources
Hainan will operate a safe, efficient and convenient service system for global animal and plant germplasm resources, facilitate the efficient introduction of global germplasms, establish a channel for safe introduction of germplasms, and build a central service platform for germplasm resources. At the same time, Hainan is also a natural treasure trove and resource base with the richest biodiversity in China, and offers a full array of germplasm resources and breeding materials



The world-leading scientific research resources in the field of seed technology
Hainan has now brought together over 7,000 scientific researchers from over 700 institutions in 29 provinces nationwide, and attracted academicians and scientists including Yuan Longping and Wu Mingzhu. World’s leading seed industry giants now have presence in Hainan. The basic research on crop seeds, variety breeding, seed identification, production and promotion, etc. are carried out in Hainan, providing the ideal scientific research foundation for the seed industry

Policy advantage

Favored place for seed-related intellectual property rights
Hainan increases efforts for the certification of new varieties, establishes an intellectual property court, sets up a special zone for intellectual property rights in the seed industry, and provides a sound scientific and technological innovation climate for the seed sector

Open wider to the world in the seed industry and decentralize the authority to review and approve germplasm imports
Upon the examination and approval of the Standing Committee of the National People's Congress (NPC), the authority to issue the seed production and operation license for those engaged in the seed import and export business at the Hainan Free Trade Port shall be issued by the agricultural and rural administrative departments of Hainan Province



List of qualifications

Important areas

- Nanfan scientific research and service
- Technological innovation of the seed industry
- Germplasm resource certification and storage
- Seed trade and transactions
- Intellectual property trading

Recommended areas for investment



DEEP SEA INDUSTRY

—Favored place for deep-sea technology innovation

Development basis

The best natural place for deep-sea R&D and testing
Sanya Deep-sea Science and Technology City is only 200 kilometers away from the deep-sea waters, where one can reach and get back within 2 days. It is a suitable place for deep-sea scientific research on South China Sea oil and gas resources, combustible ice, biological resources, and so on. It has unique favorable resources for the development of deep-sea technology sector

Gathering of many scientific research institutions
Top national-level marine scientific research institutions such as the Institute of Deep-sea Science and Engineering of the Chinese Academy of Sciences, and South China Sea Institute of Oceanology of the Chinese Academy of Sciences, as well as leading enterprises such as China Merchants Group and China State Shipbuilding Corporation have settled in Hainan

Undertook many important deep-sea scientific research tasks
The “Explore-1” scientific research ship obtained over 100 liters of water samples at the 10,000-meter seabed in August 2016 during its first voyage. This is the first time that a Chinese deep-sea equipment obtained water sample at the 10,000-meter seabed. It is also unprecedented for international equipment of an equivalent or similar nature
In October 2018, Explore-1 conducted deep-sea scientific research at Mariana Trench on deep-sea equipment and technology, geophysics, and so on. It completed research at a total of 87 stations and 504 kilometers of sounding, setting records in many respects, proving China’s prowess to lead the world in deep-sea technological development and scientific research
In October 2020, China's deep-sea manned submersible Fendouzhe conducted a 10,000-meter sea trial at the Mariana Trench, setting a record of 10,909 meters for China’s deepest manned dive, marking that China is at the forefront of the world in the field of manned diving at great depth

Core advantages

Manned Submersible “Fendouzhe”

The home port is located in Sanya. It touched the bottom of the Mariana Trench at a depth of 10,909 meters, setting a record for manned deep dive in China

“Deep Sea Warrior” manned submersible

The home port is located in Sanya. It is China’s second deep-sea manned submersible, marking another milestone for China’s deep-sea equipment after “Jiaolong” submersible

South China Sea Deep-sea Scientific Research Experiment and Comprehensive Support Base

Build a deep-sea scientific research and test as well as comprehensive service support base for the defense industry, and create a high-end marine equipment industry cluster oriented to the South China Sea
Two bases: comprehensive test base for marine equipment systems and vessel maintenance support base
Two platforms: demonstration platform marine equipment military-civilian integration industry, and platform for technological innovation and international cooperation

Important areas

- Deep-sea scientific research service
- Deep and far-away sea exploration
- Marine engineering equipment
- Marine remote sensing
- Exploration, development and utilization of marine resources
- Marine ecology protection and utilization
- Marine bioactive substances

Recommended areas for investment



AEROSPACE INDUSTRY

—An important platform for China’s international cooperation in aerospace

Development basis

The only satellite launch site near the equator and the sea in China

As the southernmost province in China, Hainan Free Trade Port boasts the unique advantages in low latitude and coastal location, offering many benefits such as fewer fuel consumption for space launches, better safety against falling debris, and more convenient transportation

Gathering of many professional aerospace organizations

China Aerospace Science and technology corporation, China Aerospace Science and industry corporation limited, Hainan branch of China academy of launch vehicle research institute and many other professional institutions of China’s aerospace industry have been located in Wenchang


Undertake major national satellite launch missions

On April 20, 2017, China’s first independently developed cargo-carrying spacecraft “Tianzhou-1” was launched by Long March 7 Yao-2 launch vehicle
On July 23, 2020, the “Tianwen 1” spacecraft for the first independent Mars exploration mission by China was launched by the Long March 5 Yao-4 carrier rocket
On November 24, 2020, Chang’e-5 probe, China’s first lunar probe for unmanned lunar surface sampling, was launched by the Long March 5 Yao-5 Rocket

Core advantages


Wenchang Satellite Launch Center

Wenchang Satellite Launch Center is known as “China’s newest satellite launch center”, and also the only coastal low-latitude launch site among the five launch centers




Aerospace supercomputing center

The Wenchang aerospace supercomputing center is China’s first aerospace supercomputing project. A performance computing service platform featuring aerospace will be built



Sanya Station of China Remote Sensing Satellite Ground Station

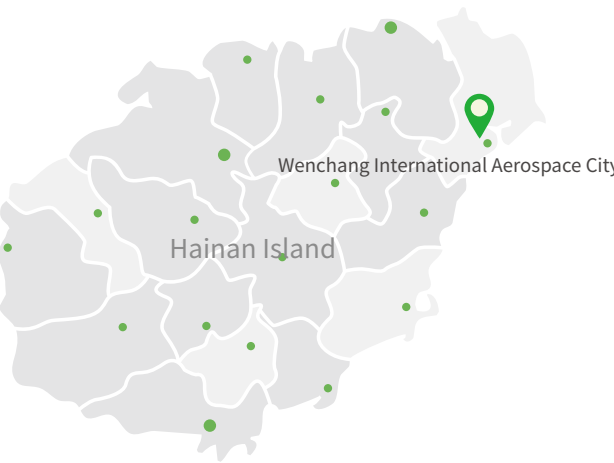
It receives data from 30 domestic and foreign satellites, enabling China’s direct acquisition capabilities of earth observation satellite data to cover the southern coastal regions and surrounding areas for the first time



Important areas

- Aerospace high-end equipment manufacturing
- Satellite development and application
- Aerospace big data
- Commercial space launch

Recommended area for investment



DIGITAL ECONOMY

—Smart benchmark for global free trade port

Development basis



International Submarine Optical Cable and International Communication Gateway Bureau

The Hainan-Hong Kong international submarine cable extends to Wenchang, becoming the first international submarine cable in the province. The Wenchang landing point, landing station, and Haikou International Communication Gateway have been completed



Open up value-added telecommunications services and gradually remove restrictions such as the proportion of foreign shareholding


Hainan will open wider in terms of communication resources and business, open up value-added telecommunications services, gradually remove restrictions such as proportion of foreign shareholding, allow the businesses such as online data processing and transaction processing, open up basic telecommunications services, etc. providing broad investment space for domestic and foreign companies



Build Hainan National Blockchain Technology and Industrial Innovation Development Base


Hainan will build a Hainan National Blockchain Technology and Industrial Innovation Development Base to promote the pioneering trials in the field of blockchain technology application, and explore the development path of the blockchain sector

Development opportunities



Build an open experimental zone for international information and communications


Further improve Hainan’s all-optical network service capabilities, install international communication service facilities, build forward-looking new infrastructure as appropriate, build cloud-edge computing integrated computing facilities, and improve Hainan’s “land, sea, air, and sky” integrated service level



Build a favored place for innovation in open digital economy


Focus on promoting the digital and intelligent upgrading of competitive industries, develop export-oriented high-end service sectors, optimize and grow new digital industries, promote offshore entrepreneurship & innovation and cross-border services in data, and create a law-based, international, and business-friendly environment

Be the First “Digital Twin” Province by the end of 2025



Build an intelligent experience island for international tourism consumption

Tighten the supervision of the big data-based integrated tourism service market, expand new scenarios and experiences of service consumption featuring smart tourism, and explore high-end service sectors such as international telemedicine, distance education, and smart healthcare



Create a model zone for targeted and intelligent social governance

Build a ‘digital twin’ governance system to realize the digitization and virtualization of all factors such as the flow of people, logistics and capital on the island, efficiently coordinate “planning, construction, and management”, and improve social governance and ecological governance comprehensively

Important areas

- Internet
- Big data
- Blockchain
- Artificial intelligence
- information security
- E-sports

Recommended areas for investment



NEW PETROCHEMICAL MATERIALS

—100-billion-yuan petrochemical industry cluster

Development basis



Hainan boasts one third of China’s total reserves of oil and gas resources:
Have abundant natural gas and petroleum resources, accounting for over 1/3 of China’s total reserves of oil and gas resources, with 3 natural gas-rich areas, and natural gas resources of 12 trillion m³



