

**SME Development Fund (SDF)/
Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund)
(Organisation Support Programme) (OSP)**

Final Report on Approved Project

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| Project ref. no. | : | BUD 18 3 005 | |
| Project title | : | To promote the high quality and advanced manufacturing technology of metal parts adopted by Hong Kong metal manufacturers across different industries in Mainland China | |
| Period covered | : | From 01/04/2019 (dd/mm/yy) | 31/10/2021 (dd/mm/yy) |

1. Project Details

(Please mark with "*" if any of the following project details is different from that in the project proposal appended to the project agreement.)

Project Summary (in about 150 words)

China has the second largest economy with a GDP of over US\$10 trillion in 2016, which is second only to the United States of America. China has a populous of an estimated 1.4 billion, with a growing middle class that has been enjoying buying luxury goods in the past decade. Consumers have shifted from purchasing low-price-low quality goods to high-price-high-quality goods, particularly in electrical products, mobile phones, automobiles etc. This was obvious in the rise of major Chinese brands such as Huawei, ZTE, Midea, Haier, Geely Auto etc. in recent years. High quality products require premium parts & quality components coupled with good enterprise resource planning (ERP). This is the perfect opportunity for Hong Kong metal manufacturing enterprises to demonstrate their competitive edges in offering high quality products and advanced technologies among the Chinese manufacturers.

The HK metal manufacturers are generally small and medium enterprises with limited capital and resources to access markets outside HK. They are equipped with the essential technology and knowledge, but focusing on local markets and thus lack the network to reach target industry, namely the supply chain of consumer market in Mainland China.

Project Objective(s) (in about 80 words)

To promote the capability of Hong Kong metal industry in advanced metal manufacturing technology & premium quality for seeking business opportunities in China.

After considering the recommendation by Vetting Committee and market study through interview of Chinese companies, it was concluded that the majority of high-value added companies used exhibitions as main channel to obtain and sourcing partners through trade exhibitions.

To cope with the current situation, the Hong Kong Metal Manufacturing Association (HKMMA) in partnership with Hong Kong Productivity Council (HKPC), proposes to launch a project to participate 3 exhibitions in China to promote the professional image of Hong Kong metal manufacturers.

Grantee/Collaborating Organisation/Implementation Agent

Grantee : The Hong Kong Metals Manufacturers Association Limited

Hong Kong Federation of Innovative Technologies and Manufacturing Industries Limited

Hong Kong Electronic Industries Association Limited

Hong Kong Auto Parts Industry Association Limited

Hong Kong Aviation Industry Association

Hong Kong 3D Printing Association Limited

Hong Kong Electrical Appliance Industries Association Limited

Collaborating Organisation(s) : Hong Kong Accessories Designers Association Limited

Implementation Agent(s) : Hong Kong Productivity Council

Key Personnel

| | <u>Name</u> | <u>Company/Organisation</u> | <u>Tel No. & Fax No.</u> |
|-----------------------------|---------------------------|--|------------------------------------|
| Project Co-ordinator | Mr. Suen Fai Chuen, Alan | The Hong Kong Metals Manufacturers Association | (Tel) 2429 6419 (Fax) 2429 8453 |
| Deputy Project Co-ordinator | Ir. Suen Kwok Wai, Samson | Hong Kong Productivity Council | (Tel) 2788 5500 (Fax) 2788 5522 |

Project Period

| | <u>Commencement Date</u> (day/month/year) | <u>Completion Date</u> (day/month/year) | <u>Project Duration</u> (No. of months) |
|--------------------------------|--|--|--|
| As stated in project agreement | 01/04/2019 | 31/07/2021 | 28 months |
| Revised (if applicable) | N.A. | 31/10/2021 | 31 months |

2. Summary of Project Results

Project Deliverables

(Please list out the project deliverables as stated in the project proposal appended to the project agreement and provide details related to the actual result achieved for each of them.)

