

Speech by FS at Digital Entertainment Leadership Forum 2023 (English only) (with photos/video)

Following is the speech by the Financial Secretary, Mr Paul Chan, at the Digital Entertainment Leadership Forum 2023 today (August 25):

Secretary Sun Dong (Secretary for Innovation, Technology and Industry), Director General Zhang Zhihua (Director General of the Youth Department of the Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region), Simon (Chairman of the Board of Directors of Hong Kong Cyberport Management Company Limited, Mr Simon Chan), Peter (Chief Executive Officer of Hong Kong Cyberport Management Company Limited, Mr Peter Yan), distinguished speakers and guests, ladies and gentlemen here at Cyberport and online,

Good morning to you all. I am delighted to be here to join you for the opening ceremony of this year's Digital Entertainment Leadership Forum, the flagship Cyberport event championing Hong Kong's digital entertainment development since 2014.

Over the past years, the Forum has emerged as a leading forum in the region, presenting exciting opportunities for industry experts, entrepreneurs and investors to share, exchange and explore the latest developments and possibilities in digital entertainment, or digitainment.

This year, more than 3 500 participants and 90 speakers from more than 30 countries and regions will be attending the Forum, physically and online, and we all look forward to hearing their insightful perspectives. The Forum also offers a wide range of exciting opportunities for the public to get a taste of the latest applications.

The popularity of this Forum and its related activities speak for Hong Kong's status as a booming hub of digitainment business.

Cyberport's digitainment cluster is a compelling illustration of this. In addition to giving birth to a unicorn specialising in blockchain and Web3 gaming, we are seeing more start-ups with heartening results. This year, a Cyberport start-up has come into partnership with Marvel to launch Marvel's first immersive fitness experience; another has now tapped into the Japanese market with its community-driven reality game, conquering the hearts of some 70 000 fans within six months.

The theme of this year's Forum, focusing on how Web3 and other technologies such as AI (artificial intelligence) are breaking boundaries and empowering new digitainment models, is very timely. We are all aware of the transformative power of technologies in changing the way we interact with

information, entertainment and much else. They are now driving new digitainment models, such as decentralised metaverse platforms, new models of digital ownership and play-to-earn mechanisms. And at warp speed too.

We in the HKSAR (Hong Kong Special Administrative Region) Government believe in the potential of Web3 and its underlying blockchain technology to fast-track innovation, to inspire new business models, and to make our everyday life better. In finance, trade, manufacturing, logistics and so many other areas, it is presenting boundless new possibilities. That is why we are committed, in terms of both policies and resources, to nurturing a vibrant Web3 ecosystem in Hong Kong which will become an important driving force of our economic growth.

Last year, we issued our policy statement on developing virtual assets setting out our clear commitment to the sustainable and responsible development of the sector. This year, in my Budget, I have allocated HK\$50 million to Cyberport and set up a task force on promoting Web3 to spur our Web3 ecosystem development.

We are seeing encouraging results: Cyberport is now home to more than 170 companies from more than 20 countries and regions. They are here to pursue Web3 technologies and prospects.

And I am pleased to note that Cyberport is doing more to promote Web3, including the setting up of the Web3 Living Lab, a dedicated space designed to bring together Hong Kong's fast-growing Web3 community, where they can showcase their innovations and solutions for Hong Kong's Web3 future. I look forward to its grand opening in just a few minutes.

Ladies and gentlemen, by concerted efforts, involving in particular market players and regulators, I am confident there will be a bright and flourishing Web3 future for Hong Kong. You are most welcome to join us to grasp these opportunities ahead.

Last but not least, may I wish you all a rewarding Forum and the best of business and health in the years to come. Thank you.