Yangpu Economic Development Zone is the second largest commercial oil reserve base in China:
Yangpu Economic Development Zone is China’s only national foreign trade transformation base for petrochemical products, and is the first industrial node for export of African and Middle Eastern oil and gas to China. Yangpu Port has projects such as 10-million-ton oil refining, 1.6-million-ton PX, 2.1-million-ton PTA and other projects, supported by 10 million ton-level commercial oil and gas storage capacity. It is China’s second largest commercial oil storage base

Policy advantage

“Zero-tariff” for raw and auxiliary materials of petroleum and natural gas
In Hainan, import duties, import value-added taxes and consumption taxes are exempt for raw and auxiliary materials consumed in the petrochemical sector for production for self-use, production and processing activities or trade in service under the model of “both ends of the production process on the world market”

| Favorable policies | Non-free trade zone in the Mainland | Hainan Free Trade Port |
|--|--|---|
| Imported petroleum and crude are exempt from taxes and fees | Import value-added tax rate is 13% | Import value-added tax rate is 0% |
| Imported petroleum as well as oils extracted from bituminous minerals are exempt from taxes and fees | MFN tariff for import is 6%, and import value-added tax is 13% Import consumption tax is 1.2 yuan per liter | Import tariff and import value-added tax are 0%, import consumption tax is 0 yuan per liter |

Facilitate foreign-funded oil storage
Hainan will further optimize the energy supply system, increase the support for oil and gas supply, facilitate investment in oil and gas storage & transportation facilities, encourage foreign-funded enterprises to build oil storage facilities in the form of sole proprietorship or joint venture, and encourage capital of all types to invest in the construction of LNG receiving stations and gas storage facilities

Link to supporting policy



“Zero Tariff” for raw and auxiliary materials of petroleum and natural gas:
The Ministry of Finance, the General Administration of Customs and the State Administration of Taxation issue the Circular on the “Zero Tariff” Policy for Raw and Auxiliary Materials in Hainan Free Trade Port



Promote foreign-funded construction of storage facilities:
The Office of the Leading Group on Deepening All-round Reform and Opening-up in Hainan issued the Hainan Plan for Comprehensive Reform of Energy

Important areas

- High-performance synthetic resin
- Special engineering plastics
- High-performance fiber
- Manufacturing of offshore oil and gas exploration and development equipment

Recommended areas for investment



ENERGY SAVING AND ENVIRONMENTAL PROTECTION

—Near-zero carbon emission demonstration zone

Development basis



A substantial increase in government procurement in energy saving and environmental protection areas in Hainan
Hainan Province deepens the reform of government procurement and expands the scope of government procurement of environmentally friendly products. The proportion of energy-saving and environmentally-friendly for “dual compulsory procurement” has soared from 6.5% before the implementation of the policy to the current 50%



Hainan will build a totally biodegradable plastics sector demonstration base with global influence
Hainan promulgated the Development Plan for Totally Biodegradable Plastics Industry in Hainan Province (2020-2025) to quickly increase production capacity of totally biodegradable plastic products, support the demand for plastic ban, and work to build a totally biodegradable plastics industry demonstration base with global influence

Important areas

- Green buildings
- Totally biodegradable plastic
- Energy-saving and environmental protection consulting services
- Energy-saving and environmental protection facilities and equipment construction and operation management
- Third-party treatment of environmental pollution and contract-based environmental services
- Trade and financial services in energy-saving and environmental protection

Recommended areas for investment



CLEAN ENERGY

—Demonstration Zone for Priority Clean Energy Development

Advantages



Hainan works to achieve carbon neutrality by 2050, with huge demand in the clean energy sector
Hainan Province strives to achieve peak carbon dioxide emissions by 2025 and carbon neutrality by 2050. It will move faster to build a clean energy industry system featuring clean power and natural gas, supported by renewable energy. There is huge demand in clean energy-related industries



Hainan will promote market-oriented operation for energy
Hainan will promote the determination of energy project investors in natural gas exploration and development, natural gas-fired power generation, renewable energy power generation, energy storage power stations, oil and gas pipeline networks, power grids, etc. in a market-oriented way

Key areas

- New energy vehicle manufacturing
- Smart car manufacturing
- Nuclear power industry
- New energy power generation
- Hydrogen energy industry

Recommended areas for investment



MODERN MEDICINE

—A national important new drug innovation and achievement commercialization base

Development basis



Hainan boasts unique and abundant medical resources
Hailed as “natural medicine storehouse” and “capital of southern medicine”, Hainan boasts up to 3,080 types of medicinal plants. As the base for introduction and entreport of global animal and plant germplasm resources, Hainan sees a significant increase in the categories of biomedical raw materials, with immense resources for the pharmaceutical sector



Hainan has a strong industrial basis for drug innovation, R&D, and production
Hainan’s local pharmaceutical companies constitute an important “Hainan pharmaceutical section” in the A-shares listing market. As the production basis for many domestic well-known pharmaceutical companies, it has great basis for drug R&D and production

Key areas

- New biopharmaceuticals
- Modernization of TCM
- High-end medical devices
- Chemical medicines

Recommended areas for investment



HIGH END FOOD PROCESSING

—New blue ocean in China’s high-end food processing sector

Development basis

Hainan has abundant raw materials for food
Hainan is rich in tropical fruits and vegetables resources such as pineapple and mango, providing a local resource base for the processing of agricultural and sideline products

“Zero-tariff” for raw materials of food and production equipment slashes production costs

Except the commodities prohibited for import, Hainan operates the “one negative and three positive” list management for “zero tariff”, and exempts import duties, import value-added tax and consumption tax for imported raw materials and auxiliary materials for food production and processing enterprises as well as production equipment for self-use. It will slash the production costs for food processing enterprises

“value-added processing” policy benefits enterprises

For encouraged industry such as high-end food production without imported materials or with imported materials after more than 30% (including) value-added processing, entering the mainland China shall be exempted from import duties, shall also be subject to the import value-added tax & consumption tax

This policy will be first implemented at Yangpu bonded zone

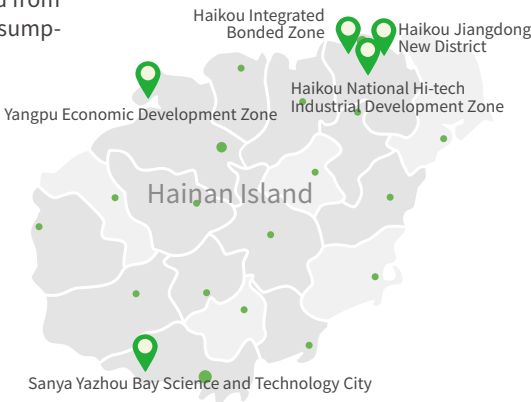
Key areas

- Deep processing of agricultural and sideline products
- Featured and snack food processing

Recommended areas for investment

—Example of policy anticipation—

| | MFN tariff | General tariff | Free Trade Port tariff |
|----------------------------|------------|----------------|------------------------|
| Fresh and cold beef | 20% | 70% | 0% |
| Natural honey | 15% | 80% | |
| Cave nest bird's nest soup | 25% | 80% | |
| Cocoa butter | 22% | 70% | |
| Sugar | 15% | 125% | |



HIGH EFFICIENCY AGRICULTURE WITH TROPICAL CHARACTERISTICS

—Star performer in tropical featured agriculture

Development basis



The most unique climatic advantage for developing tropical agriculture
Hainan boasts unique tropical agricultural resources. Its tropical land area accounts for 42.5% of China’s total tropical land area, with an average annual temperature of 22.5-25.6°C, annual sunshine hours of 1780 ~ 2600 hours, and average rainfall of 1,600 mm. It offers the most ideal growth environment for tropical agricultural crops



Blessed with abundant tropical agricultural resources
700 out of over 1,100 species of wild rice in the world are cultivated in Hainan. Tropical cash crops feature rubber, coconut, and areca-nut. Cultivated here also are tropic fruits such as pineapple, lychee, mango, watermelon, starfruit, jackfruit, rambutan, dragon-fruit and more than 120 kinds of vegetables. It is the “natural drug storehouse” of animal and plant medicinal materials and the ideal place for the development of tropical marine fisheries



A network for international cooperation in tropical agricultural science and technology has taken shape
Hainan will become the global tropical agricultural science center. Scientific research institutions such as the Chinese Academy of Tropical Agricultural Sciences have forged cooperative relationship with over 50 countries and regions and 16 international organizations in building 41 platforms for international cooperation such as international joint lab for tropical agricultural science and technology, and open cooperation experimental zone for tropical agriculture. A network for international cooperation in tropical agricultural science and technology has been put in place



Open global trade and transaction pattern for tropical agricultural products
Hainan sells nearly 10 million tons of fresh tropical agricultural products all over the world every year. It has an international tropical agricultural product trading center. It will explore trading business in tropical agricultural products such as rubber, areca-nut, coconut, coffee, tropical flowers, Wenchang chicken, and golden pomfret. At the same time, it is priced in foreign currency and settled in RMB

Policy advantage

Greatly slash processing cost of tropical agricultural products

“Zero-tariff” for processing and production equipment, and raw and auxiliary materials; The production equipment imported for production purposes on the island as well as raw and auxiliary materials consumed are exempted from import tariffs, import value-added tax and consumption tax. It will greatly cut processing costs of tropical agricultural products, aquatic products, aromatic products etc

—In the case of imported drying apparatus for agricultural products—

“Zero-tariff” agricultural product dryers by import companies are exempted from:
Import VAT, import duties, consumption tax

Tax is originally required for agricultural product dryer:
According to the Regulations of the People’s Republic of China on Import and Export Tariff (2021):
Import MFN tariff 8%
Import consumption tax 0%
Import VAT 9%
Composite tax rate for import 17.7%