| | Project deliverable (e.g. First seminar) | Quantifiable target number (e.g. 100 participants) | Actual result achieved (e.g. 90 participants) | Reasons for not achieving the target, if applicable (e.g. The total number of registered participants was over 120. However, some of them did not show up eventually. Will strengthen promotion and try to make up for the shortfall in the following two seminars.) |
|----|--|---|--|--|
| a) | 1 st awareness seminar (Hong Kong) | <p>3 hours</p> <p>Representatives from the Applicant or the implementation agent will explain the project details</p> <p>Two representatives from SMEs in the industry who have participated in China's exhibitions related to metal parts and components before will be invited to each seminar to share their experience with the participants</p> <p>60 participants</p> <p>1 backdrop for promotion</p> <p>300 copies of leaflets will be distributed</p> <p>E-version of the leaflet will be uploaded to the project website and distributed through the</p> | <p>3 hours</p> <p>Representative from the implementation agent explained and demonstrated the project in details</p> <p>i) Mr. Fung Kwok Fai (HKPC)</p> <p>Two representatives shared their experiences in participating the China's exhibitions</p> <p>i) Mr. Leung Chi Kin (Yan Hing Engineering Works Ltd.)</p> <p>ii) Mr. Chan Wai Hung (Pro-Technic Machinery Ltd.)</p> <p>65 participants</p> <p>1 backdrop was made for promotion</p> <p>500 copies were arranged to distribute during the first awareness seminar, over 300 copies are distributed through HKPC and HKMMA promotion channel</p> <p>E-version of the leaflet was uploaded to website and delivered through the applicant's contacts</p> | N.A. |

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| | | database of the applicant, implementation agent and collaborating organisations by eDM | database, implementation agents and collaborating organisations by eDM | |
| | 2 nd awareness seminar (Hong Kong) | <p>3 hours</p> <p>Representatives from the Applicant or the implementation agent will explain the project details</p> <p>Two representatives from SMEs in the industry who have participated in China's exhibitions related to metal parts and components before will be invited to each seminar to share their experience with the participants</p> <p>60 participants</p> <p>1 backdrop for promotion</p> <p>300 copies of leaflets will be distributed</p> <p>E-version of the leaflet will be uploaded to the project website and distributed through the database of the applicant, implementation agent and collaborating organisations by eDM</p> | <p>3 hours</p> <p>Representative from the implementation agent explained and demonstrated the project in details</p> <p>i) Mr. Fung Kwok Fai (HKPC)</p> <p>Two representatives shared their experiences in participating the China's exhibitions.</p> <p>i) 侯嘉齡女士 (鉅源螺絲五金公司)</p> <p>ii) 蔡潔怡女士 (立強精密工業有限公司)</p> <p>15 participants had joined on-site of the seminar and over 60 participants had joined online through Zoom software</p> <p>1 backdrop was made for promotion</p> <p>300 copies were arranged to distribute during the second awareness seminar, over 200 copies are distributed through HKPC and HKMMA promotion channel</p> <p>E-version of the leaflet was uploaded to website and delivered through the applicant's contacts database, implementation agents and collaborating organisations by eDM</p> | <p>Due to the COVID-19 pandemic, participants might like to attend the seminar virtually. Therefore, the seminar was organised in hybrid mode so that more practitioners could join the seminar. No additional charge for organising the seminar in hybrid mode.</p> |

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| b) | <p>1st Hong Kong pavilion (around 200sqm) at The 6th China (Wuhan) Automotive Processing Technology & Moulding Expo 2019</p> | <p>At least 45 exhibits from 15 SMEs will be displayed in the exhibition (around 200sqm)</p> <p>A real metal forming machine (stamping machine or bending machine) will be operated for a live demonstration. Expected 2,000 pieces to be distributed</p> <p>Display boards and/or posters will be considered as potential means of introduction of the products and apparatus</p> <p>A business networking area (around 20 sqm) will be set up for HK exhibitors to have business discussions with Mainland buyers during the exhibition</p> <p>On-site advertisement (exhibition banners), advertisements on exhibition directories (one for each exhibition) and online promotion through Weibo or WeChat will be deployed</p> | <p>Over 500 exhibits from 18 SMEs were displayed in the exhibition (around 225sqm)</p> <p>A metal bending machine was operated for live demonstrations. 2,000 pieces of metal samples were distributed</p> <p>Display board was used to introduce the products and apparatus</p> <p>A business networking area (around 20 sqm) was set up for HK exhibitors to have business discussions with Mainland buyers during the exhibition</p> <p>On-site advertisement (exhibition banners), advertisements on exhibition directories (one for each exhibition) and online promotion through WeChat were deployed</p> | <p>According to the available space provided by the exhibition organiser, 225sqm is the closest area to 200sqm.</p> |
| | <p>2nd Hong Kong pavilion (around 200sqm) at The 23rd Qingdao International Machine Tools Exhibition</p> | <p>At least 45 exhibits from 15 SMEs will be displayed in the exhibition (around 200sqm)</p> <p>A real metal forming machine (stamping machine or bending machine) will be operated for a live demonstration. Expected 2,000 pieces to be distributed</p> <p>Display boards and/or posters will be considered as potential means of introduction</p> | <p>Over 500 exhibits from 17 SMEs were displayed in the exhibition (around 240sqm)</p> <p>A metal bending machine was operated for live demonstrations. 2,000 pieces of metal samples were distributed</p> <p>Display board was used to introduce the products and apparatus</p> | <p>According to the space available provided by the exhibition organiser, 240sqm is the closest area to 200sqm.</p> |

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| | | <p>of the products and apparatus</p> <p>A business networking area (around 20 sqm) will be set up for HK exhibitors to have business discussions with Mainland buyers during the exhibition</p> <p>On-site advertisement (exhibition banners), advertisements on exhibition directories (one for each exhibition) and online promotion through Weibo or WeChat will be deployed</p> | <p>A business networking area (around 20 sqm) was set up for HK exhibitors to have business discussions with Mainland buyers during the exhibition</p> <p>On-site advertisement (exhibition banners), advertisements on exhibition directories (one for each exhibition) and online promotion through WeChat were deployed</p> | |
| | <p>3rd Hong Kong pavilion (around 200sqm) at The 2021 China (Guangzhou) International Laser Equipment and Sheet Metal Industry Exhibition</p> | <p>At least 45 exhibits from 15 SMEs will be displayed in the exhibition (around 200sqm)</p> <p>A real metal forming machine (stamping machine or bending machine) will be operated for a live demonstration. Expected 2,000 pieces to be distributed</p> <p>Display boards and/or posters will be considered as potential means of introduction of the products and apparatus</p> <p>A business networking area (around 20 sqm) will be set up for HK exhibitors to have business discussions with Mainland buyers during the exhibition</p> <p>On-site advertisement (exhibition banners), advertisements on exhibition directories (one for each exhibition) and online promotion through Weibo or WeChat will</p> | <p>Over 500 exhibits from 15 SMEs were displayed in the exhibition (around 204sqm)</p> <p>One metal stamping machine and one bending machine was displayed and operated for live demonstrations. 2,000 pieces of metal samples formed by bending machine were distributed</p> <p>Display board was used to introduce the products and apparatus</p> <p>A business networking area (around 20 sqm) was set up for HK exhibitors to have business discussions with Mainland buyers during the exhibition</p> <p>On-site advertisement (exhibition banners), advertisements on exhibition directories (one for each exhibition) and online promotion through WeChat were deployed</p> | N.A. |

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| | | be deployed | | |
| c) | 1 st leaflet for the exhibition in Wuhan | 2,000 leaflets will be distributed E-version of the leaflet will be uploaded to the project website | 2,000 leaflets were all distributed E-version of the leaflet was uploaded to the project website | N.A. |
| | 2 nd leaflet for the exhibition in Qingdao | 2,000 leaflets will be distributed E-version of the leaflet will be uploaded to the project website | 2,000 leaflets were all distributed E-version of the leaflet was uploaded to the project website | N.A. |
| | 3 rd leaflet for the exhibition in Guangzhou | 2,000 leaflets will be distributed E-version of the leaflet will be uploaded to the project website | 2,000 leaflets were all distributed E-version of the leaflet was uploaded to the project website | N.A. |
| d) | 1 st industry directory for the exhibition in Wuhan | 500 Industry directories will be distributed E-version of the Industry directory will be uploaded to the project website | 500 Industry directories were all distributed E-version of the Industry directory was uploaded to the project website | N.A. |
| | 2 nd industry directory for the exhibition in Qingdao | 500 Industry directories will be distributed E-version of the Industry directory will be uploaded to the project website | 500 Industry directories were all distributed E-version of the Industry directory was uploaded to the project website | N.A. |
| | 3 rd industry directory for the exhibition in Guangzhou | 500 Industry directories will be distributed E-version of the Industry directory will be uploaded to the project website | 500 Industry directories were all distributed E-version of the Industry directory was uploaded to the project website | N.A. |
| e) | A promotional video | Around 5 minutes Different smart manufacturing technology possessed by HKMMA across automobile and 3C industry will be demonstrated | Duration: Around 5 minutes https://www.youtube.com/watch?v=f5kFyv9GSEI&feature=emb_logo Different smart manufacturing technologies possessed by HKMMA across automobile and 3C industry were demonstrated Detail content of video | N.A. |