Key areas

- Food crop
- Tropical cash crops
- Perennial/winter Fruits and vegetables
- Featured livestock and poultry
- Tropical fruit
- Marine fisheries





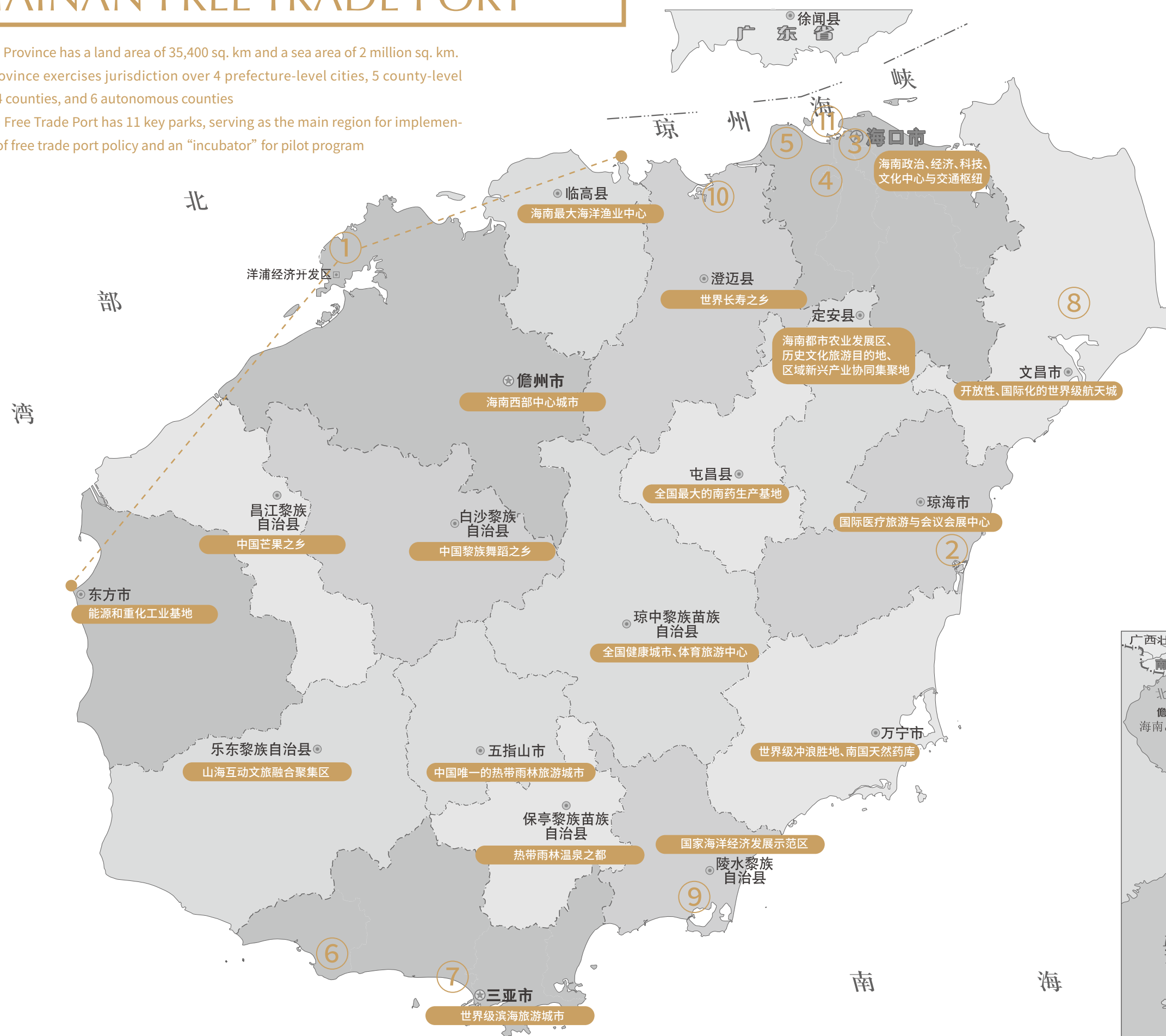
2021 NEW PATTERN

HAINAN FREE TRADE PORT

Hainan Province has a land area of 35,400 sq. km and a sea area of 2 million sq. km.

The province exercises jurisdiction over 4 prefecture-level cities, 5 county-level cities, 4 counties, and 6 autonomous counties

Hainan Free Trade Port has 11 key parks, serving as the main region for implementation of free trade port policy and an “incubator” for pilot program



11 key parks in Hainan Free Trade Port

- ① Yangpu Economic Development Zone (including Dongfang Lingang Industrial Park, Lingao Jinpai Development Zone)
- ② Boao Lecheng International Medical Tourism Pilot Zone
- ③ Haikou Jiangdong New District
- ④ Haikou National Hi-tech Industrial Development Zone (including Mission Hills Tourism Park)
- ⑤ Haikou Integrated Free Trade Zone
- ⑥ Sanya Yazhou Bay Science and Technology City
- ⑦ Sanya Central Business District
- ⑧ Wenchang International Aerospace City
- ⑨ Lingshui Li'an International Education Innovation Pilot Zone
- ⑩ Hainan Resort Software Community
- ⑪ Haikou Fullsinging Internet Industrial Park



YANGPU ECONOMIC DEVELOPMENT ZONE

Yangpu Economic Development Zone approved by the State Council in 1992, Yangpu Economic Development Zone is China's first national economic and technological development zone to be contiguously developed by foreign investors under the policy of the bonded zone. In 2007, it was approved by the State Council to set up Yangpu Bonded Port Area in the zone. After years of development, Yangpu Economic Development Zone has become a leader in industrial development in Hainan and a favored place for opening wider to the world

Positioning



The only national economic and technological development zone in Hainan Free Trade Port
An international container hub port for New International Land-Sea Trade Corridor
National port-type logistics hub city
Only national designated port for imported meat and grain in Hainan Free Trade Port
One of China's first industrial demonstration bases for a new type of industrialization
China's only national foreign trade transformation and upgrading base in the petrochemical product category
National demonstration pilot park for transformation for a circular economy
China's first batch of national green parks

Featured advantages

| International natural harbor | New offshore international trade pioneer zone | Provincial Industrial Development and foreign trade leader |
|--|---|--|
| It is a deep-water port with the main international shipping routes in East Asia & Southeast Asia. It has operated 33 domestic and foreign trade routes with more than 300 operational days in a year, and formed a wharf group with complete cargo types and tonnage with 45 berths | New offshore international trade scale reached a total of 1.135 billion US dollars in 2020, which is more than seven times of the total amount of Hainan province's total payment in 2019. Yangpu is attracting head trading enterprises to settle down | <div>39%</div> <p>Total industrial output value accounts for 39% of the province's total</p> <div>45%</div> <p>The total value of import and export accounts for 45% of the province's total</p> <div>78%</div> <p>Foreign cargo throughput accounts for 78% of the province's total</p> |

Division of functions

Dongfang Lingang Industrial Park and Lingao Jinpai Port Lingang Industrial Park are placed under the management of Yangpu Economic Development Zone under the new integrated development park pattern

| Yangpu Economic Development Zone | Dongfang Lingang Industrial Park | Lingao Jinpai Port Lingang Industrial Park |
|---|--|---|
| Focus on the three industries of energy & petrochemical engineering, high-end manufacturing, and port logistics, supported by the living quarters in the eastern area | Focus on the fine chemicals, biochemical engineering, energy storage, shipping and trade, express deliver and logistics, etc | Build a prefabricated construction industrial park with a whole industrial chain, with a focus on the R&D and manufacturing of building materials parts |

Important areas

Key areas for investment promotion
Advanced manufacturing sector
Port, shipping and logistics trade
Energy and chemical engineering

Links



BOAO LECHENG INTERNATIONAL MEDICAL TOURISM PILOT ZONE

Boao Lecheng International Medical Tourism Pilot Zone established with the approval of the State Council on February 28, 2013, it has piloted the development of industries related to international medical tourism such as licensed medical care, health management, nursing and rehabilitation, cosmetic medicine and anti-aging. It aims to bring together international high-end medical tourism services and world-leading medical technology achievements, and becomes a cluster area for international medical technology service industry

Positioning

Clinical medical center with obvious characteristics and advanced technology
Traditional Chinese medicine characteristic medical rehabilitation center
International standard health examination center
Exhibition and follow up treatment center of international famous medical institutions in China
Clinical Center for rare diseases
International Medical Exchange Center



Featured advantages

| Preliminary results of synchronized use of global medicine and equipment | Pilot zone for "Real-world data application" | Most extensive international cooperation |
|--|--|---|
| 130 cases of the first import of licensed drugs and equipment under the licensed medical care policy according to the Nine-point Favorable Measures, and the first global synchronized use of innovative medicines | Pilot real data research into 3 varieties in Lecheng, which is the only pilot zone for "real world data application" in Mainland China | Established a national-level education and scientific research exchange base, and forged cooperation with over 20 multinational medical care, pharmaceutical and equipment manufacturers to hold a pharmaceuticals and equipment exhibition that never ends |

Division of functions

| Cutting-edge medical R&D technology conversion base group | Comprehensive medical hub group | TCM medical care and recuperation group |
|---|--|--|
| Serve as the cluster area of new national-level medical institutions, the cutting-edge medical technology R&D and commercialization base, and international medical exchange center | Display window and follow-up treatment center for world-renowned medical institutions in China, and health examination center in line with international standards | TCM featured medical care and rehabilitation center |
| Northern comprehensive medical care group | Southern comprehensive medical care group | Lecheng Island medical care and rehabilitation group |
| Serve as clinical medicine center with distinctive features and state-of-the-art technology, and clinical medicine center for rare diseases | Build clinical medicine center with distinctive features and leading-edge technologies in conjunction with existing medical institutions | Provide recreational and recuperation facilities, build a pilot area for services, and historical and cultural featured recuperation area related to Boao Forum for Asia |