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| | | | <p>included: Introduction of advanced technical skills in manufacturing and control of Hong Kong metal manufacturers and the well development of transportation network of Hong Kong. As China expand the demand of high-end metal components for automobile and 3C industries. Hong Kong metal manufacturers can be further equipped with smart or intelligent manufacturing system to meet the demand of China customers with the aim to expand the market share in China and successfully implement the Industrial 4.0 concept.</p> | |
| | | <p>Voice-over in Mandarin with Chinese subtitles</p> <p>E-version of video will be uploaded to the website developed in this project</p> | <p>Voice-over in Mandarin with Chinese subtitles was added</p> <p>E-version of video was developed in this project and uploaded to the website</p> | |
| f) | A promotional website | <p>A project website in Chinese will be created</p> <p>The project website will be promoted on the HKMMA's official website (www.hkmma.org.hk) http://www.hkmmabud.com/</p> <p>A QR code will be created for the project website and printed on the leaflets (for the awareness seminars and pavilions), and industry directory of Hong Kong Metal Manufacturing enterprises</p> | <p>A project website in Chinese was developed</p> <p>The project website was promoted on the HKMMA's official website</p> <p>A QR code was generated for the project website and printed on the leaflets (for the awareness seminars and pavilions) and industry directories of Hong Kong metal manufacturing enterprises</p> | N.A. |

Details of the deliverables (e.g. date, duration, venue, speaker, topic discussed, etc.)

(Please list out in table format if necessary.)

| | Project deliverable (e.g. First seminar) | Date and Time | Duration | Venue | Remarks |
|-----|--|---|-------------------------|--|--|
| (a) | 1 st awareness seminar (Hong Kong) | 08/04/2019 14:30 – 17:30 | 3 hrs | Theatre 1, HKPC | 1 Representative from the implementation agents. (45mins) i) Mr. Fung Kwok Fai HKPC 2 representatives from SMEs in the industry who have participated in China's exhibitions related to metal parts and components before. (45mins) i) Mr. Leung Chi Kin Yan Hing Engineering Works Ltd. ii) Mr. Chan Wai Hung Pro-Technic Machinery Ltd. |
| | 2 nd awareness seminar (Hong Kong) | 06/07/2020 14:30 – 17:30 | 3 hrs | R One Space Address: 20/F-22/F, One Pacific Centre, 414 Kwun Tong Road, Kwun Tong | 1 Representative from the implementation agents. (45mins) i) Mr. Fung Kwok Fai HKPC 2 representatives from SMEs in the industry who have participated in China's exhibitions related to metal parts and components before. (60mins) i) 侯嘉齡女士 (鉅源螺絲五金公司) ii) 蔡潔怡女士 (立強精密工業有限公司) |
| (b) | 1st Hong Kong pavilion (200sqm) at The 6th China (Wuhan) Automotive Processing Technology & Moulding Expo 2019 | 09/05/2019 – 10/05/2019 09:00 – 16:00 11/05/2019 09:00 – 14:00 | 09/05/2019 – 11/05/2019 | Wuhan International Expo Centre, No 619, Yingwu Avenue, Hanyang District, Wuhan, Hubei province, China | At this exhibition, products and equipment of automobile sector were displayed. (Machine tools and laser equipment & sheet metals) There were 500 exhibits from 18 SMEs displayed in the pavilion. It was consisted of metal materials, metal products (semi-finished metal products or finished products) and metal forming machines. The operation of bending machine was demonstrated, while the demonstration of stamping machine was replaced by displaying metal products, stamping mould, bending mould and machine due to venue restriction. |
| | 2 nd Hong Kong pavilion (200 sqm) at The 23 rd Qingdao International Machine Tool | 18/07/2020 – 21/07/2020 09:10 – 17:00 | 18/07/2020 – 22/07/2020 | Qingdao International Expo, 7-1 Wenquan 2nd Road, Ji Mo | At this exhibition, products and equipment of the selected industries automobile and 3C products were displayed. (Machine tools and laser |

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| | Exhibition | 22/07/2020 09:10 – 12:00 | | City, Hot Spring Town Area Qingdao City, Shandong Province, P.R. China | equipment & sheet metals) There were 500 exhibits from 17 SMEs displayed in the pavilion. It was consisted of metal materials, metal products (semi-finished metal products or finished products) and metal forming machines. The operation of bending machine was demonstrated, while the demonstration of stamping machine was replaced by displaying metal products, stamping mould, bending mould and machine due to venue restriction. |
| | 3 rd Hong Kong pavilion (200 sqm) at The 2021 China (Guangzhou) International Laser Equipment and Sheet Metal Industry Exhibition | 16/09/2021 9:30 – 16:30 17/09/2021 9:15 – 16:30 18/09/2021 9:15 – 13:00 | 16/09/2021 – 18/09/2021 | China Import and Export Fair Pazhou Complex C Area First Floor, 980, Xin Gang Dong Road, Guangzhou, China | At this exhibition, metal products of the selected industries automobile and 3C products were displayed. (Machine tools and laser equipment & sheet metals) There were 500 exhibits from 15 SMEs displayed in the pavilion. It was consisted of metal materials, metal products (semi-finished metal products or finished products) and metal forming machines. The operation of bending machine and stamping machine were demonstrated. |
| (c) | 1 st leaflet for the exhibition in Wuhan | 09/05/2019 – 11/05/2019 | 09/05/2019 – 11/05/2019 | Wuhan International Expo Centre | Printed leaflet was designed to promote the capabilities of Hong Kong metal manufacturers. It was printed in Chinese for distribution during the exhibitions. The leaflet highlighted the transformation of Hong Kong SMEs and the high value-added manufacturing technology applied by them. |
| | 2 nd leaflet for the exhibition in Qingdao | 18/07/2020 – 22/07/2020 | 18/07/2020 – 22/07/2020 | Qingdao International Expo | Printed leaflet was designed to promote the capabilities of Hong Kong metal manufacturers. It was printed in Chinese for distribution during the exhibitions. The leaflet highlighted the transformation of Hong Kong SMEs and the high value-added manufacturing technology applied by them. |
| | 3 rd leaflet for the exhibition in Guangzhou | 16/09/2021 – 18/09/2021 | 16/09/2021 – 18/09/2021 | China Import and Export Fair Pazhou Complex C Area First Floor | Printed leaflet was designed to promote the capabilities of Hong Kong metal manufacturers. It was printed in Chinese for distribution during the exhibitions. |