Important areas

Key areas for investment promotion
Clinical treatment
Professional rehabilitation
Medical research and development
Integrated supporting facilities

Links



HAIKOU JIANGDONG NEW DISTRICT

Haikou Jiangdong New District is a key area of Hainan Pilot Free Trade Zone planned and built by the Hainan Provincial Party Committee and the Provincial Government in 2018. As one of the 12 pioneering projects in Hainan Free Trade Port, the New District is located on the east coast of Haikou City, covering a total area of about 298 sq. km. Jiangdong New District will serve as an ambassador for Chinese style and image

Positioning



Hainan free trade port exhibition area
Modern service industry cluster
an international city hub linking the world
The world's leading ecological CBD
Shipping hub for Pan South China Sea Inter-national Trade

Featured advantages

| | | |
|---|---|---|
| Meilan International Airport | Hainan International Energy Exchange | One-stop aircraft maintenance base |
| It is the largest gateway hub airport of the free trade port, with 240,000 flights per year, 32.47 million passengers per year and 404,000 tons of cargo throughput | First trading place in free trade port exceeded a 100 billion yuan trading volume. It will build an energy trading platform for Asia Pacific and Southeast Asia which serves globally | The leading project in airport industry which will build the maximum domestic maintenance depth and the strongest comprehensive ability of one-stop aircraft maintenance base |

Division of functions

Haikou Jiangdong New District consists of “one port, double centers, and four Clusters,” including six sections

| | | |
|--|--|--|
| Starting area of Jiangdong New District | Haikou airport economic zone | Offshore innovation and entrepreneurship Cluster |
| Highlight the functions of an international metropolis, cultivate regional headquarters of MNC, shape the image of Jiangdong New District as an international area, and create world-leading ecosystem CBD | Focus on developing the airport economy driven by portal hub under the free trade policy on the basis of Meilan International Airport, building the most open free trade port area and the most vibrant airport metropolis | International cultural exchange Cluster |
| | | International integrated service Cluster |
| | | International higher education scientific research Cluster |

Key areas for investment promotion

Headquarters economy: offshore trade, international investment, international settlement, trading in factors, etc
Airline economy: air freight, financial leasing, business jets, aviation maintenance, warehousing and logistics, cross-border commerce, airport processing and manufacturing, etc
Service economy: professional services, digital economy, cultural and creative design, international education, etc

Links



HAIKOU NATIONAL HIGH TECH INDUSTRIAL DEVELOPMENT ZONE

Haikou National Hi-tech Zone is the only national-level hi-tech zone in Hainan province and the only zone covering the three pillars of “tourism, modern service, and high-tech industry” among the 11 key parks in Hainan Free Trade Port. There are over 4,000 registered enterprises and 155 high-tech enterprises, which account for about 15% of the total in the province

Positioning

The only national hi-tech industrial development zone in Hainan Province /
The only national IP demonstration park in Hainan Province

Division of functions

| | | | |
|-----------------------------|----------------------------|--|--------------------------------|
| Mei'an Eco-Tech New Town | Haima Industrial Park | Yunlong Industrial Park | Medical Valley Industrial Park |
| Shizi Ridge Industrial Park | Mission Hills Tourism Park | Haikou West Coast Headquarters Economic Zone | |

Key areas for investment promotion

Biomedicine/ high-end medical devices/ all biodegradable new materials/high-end food processing/ low-carbon manufacturing / headquarters economy/ tourism/modern service

Links



HAIKOU INTEGRATED FREE TRADE ZONE

Haikou Integrated Free Trade Zone is currently the special regulation area for customs in Hainan in terms of openness, favorable policies, complete functions, and convenient procedures

Positioning

National comprehensive experimental zone for cross-border e-commerce
The only port for import of complete automobiles in Hainan Province

Division of functions

| | | | |
|---|--|--|----------------------------------|
| Duty-free warehousing and distribution center promotion | Regional international trading center | Advanced manufacturing base | Regional functional headquarters |
| Imported commodity exhibition and trading center | Regional international logistics distribution center | High value-added product processing and manufacturing base | |

Key areas for investment promotion

Key areas for investment promotion
Duty-free industry
business and logistics industry
Bonded processing industry
advanced manufacturing industry
Leasing industry

Links



SANYA YAZHOU BAY SCIENCE AND TECHNOLOGY CITY

World-class offshore technology innovation center Located in western Sanya City, Hainan Province, it focuses on building Nanshan Port, Nanfan Science and Technology City, Deep-sea Science and Technology City, Science and Education City, and the introduction and transfer base for global animal and plant germplasm resources. With “a global perspective, international standards, Sanya characteristics, and high-level positioning” , it is committed to building a pioneering new technology city that features coordinated land and marine development, open innovation, booming industry, cultural confidence, and environmental protection and energy conservation

Positioning



Featured advantages

| Nanshan Port | Introduction and transfer base for global animal and plant germplasm resources | Gathering of research institutes, leading enterprises and universities |
|--|---|--|
| It is an indispensable part of Yazhou Bay Science and Technology City and a prerequisite for the construction of deep-sea science and technology city. The core functions are marine scientific exploration, marine experiment and port-related industry | Introduce global animal, plant and microorganism germplasm resources, serve the functions of quarantine and inspection, strategic reserves, industrial application, international trade and transactions, etc.; serve as the “multiple pillar” project for national germplasm resources with global competitiveness | Research institutes: Chinese Academy of Sciences, Chinese Academy of Agricultural Sciences, China Geological Survey, etc. Universities: Shanghai Jiao Tong University, Ocean University of China, China Agricultural University, Zhejiang University, Wuhan University of Technology, etc. Leading enterprises: Sinochem Group, China Merchants Group, China State Shipbuilding Corporation, etc |

Division of functions

Sanya Yazhou Bay Science and Technology City focuses on building “one port, three cities, and one base”

| Nanfan Science and Technology City | Deep-sea science and technology city | Gathering of research institutes, leading enterprises and universities |
|--|--|--|
| Featuring Nanfan science and technology industry, it builds an industrialized, market-oriented, specialized and intensive national Nanfan scientific research base and global tropical agricultural science center | Featuring marine science and technology industry, it focuses on the three areas of deep-sea science and technology, marine industry, and modern service industry, and the construction of national deep-sea technology innovation center | Science and Education City |
| | | International integrated service group |
| | | Introduction and transfer base for global animal and plant germplasm resources |

Key areas for investment promotion

Seed science and technology
Marine technology
Biotechnology
Digital economy
Modern service

Links



SANYA CENTRAL BUSINESS DISTRICT

Sanya Central Business District is one of the 12 leading projects in Hainan Free Trade Port, it is situated in the core urban area of the Greater Sanya Bay. It will build a “4+2” modern service industrial system featuring headquarters economy, financial services, modern commerce, cruises and yachts, supported by specialized services and recreation culture. It is committed to becoming an international regional headquarters economy and central business gathering area, and a leading area for international tourism consumption center

Positioning



Featured advantages

| Sanya Phoenix Island International Cruise Port | Build “two centers” for the yacht industry | Building the highland of global capital accumulation |
|---|--|--|
| The earliest dedicated cruise wharf in China, with one berth for 80,000-ton cruise. It operates the first tourist route to Xisha Island. With the longest seaworthiness period in China, it is one of the first pilot cities for ocean cruise tourism | Build a world-class yacht tourism consumption center and world-renowned yacht exhibition and trading center; speed up the southern public berths for yachts, Sanya international yacht center, and super yacht support base projects | Capitalize on Free Trade Port policy on cross-border investment and finance, taxation policy and professional service advantages to attract world-leading PE, VC, and asset management organizations and family offices; build the “Oriental Miami” and strive to become the gathering place of global capital |

Division of functions

| Phoenix coast zone | Yuechuan zone |
|--|---|
| Tourist port free trade service as well as cruise, yacht and cultural & art consumption zone | Core zone of the financial industry, comprehensive business district, and international waterfront business and culture pedestrian precinct |
| East coast zone | Hailuo zone |
| Large-scale integrated consumption business district and the core headquarters economy area | International talent community and garden headquarters |

Key areas for investment promotion

Headquarters economy, financial services, modern commerce, cruise & yacht, professional services, leisure culture

Links



WENCHANG INTERNATIONAL AEROSPACE CITY

Wenchang International Space City is one of the three science and technology cities for “land, sea and air” services in Hainan. As the only low-latitude coastal launch site in China, it undertakes major aerospace programs such as deep-space exploration, manned lunar landing, and aerospace service. Its commercial launch service is highly competitive. The starting area focuses on “four bases and one center” to promote the integrated development of the aerospace sector and local economy

Positioning

China’s only low-latitude coastal launch site/China’s first aerospace supercomputing center

Division of functions

| | | |
|---|--|--|
| Major technological innovation industrial base in the aerospace field | Aerospace scientific and technological innovation strategy industrial base | Industry demonstration base for innovation and integration |
| Industrial base for international cooperation in aerospace | Aerospace data center | |

Key areas for investment promotion

Satellite rocket development/ satellite data application/ aerospace big data industry cluster/ aerospace culture and tourism/ International University of Aeronautics and Astronautics/ international cooperation and exchange

Links



LINGSHUI LI'AN INTERNATIONAL EDUCATION INNOVATION PILOT ZONE

Located on the Li’an Peninsula in Lingshui with a planned area of 12.72 sq. km, it is China’s only education park geared to opening wider to the world in the education sector. It meets the new requirements for education in Hainan Free Trade Port and serves the national “three districts and one center” strategy for Hainan, supports the development of modern service industries with a focus on tourism and high-tech industries, highlights its international and open characteristics, introduces stellar domestic and foreign educational resources, and explores a new model of educational development in China

Positioning

China’s pilot zone for education reform in the new era /Centralized display zone for demonstration Chinese-foreign cooperative education
An important destination for international students from countries along the Belt and Road / cultivation base for future-oriented international quality innovative talents

Division of functions

| | | | |
|--|---|---|---|
| International higher education Phase I | International higher education Phase II | Urban, cultural, educational and life section | Ecological educational and life section |
|--|---|---|---|

Key areas for investment promotion

International higher education sector
Urban, cultural, educational and life sector
International industry-education integration

Links



HAINAN RESORT SOFTWARE COMMUNITY

Hainan Resort Software Park is the main operating entity and platform for the development of the Internet industry in the province. In the context of the construction of the Hainan Free Trade Port, the park is positioned to be a cradle of digital trade, an area of digital financial innovation, and a gathering place for mid- and high-end professionals. It selects “one district and three industries” . The district refers to a national blockchain pilot zone. The “three industries” refer to the development of digital economy industries such as digital culture and sports, digital health, and digital finance. More than 8,173 companies have settled in the park

Positioning

National technology business incubator/Hainan Free Trade Zone (Port) Blockchain Pilot Zone/ One of the first national digital service export bases

Development concept

| Industrial ecosystem environment | Natural ecosystem environment |
|---|--|
| 10 billion yuan-level eco-villages by leading Internet companies commenced construction. Many high-quality innovation platforms have settled in China’s first “Hainan Free Trade Zone (Port) Blockchain Pilot Zone” approved by the government, having attracted over 130 scientists from world-leading universities. Phased outcomes have been achieved in related applications featuring blockchain, such as digital identity, privacy protection, data security, and trusted execution environment (TEE) | Build a beautiful garden office environment for “working in the park and innovating in life” . It will provide an industrial “micro-city” supporting facilities that cover work, residence, education, business, leisure, etc. for industrial personnel. Hainan Micro-City Future School (iSchool), which is Hainan’s only “experimental school for basic education reform and innovation” , as well as professional theater, libraries, gyms, parks, hospitals and other supporting facilities have been put into use |

Key areas for investment promotion

Blockchain Digital culture and creativity
Digital health Digital finance

Links



HAIKOU FULLSING INTERNET INDUSTRIAL PARK

Haikou Fullsing Internet Industrial Park is one of the 11 key parks in Hainan Free Trade Port, it focuses on developing the digital economy industry with four industrial agglomerations: digital trade, smart Internet of Things, fintech, and international innovation. Internet companies in the park play a key role in cultivating the 100 billion yuan level internet industrial agglomeration in the province, with an operating revenue accounting for 42% of the total in the province

Positioning

Digital Economic headquarter cluster/ International Offshore innovation and entrepreneurship base

Division of functions

Fullsing internet information industrial park, one park and two zones

| | |
|--|---|
| Zone 1: Fullsing internet innovation and entrepreneurship base | Zone 2: Fullsing international digital harbor |
|--|---|

Key areas for investment promotion

Smart IoT
digital trade
fintech
international offshore innovation

Links



Haikou, Chengmai, Wenchang and Ding'an

Haikou, Chengmai, Wenchang and Ding'an

“Haikou, Chengmai, Wenchang and Ding'an” will constitute a comprehensive economic circle, create a spatial layout of “one core, two ports, three cities and multiple points”, perform the core driving force of Haikou, and promote integration of infrastructure, industry, and conservation culture



Haikou – political, economic, technology and cultural center and transport hub of Hainan Province

Located on northern Hainan Island, Haikou, also known as “coconut city”, is the political, economic, technological and cultural center and the transport hub of the province. It has a population of 2.32 million. In 2020, Haikou realized a regional GDP of 179.158 billion yuan, ranking top in the province

Resource advantages

Haikou Jiangdong New District
Haikou Integrated Bonded Zone
Haikou National Hi-tech Zone
Haikou Fullsling Internet Industrial Park
Haikou Meilan International Airport
Haikou Port (Xiuying Port)
Xinhai Port
Railway South Port
Hainan University

Key areas for investment promotion

Duty-free consumption
Aviation industry
Modern finance
Culture and sports
Finance leasing
Information and communication technology
Education industry
Offshore trade
Advanced low-carbon manufacturing
Shipping and shipbuilding



Chengmai – World's home of longevity

Located on northwestern Hainan Island, Chengmai has a population of 560,000. It was awarded such titles as “global home of longevity” and “China's best recreational and tourism county”. In 2020, it realized a regional GDP of 34.836 billion yuan, ranking fourth in the province

Resource advantages

Old Town Economic Development Zone, Chengmai oil and gas exploration producer service base, Hainan national blockchain technology and industrial innovation development base, Hainan (Chengmai) Jinma Logistics Center, Chengmai Fushan Coffee Culture Town, Hainan Yongqing Cultural Tourist Attraction

Key areas for investment promotion

Petroleum service industry, digital economy, high value-added manufacturing industry modern logistics industry, selenium-rich featured agriculture, agriculture-culture-tourism integrated industry



photo by Wang pinzhao



photo by Wang pinzhao

Wenchang – open, international, innovative and integrated world-class aerospace city

Located in northeastern Hainan Province, Wenchang has a population of about 600,000. It is the site of Wenchang Satellite Launch Center in Hainan. Qinglan Port is a national first-level open port and an important South China Sea-oriented port hub. It realized a regional GDP of 26.350 billion yuan in 2020

Resource advantages

Yueting Industrial Park Zone
Fengjia Bay Modern Fishery Industrial Park
High-end aerospace product R&D and manufacturing base of international satellite launch center
Aerospace big data development and application base
“Aerospace Plus” industry demonstration zone

Investment focus

Aerospace science and technology
Aerospace service
Biomanufacturing
Low-carbon manufacturing
High-tech manufacturing
Smart warehousing and logistics
Agricultural and sideline product processing
Featured commerce
Culture and creativity
Fishery industry
Integrated aquaculture



Ding'an – Hainan urban agriculture development zone, historical and cultural tourist destination, a regional emerging industry coordination cluster

Ding'an County has a population of nearly 350,000. It is 40km away from Meilan Airport, 57km away from Haikou Railway Station, and 70km away from Boao Airport. In 2020, the county realized a regional GDP of 10.588 billion yuan

Resource advantages

Ding'an Taling Industrial Park
Wenbifeng Pangu Culture Tourism Area
Nanli Lake National Westlake Park
Murui Mountain Tourism Scenic Area

Investment focus

Featured efficient tropical agriculture
Agricultural and sideline product processing
Industrial economy
Green building materials
Rehabilitation & tourism
Cultural industry



Great Sanya

Sanya, Ledong, Lingshui, Baoting

“Great Sanya” will constitute a tourism economic circle, adopt a spatial pattern of “one center and two wings with connection to mountain and sea”, bring into play Sanya’s same-city brand effect and the effect of “Greater Sanya” as a large-scale metropolis, and become a world-class tourist resort city

Sanya – a world-class coastal tourist city

Situated at the southernmost tip of Hainan Island, Sanya has a population of 630,000. It is a world tourist city featuring tropical seaside landscape. Sanya realized a regional GDP of 69.541 billion yuan in 2020, ranking second in the province

Resource advantages

Sanya Phoenix International Airport
Phoenix Island International Cruise Terminal
Transfer base for introduction of global animal and plant germplasm resources
Sanya Yazhou Bay Science and Technology City
Sanya Central Business District
Haitang Bay National Coast Recreation Park
Sanya Internet Information Industry Park

Investment focus

Seed technology
Ocean technology
Digital technology
Biotechnology
Financial services
International convention and exhibition
Health industry
Education industry



Ledong – cultural and tourism integration cluster near mountain and sea

Located on southwestern Hainan Island, Ledong has a total population of about 480,000. It is in the vicinity of Sanya Port, Basuo Port, Sanya Phoenix International Airport and Sanya Hongtang Bay Airport. It realized a regional GDP of 15.111 billion yuan in 2020

Resource advantages

Agricultural Products Processing Industrial Park
Maogong Mountain Tourist Attraction
Daling Ecological Industrial Park
Jianfeng Ridge National Forest Park
Yinggehai Lingang Industrial Park
Yinggehai Salt Field

Investment focus

Tourism sector
Edible food industry processing
High-tech industry
Ecological industry
Agricultural products processing
Tropical high-efficiency agriculture



Lingshui – national marine economy development demonstration zone

Situated in southeastern Hainan Province and 58km away from Sanya Phoenix International Airport, Lingshui is a city-level county with a population of nearly 400,000 chiefly inhabited by the Li, Han, and Miao people on the basis of “small-scale settlement”. It realized a regional GDP of 19.552 billion yuan in 2020

Resource advantages

Lingshui Li’ an International Education Innovation Pilot Zone
Lingshui Qingshui Bay International Information Industrial Park
Lingshui National Modern Agriculture Industrial Park
Hainan Nanping Health Industrial Park

Investment focus

Technology and agriculture
Tourism
Digital industry
Marine economy
International education
Sports and health



Baoting – home of tropical rainforest hot springs

Baoting is situated in the south-central part of Hainan Island. The island tourist road runs through the county from east to west, and the Shanhai Expressway leads directly to the Haitang Bay. Baoting is merely a 40-minute drive from Sanya Phoenix Airport. It is awarded the titles of “China’s Best Cultural and Ecological Tourism Destination” and “National All-for-one Tourism Demonstration Zone”