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| | | | | | The leaflet highlighted the transformation of Hong Kong SMEs and the high value-added manufacturing technology applied by them. |
| (d) | 1 st industry directory for the exhibition in Wuhan | 09/05/2019 – 11/05/2019 | 09/05/2019 – 11/05/2019 | Wuhan International Expo Centre | It included: (1) Introduction of Hong Kong metal manufacturing industry; (2) List of Hong Kong metal manufacturing SMEs (names and contact information). It was printed in Simplified Chinese for distribution in the China's exhibitions. |
| | 2 nd industry director for the exhibition in Qingdao | 18/07/2020 – 22/07/2020 | 18/07/2020 – 22/07/2020 | Qingdao International Expo | It included: (1) Introduction of Hong Kong metal manufacturing industry; (2) List of Hong Kong metal manufacturing SMEs (names and contact information). It was printed in Simplified Chinese for distribution in the China's exhibitions. |
| | 3 rd industry directory for the exhibition in Guangzhou | 16/09/2021 – 18/09/2021 | 16/09/2021 – 18/09/2021 | China Import and Export Fair Pazhou Complex C Area First Floor | It included: (1) Introduction of Hong Kong metal manufacturing industry; (2) List of Hong Kong metal manufacturing SMEs (names and contact information). It was printed in Simplified Chinese for distribution in the China's exhibitions. |
| (e) | A promotional video | / | ~5 mins | https://www.youtube.com/watch?v=f5kFyv9GS EI&feature=emb_logo | The video lasts for around 5 minutes. Mandarin voice-over with Chinese subtitles was implemented. |
| (f) | A promotional website | / | / | http://www.hkmmabud.com/ | A QR code was generated for the website and printed on the promotional leaflets and Industry directory. Promotional leaflets and Industry directory were uploaded to the project website. A QR code was generated for the Website and printed on the promotional leaflets and industry directory. |

Milestones (in chronological order)

(# Please indicate if the milestone is completed (C), deferred (D) or not achieved (N). If it is deferred, please indicate the revised completion date. For those milestones which are deferred or not achieved, please also provide the reasons under item 2.4.)

| | <u>Milestone</u> (as set out in the approved project proposal appended to the project agreement) | <u>Original target completion date</u> | <u>Revised completion date</u> (if applicable) | <u>Status</u> (C/D/N) # |
|-----|---|--|---|----------------------------|
| (a) | Setup of Project Steering Committee | 30/04/19 | - | C |
| (b) | Production of promotional leaflet | 30/04/19 | - | C |
| (c) | Production of industry directory | 30/04/19 | - | C |
| (d) | Production of the project website | 30/04/19 | - | C |
| (e) | Production of the promotional video | 30/04/19 | - | C |
| (f) | Preparation for the 1st exhibition (including booth decoration) and 1st awareness seminar | 30/04/19 | - | C |
| (g) | Organization of 1st awareness seminar | 30/04/19 | - | C |
| (h) | Recruit participants to display products in the 1st exhibition. | 30/04/19 | - | C |
| (i) | Finalize the participant info (Wuhan exhibition) | 30/06/19 | - | C |
| (j) | Ship the displayed items to Wuhan | 30/06/19 | - | C |
| (k) | 1st exhibition (Wuhan) (May 2019) | 30/06/19 | - | C |
| (l) | Update of project website | 31/07/20 | - | C |
| (m) | Production of promotional leaflet | 31/07/20 | - | C |
| (n) | Organization of 2nd awareness seminar | 31/07/20 | - | C |
| (o) | Preparation for the 2nd exhibition (including booth decoration) | 31/07/20 | - | C |
| (p) | Finalize the participant info (Qingdao exhibition) | 31/07/20 | - | C |
| (q) | Ship the displayed items to Qingdao | 30/09/20 | - | C |
| (r) | 2nd exhibition (Qingdao) (Jul 2020) | 30/09/20 | - | C |
| (s) | Update of project website | 31/05/21 | 31/08/21 | C Note (i) |
| (t) | Production of promotional leaflet | 31/05/21 | 31/08/21 | C Note (i) |
| (u) | Preparation for the 3 rd exhibition (including booth decoration) | 31/05/21 | 31/08/21 | C Note (i) |
| (v) | Finalize the participant info (Guangzhou exhibition) | 31/05/21 | 31/08/21 | C Note (i) |
| (w) | Ship the displayed items to Guangzhou | 31/07/21 | 31/10/21 | C Note (i) |
| (x) | 3 rd exhibition (Guangzhou) (Sep 2021) | 31/07/21 | 31/10/21 | C Note (i) |
| (y) | Report and evaluation | 31/07/21 | 31/10/21 | C Note (i) |

Note (i): Due to the COVID-19 pandemic, the exhibition in Guangzhou was rescheduled to September 2021 and project duration was extended to October 2021 to allow time to complete the 3rd exhibition.

Future Plan for Promoting the Project Deliverables (Nil if not applicable)

N/A