Featured tourist attractions

Yanoda Rainforest Cultural Tourism Zone
Hainan Binglanggu Li & Miao Cultural Heritage Park
Qixianling Hot Spring National Forest Park

Investment focus

Tourism
Featured high-efficiency tropical agriculture
Medical care and rehabilitation



Other western regions

Danzhou, Dongfang, Lingao, Changjiang

Danzhou – a central city in western Hainan

Danzhou is the economic, transport and cultural center in western Hainan Province. It has a population of 1.05 million. It boasts the 10,000-ton wharf at Yangpu Port. Greater efforts are underway to build Danzhou Airport. It realized a regional GDP of 63.90 billion yuan in 2020 (including Yangpu)

Resource advantages

Yangpu Port
 Haihua Island in Hainan
 Danzhou campus of Hainan University
 Chinese Academy of Tropical Agricultural Sciences
 Hainan Movie Academy
 Danzhou hospital affiliated to Shanghai No. 9 People's Hospital

Investment focus

Culture, sports and tourism / Recreation and resort
 Sightseeing and tourism / Medical care and health
 Marine development / Ocean commerce
 Natural rubber
 Featured high-efficiency tropical agriculture
 Information and manufacturing
 Electronics and equipment
 New energy vehicle
 Marine engineering equipment



Lingao – Hainan's largest marine fishery center

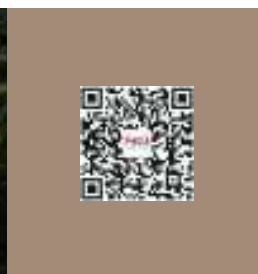
Located in northwestern Hainan Province, Lingao has a population of 520,000. Lingao Jinpai Port Economic Development Zone is one of big five development zones in Hainan province. It realized a regional GDP of 20.422 billion yuan in 2020

Resource advantages

New construction industry cluster area
 Lingao Cittaslow
 New International Fishery Port Economic Zone
 Lingao International Design Coast
 Modern Marine Fishery Technology Industrial Park
 Hainan Jiefang Park AAAA-level Tourist Attraction
 New harbor fishery leisure belt
 Experimental zone for innovative development of modern vocational education
 Seawater ecological aquaculture zone
 Modern Circular Economy Technology Industrial Park

Investment focus

Prefabricated construction industry
 Super yacht and ancillary industries
 Education and R&D industry
 Tourism gear industry
 Cittaslow tourism
 Red tourism
 Leisure tourism
 Featured high-efficiency tropical agriculture
 Marine fisheries
 Circular economy industry



Changjiang – the home of mangoes in China

Changjiang Li Autonomous County is situated in western Hainan Province, with a population of 260,000. It boasts unique advantages for industrial development and the only nuclear power project in Hainan, the top high-grad iron ore mine in Asia and Qizi Bay, one of the ten most beautiful bays in Hainan. It realized a regional GDP of 12.412 billion yuan in 2020

Resource advantages

Changjiang Circular Economy Industrial Park
 Clean Energy Hi-tech Industrial Park
 Shilu Iron Mine National Mine Park
 Qizi Bay National Marine Park
 Bawang Ridge National Forest Park
 Haiwei National Wetland Park

Investment focus

Tourism
 High-tech industry
 Featured high-efficiency tropical agriculture
 Featured cultural industry
 Modern marine fisheries



Dongfang – an international coastal park city suitable for living, work and tourism

Dongfang is situated in southwestern Hainan province, on the east coast of the Beibu Gulf, and downstream of the Changhua River. It a population of 450,000. It is 130km away from Sanya Phoenix Airport. In 2020, the regional GDP reached 18.650 billion yuan

Resource advantages

Dongfang Lingang Industrial Park
 Yulinzhou Scenic Area
 Ganen Plain
 Daguangba Reservoir
 Basuo Port

Investment focus

Tourism
 International Trading
 Agricultural products processing
 High efficiency agriculture with tropical characteristics



Other eastern regions

Qionghai and Wanning

Wanning – a world-class surfing resort and natural medicine storehouse in southern China

Located on the southeastern coast of Hainan Island, Wanning has an average annual temperature of 24.8° C, a population of 640,000. It boasts 10 gorgeous and high-quality bays, and its titanium reserves account for over 70% of the total in the province. It realized a regional GDP of 23.740 billion yuan in 2020

Resource advantages

Areca-nut Industrial Park
Liji Industrial Park
Sun Moon Bay Surfing Town
Xinglong Hot Spring Resort
Dongshan Ridge
Xinglong Tropical Botanical Garden
Wanning Yacht Wharf

Investment focus

Deep processing of agricultural products
Cold-chain logistics
Agritourism and sightseeing
Marine fisheries
Low-carbon manufacturing



Qionghai – International medical tourism and conference & exhibition center

Located on the eastern coast of Hainan Province, Qionghai has a permanent population of 510,000. It has Boao International Airport, Boao Lecheng International Medical Tourism Pilot Zone, and Special Planning Area for Boao Forum for Asia. It realized a regional GDP of 29.210 billion in 2020

Resource advantages

Boao International Airport
Boao Lecheng International Medical Tourism Pilot Zone
Boao Forum for Asia International Convention Center
National experimental zone for opening-up and cooperation in agriculture
Longwan Bay Lingang Economic Zone
Qionghai National intelligent network connection Demonstration Pilot Zone
Dalu Agricultural Product Deep Processing Zone

Investment focus

Medical care and health
Tourism and cultural and sports industries
Convention and exhibition
Emerging finance and modern business service industry
High-efficiency tropical agriculture
Marine fisheries
High-tech industry



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INVESTMENT GUIDE



Other central regions

Baisha, Wuzhishan, Qiongzong, Tunchang

Baisha – the home of Chinese Li ethnic dance

Baisha is located in the center of Hainan Province towards the western area, at the northwestern foot of the middle section of the Limu Mountains and the upper reaches of the Nandu River. Baisha boasts 440 peaks, and is hailed as the “world of mountains, source of water, ocean of forests, and home of clouds”. It has been awarded the honorary titles of “national health county”, “national top 100 deep breathing town”, “China’s most beautiful county”, “top 5 of 2021 China Spring Leisure top 100 counties and cities”

Resource advantages

Hainan Baisha National Geopark
Hainan Baisha tropical rain forest park
Baisha Bangxi Agricultural and Forest Product Processing Park
Baisha E-commerce Industrial Park
Baisha Tea Town
Qifang Shengdada Lakeside Park
Baisha Luoshuai Tianya Courier Station
Aluoduogan Shared Farmstead

Investment focus

“Sports Plus” and “Culture Plus” tourism industry
Modern agricultural industry
E-commerce industry
Agricultural and forest product processing industry



Wuzhishan – China’s only tropical rainforest tourist city and natural oxygen bar

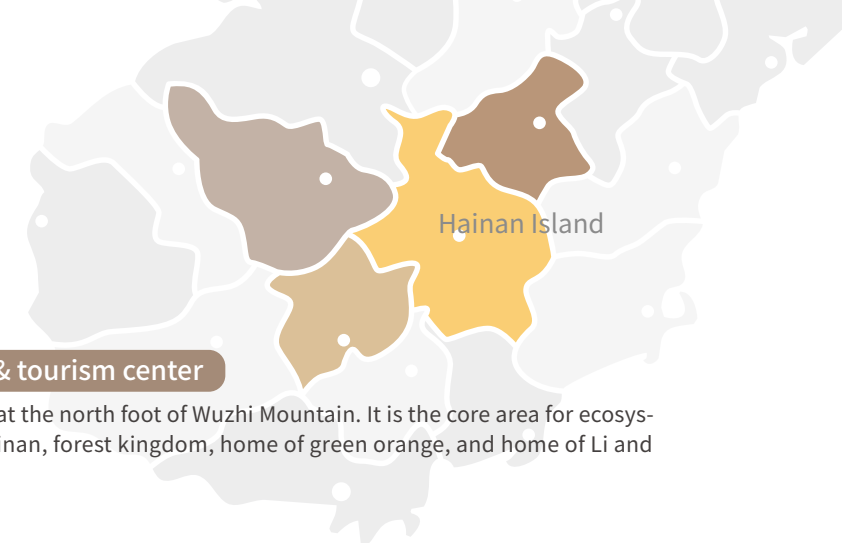
Wuzhishan is named after Wuzhishan Mountain, the highest peak in Hainan. It has a forest coverage rate of 86.44%, with the negative oxygen ion content of up to 10,000 per cubic centimeter in the urban area. It is hailed as “Emerald Mountain City”, etc

Resource advantages

Wuzhi Mountain Tropical Rainforest
National Nature Reserve
Yahu Terraced Fields
A’ tuo Ridge Scenic Area

Investment focus

Tourism industry
Featured health and well-being industry
Efficient tropical agriculture with mountainous characteristics



Qiongzong – national health city and sports & tourism center

Qiongzong is located in the center of Hainan Island and at the north foot of Wuzhi Mountain. It is the core area for ecosystem in Hainan Province, and is hailed as the “heart of Hainan, forest kingdom, home of green orange, and home of Li and Miao people”

Resource advantages

Hainan Wanling Agricultural Product Processing and Logistics Park
Baihua Ridge AAAA-level Tourist Attraction
Nanguo Coconut Deep Processing Project
Qiongzong Luqiao International Seafood Industrial Park
South China Medicinal Plants Processing and Sightseeing Industrial Park

Investment focus

Health and well-being industry
Featured high-efficiency tropical agriculture
Tourism industry



Tunchang – China’s largest production base of South China medicinal plants

Tunchang is one of the six city-level counties in central Hainan. It has the only hilly area in the province. Known as the “gateway to central Hainan”, it is 70 km away from Haikou. It takes about 45 minutes by car to reach Haikou after the Haikou-Tunchang Expressway is put into operation

Resource advantages

Hainan Black Pig Trading Center
& Tunchang Black Pig Big Data Platform
Hainan Xiangshan Industrial Convergence Tourist Area
South China medical plant planting and production base
South China medical plant town

Investment focus

Black pig industry
South China medical plants industry
Tourism industry
TCM and health industry
Agricultural product trading and processing
Cittaslow tourism
Red tourism
Circular economy industry



General Secretary Xi Jinping expressed at the conference in celebration of the 30th anniversary of the establishment of the Hainan Province and SEZ:

We invite investors from all over the world to invest in Hainan, to participate in the construction of Hainan Free Trade Port, and to share development opportunities and the fruits of reform in China!

By 2025

Make initial results in building a free trade port policy and institutional system with a focus on trade and investment freedom and facilitation, and launch independent customs clearance across Hainan Island in due

By 2035

Further optimize the opening-up policy and relevant institutional arrangements, and fully realize free and facilitated flow of trade, investment, cross-border capital, people, transportation, as well as safe and orderly flow of data

By 2050

Build a high-level free trade port with strong international influence in an all-round way





CHINA INTERNATIONAL CONSUMER PRODUCTS EXPO

Haikou, Hainan, China

Hotline
4008-413-413



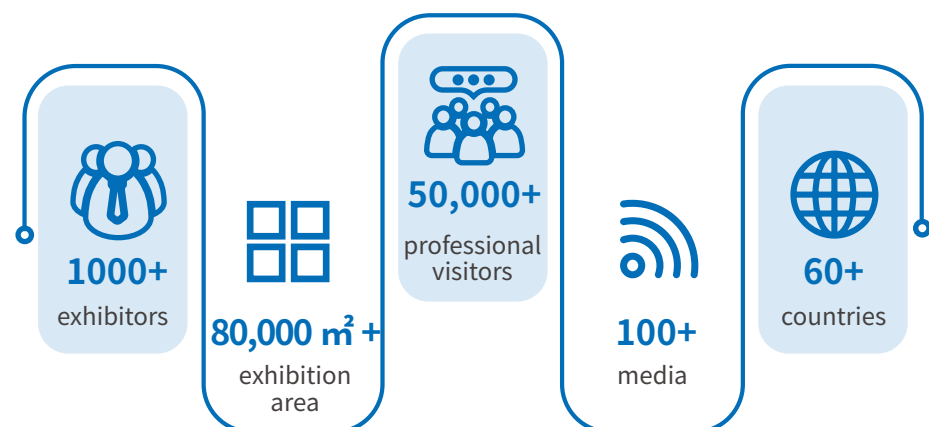
Hosted By:

Ministry of Commerce of People's Republic of China

The People's Government of Hainan Province



Holding the Hainan Expo is an important action to follow the important instructions made by General Secretary Xi Jinping and the guiding opinions of the central government on deepening the reform and opening up in Hainan in an all-round way, and an important move to implement the Overall Plan for the Construction of Hainan Free Trade Port. It is also an important starting point for building an international tourism consumption center, bringing together quality consumer products resources, optimizing domestic market supply, building a new favored place for opening wider to the world, and raising the international influence of Hainan Free Trade Port



Focusing on “high-tech, new, high-quality, featured” consumer products, the first Hainan Expo focuses aims to be the leader in terms of international exhibitors, the value of exhibits per unit area, and the number of first product launch and display, and will become an important platform for display and transactions of global high-quality consumer products

Fashion Life exhibition area

High-end luxury goods, fragrances and cosmetics, garment, shoes, luggage, clocks and watches, household supplies, textiles, silk, kitchenware, handicrafts, etc

Jewelry exhibition area

Gold, platinum, silver jewelry and accessories; gem inlaid jewelry; diamonds, pearls, amber jewelry and products; raw materials and semi-finished products of gems; jade works and works of art, etc

Lifestyle & Outdoors exhibition area

Yachts, cars, RVs, consumer electronics, helicopters, UAVs, sailing, golf, outdoor sports gear, smart household appliances, audio products, video and high-definition devices, e-sports, etc

Food & Supplements exhibition area

Wine, soft drinks, snacks and sweets, canned food, tea, coffee, dairy products, ice cream, ham, meat products, aquatic products, fruit and vegetables, bird's nest soup, health products, pet supplies, etc

Hospitality & Professional Services exhibition area

Logistics, finance, legal consulting, commercial retail, commercial real estate, cross-border e-commerce, test services, etc

Realize “global purchase and sales” in Hainan Free Trade Port Hold “Hainan Expo” that never ends

“Hainan Expo” will give full play to its unique advantages

| Focus on the strategy of boosting domestic demand | Leverage location advantages of the free trade port | Link domestic and international markets |
|---|---|---|
| Focusing on “high-tech, new, high-quality, featured” consumer products, Hainan Expo introduces domestic and foreign high-quality products and services to meet the needs of the people for a better life and guide the consumption upgrading, and ensure more “world premiere, first exhibition in China, and first show in the industry” | Relying on the location advantages of the Hainan Free Trade Port, the Hainan Expo harnesses its favorable policy such as visa-free entry, offshore duty-free consumption, and lists of tax-free import; highlights the features of the exhibition with the theme of consumer products, and endeavors to make the exhibition more influential and attractive | With an international exhibition area and a domestic exhibition area, Hainan Expo provides display and trading opportunities for global high-quality consumer products in the Chinese market, and also creates business opportunities for the sale of domestic and foreign high-quality consumer products in the world, and promotes transactions and international cooperation |

APPENDIX

DOING BUSINESS IN HAINAN



Established by the Hainan Provincial Government on April 11, 2019, Hainan IEDB performs the functions of attracting investment, serving enterprises and exhibitions, and establishing representative offices abroad on behalf of the Hainan Government. With a working mechanism of “horizontal linkage and vertical coordination”, IEDB works with government departments and industrial parks to provide professional service to investors, solve problems for companies during set-up, build a one-stop service platform for global investors and provide extraordinary expertise

Global Investment Service Hotline

4008-413-413

4008413413@investhainan.cn

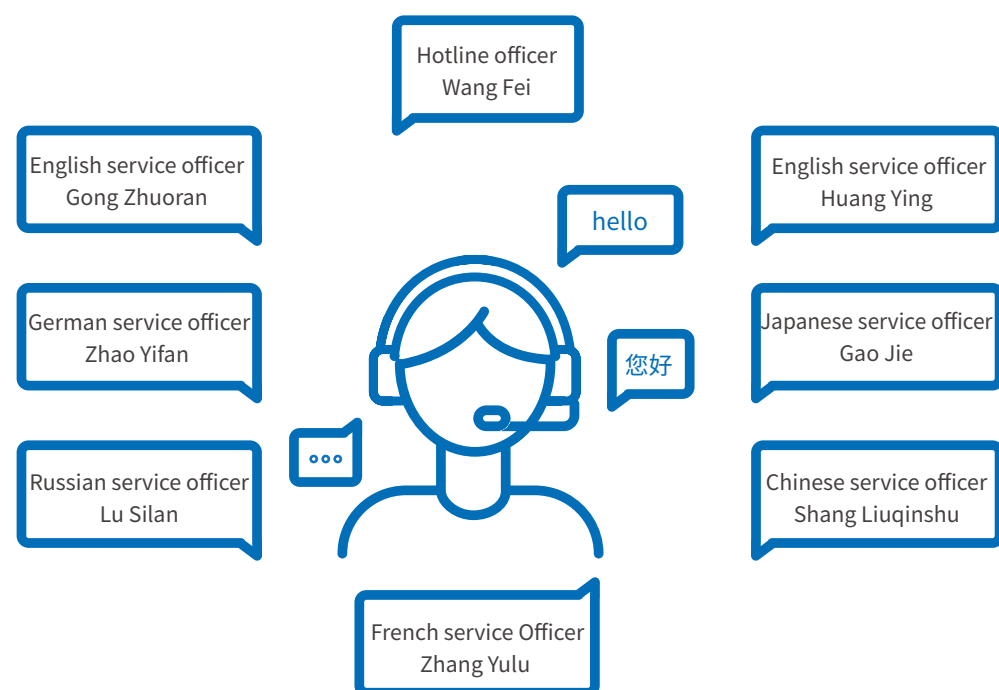


Official Website:

www.investhainan.cn

4F sub- building, Hainan Mansion, DayingShan west 4th Road, Meilan District, Haikou City, Hainan Province

Hotline Service Officers



“Single window” for international investment service

Its trial service began on April 13, 2020, and was officially launched on August 13, 2020. Its services cover consulting services, business establishment, project construction, and ancillary services, providing high-quality “one-stop” service for investment throughout for enterprises and investors

Eight highlights of the window

The first in China to establish “one account” service system for the entire investment process

The first in China to integrate the entire chain before and after investment

Integrate 20 administrative service systems of 13 departments

Realize 234 types of investment extension services for enterprises

One-stop administrative service for enterprise establishment

Reduce forms and materials submitted by enterprises by 55%

Cut the time for examination and approval duration and links by 70%

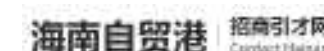
Complete the full-process business within 2 working days at the fastest

Service achievements

At the end of March 30, 2021, there were 2,599 foreign-funded enterprises that handled 5,663 items of investment-related business such as registration for enterprise establishment, change, cancellation, as well as registration of social security, collection of taxation invoices, and registration of provident fund through the online “single window” system

Contact details

<https://www.contacthainan.gov.cn/onestop>



“Single window” for international trade

Based on the experience of other pilot free trade zones, China (Hainan) International Trade “Single Window” has made innovations in Hainan’s featured development areas and achieves the coverage of seaport and airport according to internationally prevailing rules

Highest application rate for business application:

Application business application rate for declaration for goods, means of transport, and manifest consistently stabilizes at 100%

Wide coverage of business application:

Cover seaport and airport port customs clearance business in Hainan, and extend to areas such as those under special regulation

Many modules for application implementation functions:

17 functional modules of China (Hainan) International Trade “Single Window” are implemented in Hainan

Service achievements

At the close of 2020, the “Single Window” cumulatively realized

138613
declarations
for goods

557025
declarations
for manifest

168472
declarations for
means of transport

The overall customs clearance duration is shortened to 55.14 hours, a reduction of 63.66% compared to 2017

Contact details

China (Hainan) International Trade “Single Window”
www.singlewindow.hn.cn/hnsw-portal/index



“Single Window” for Service for Talent

Hainan Free Trade Port “Single Window” services for Talent are launched simultaneously on Hainan Provincial Talent Service Center as well as the talent service platforms of Haikou, Sanya, Danzhou, Chengmai, Yangpu, etc., providing the most simplified, convenient and efficient service support for personnel

Three features of Hainan “Single Window” Services for Talent:

Establish a Talent service system and realize “nearby processing at the earliest time”

Integrate Talent service projects and realize “Single-window processing”

Improve the business handling procedures and realize the “full-process processing”

Contact details

Talent Service Hotline 66501217
<https://www.hainanrc.gov.cn>

Service achievements

Integrate 47 Talent-related items. The processing time is expected to be shorter than the shortest processing time as promised by the province by 62%; some items are processed and approved immediately

APPENDIX INVESTMENT PROMOTION CONTACTS

Yangpu Economic Development Zone

Contact person: Shuai Xiao
Tel.: 18708969603

Boao Lecheng International Medical Tourism Pilot Zone

Contact person: Fan Youya
Tel.: 13777197688

Haikou Jiangdong New District

Contact persons: Ran Yixin, Cui Xiang
Tel.: 0898-65686502, 0898-65686606

Haikou National Hi-Tech Industrial Development Zone

Contact person: Liu Nanxi
Tel.: 18289355105

Haikou Integrated Bonded Area

Contact persons: Li Ping, Li Tairan, Mi Dandan
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Sanya Yazhou Bay Science and Technology City

Contact person: Huang Jiesi
Tel.: 18808919810

Sanya Central Business District

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Tel.: 0898-88660611

Wenchang International Aerospace City

Contact persons: Liu Nian, Wu Jinjin
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Lingshui Li' an International Education Innovation Pilot Zone

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Hainan Resort Software Community

Contact person: Nie Chengtao
Tel.: 0898-3650 0016

Haikou Fullsing Internet Industrial Park

Contact person: Cui lili
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APPENDIX INVESTMENT PROMOTION CONTACTS

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Contact persons: Luo Wenjuan, Tang Qiongbiao
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Ding' an County

Contact person: Fu Danzhu
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Lingshui Li Autonomous County

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Dongfang City

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Qionghai

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Baisha Li Autonomous County

Contact person: Qu Chen
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Chengmai County

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Sanya

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Baoting Li and Miao Autonomous County

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Lingao County

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Wanning City

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Wuzhishan

Contact person: Jiang Mingjie
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Wenchang

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Ledong Li Autonomous County

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Danzhou

Contact person: Shi Zhichao
Organization: Danzhou Modern Service Industry and Investment Promotion Bureau
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Changjiang Li Autonomous County

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Tunchang County

Contact person: Ge Ci
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Qiongzong Li and Miao Autonomous County

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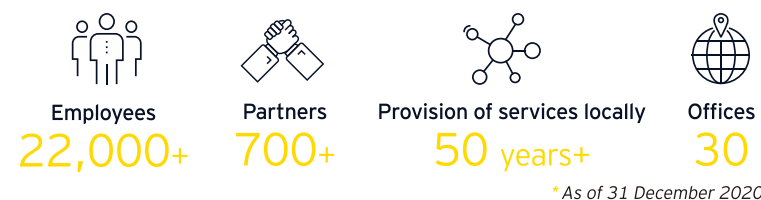


About EY

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EY Greater China Region



EY in Hainan

- ▶ In May 2018, EY China actively responded to construction of Hainan Free Trade Port, becoming one of the first international professional service organizations settling in Hainan.
- ▶ In November 2018, Ernst & Young Hua Ming LLP Hainan Branch, Ernst & Young (China) Advisory Limited Hainan Branch, and Ernst & Young Zhongheng Engineering Cost Consulting Co., Ltd. Hainan Branch officially opened.

EY China provides all-round professional services for Hainan Free Trade Port:

- ▶ We serve all levels of governments and institutions in Hainan, assists with the planning and implementation of a number of pilot programs in Hainan Free Trade Port, provides services in respect of major project planning and implementation, institutional innovation and business environment construction, industrial development and investment promotion, etc.
- ▶ We serve domestic and foreign enterprises entering Hainan and local outstanding enterprises in Hainan, by providing services in respect of assurance and attestation, tax planning, compliance and declaration, consultation about transactions, mergers and acquisitions (M&As) and reorganization, consultation about corporate strategy review, internal control optimization, transformation and development, compensation incentives, management mechanisms and other similar fields, engineering cost consulting, professional trainings, etc.

We will integrate the EY global network of resources and our local service experience to provide a full range of professional services for Hainan Free Trade Port

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Assurance

In providing excellent independent attestation services, we provide investors and other stakeholders with important information, shares clear and compelling insights with the Audit Committee, and provides constructive advice to management in a timely manner. Our Assurance team in Hainan provides services including accounting and financial reporting, systems, robotic process automation and data analysis, financial transaction accounting, initial public offering and capital market, consolidated reporting, commodity trading and professional training.

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Consulting

We help all levels of governments and institutions in Hainan to carry out regional development planning, industrial planning and policy system research, provide services such as investment promotion, and business environment assessment, optimization and upgrading. We provide investment promotion and site selection services to domestic and foreign enterprises entering Hainan, and assist Hainan local enterprises in transformation and development, optimization of their internal control, compensation incentives and management mechanisms, trainings on operation management and control and other fields.

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Tax

We provide tax planning, compliance, declaration, tax technology and other services for local key enterprises in Hainan, hold important industry expert forums, and provides overseas tax advisory services for Hainan enterprises to "go abroad". Our Tax team in Hainan provides global compliance and reporting, indirect tax, international tax and transaction tax, legal, human capital, private client services and others.

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Transaction

We provide comprehensive and objective consulting services to assist clients in assessing opportunities, trading more efficiently and achieving their strategic goals. Our Transaction team in Hainan provides services in respect of growth strategy, M&A advisory, financial support for transactions, tax in respect of M&A and restructuring, valuation, model and economic consulting, integration and divestiture, reorganization and recovery, digital transformation, M&A, etc.

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Engineering Cost

EY Zhongheng, bearing the "Class A Qualification Certificate for Engineering Cost Consulting", is engaged in businesses in real estate, hotels, transportation, energy and chemical industry, electricity, water conservancy, mining, logistics and other industries, and provides engineering cost consulting services to large central enterprises, state-owned enterprises, listed companies, private enterprises and governmental bodies for the long term.

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Financial Services

As our largest industry service team, the Financial Services is dedicated to providing various financial institutions with a full range of professional services covering assurance, tax, strategy, transaction and consulting, serving three major sectors including the banking and capital market, insurance, wealth and asset management. It has established a fintech task force to actively explore the application of latest technologies in financial businesses and related management.

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EY China refers to the member firms of EYG which are organized in China ('EY China', 'we', 'us' or 'our').

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AFTERWORD

The year 2021 is the first year of China's 14th Five-year Plan period, and a critical year for Hainan Province to comprehensively deepen reform and opening-up, and speed up the construction of Hainan Free Trade Port. The 2021 Hainan Free Trade Port Investment Guide (hereinafter this Guide) is designed to showcase the smooth beginning and vigorous development of the construction of Hainan Free Trade Port in an all-round way in conjunction with the documents such as Overall Plan for the Construction of Hainan Free Trade Port, and Outline of the 14th Five-year Plan for National Economic and Social Development in Hainan Province and the 2035 Long-term Goals, with a view to guiding global investors interested in conducting investment and economic and trade activities in Hainan.

In this compilation process, we received great support from various provincial-level departments, cities and counties, and key parks in Hainan Province. All materials and data used herein were last updated in April 2021 which officially provided by provincial departments, cities, counties and key parks in Hainan province or obtained through public channels. We received support from relevant departments for the acquisition, updating, verification, etc. regarding the materials. We hereby express our thanks to the relevant departments for their hard work!

This Guide is jointly released by Hainan Department of Commerce, Hainan IEDB and EY China, with Focusmedia providing the design services. EY China serves Hainan Free Trade Port with its global perspective and a domestic professional team and provides insightful interpretation for Hainan Free Trade Port in terms of industrial development, policy advantages, business environment, cities and counties, key parks, etc. As a leading media group in China, Focusmedia provides typesetting tailor-made for investors by virtue of its stellar design capabilities and immediately responsive professional team. Special thanks are due to EY China and Focusmedia.

This Guide, published in a bilingual form of Chinese and English, provides one-stop information on investment and settlement for global investors in terms of new impression of construction, new investment opportunities, and new development pattern. Global investors are invited to read and share the Guide, and offer your valuable opinions and suggestions.

