

HK Foreign Direct Investment

The First Hong Kong FinTech Week

InvestHK turns the spotlight on the city as Asia's FinTech hub by launching the first Hong Kong FinTech Week on 7-11 November. The Week provides a perfect demonstration of how global FinTech trends meet Hong Kong's unique advantages



Hong Kong is quickly positioning itself as one of the key FinTech hubs globally. With the presence of more than 70 banks in the city, a deep talent pool of over 200,000 professionals with profound knowledge of financial services, as well as its world-class infrastructure on information and communications, the city has what it takes to become a worldwide hub for FinTech.

"The first Hong Kong FinTech Week marks the beginning of a journey for the sector in our city, one which is set to see it grow significantly during the next couple of years, supported by the government and regulators, but driven by the private sector," Charles Ng, Associate Director-General of InvestHK, said.

The week involves participation from Hong Kong regulators, including all-day events organised by the Securities & Futures Commission (SFC) on Monday, 7 November and the Hong Kong Monetary Authority on Friday, 11 November. In between, events organised by Finnovasia, Finovate, the Hong Kong FinTech Community, FinTech Innovation Lab and FinTech O2O (NexChange)

will run independently under the overarching theme "Hong Kong FinTech Week".

All of the events take place at PMQ (Police Married Quarters) in Central, with the exception of Finnovasia workshop at Eaton House in Central, the FinTech Innovation Lab at Cyberport and a lunch event on regulation organised by the Asian Institute of International Financial Law at the University of Hong Kong.

One of the highlights obviously is Finovate, which is coming to Hong Kong for the first time. The lineup of more than 30 presenting companies went through a competitive application process before being carefully handpicked for a demo spot. This mixture of established and startup companies will showcase and debut their newest innovations made from and for the Asian market. These innovations will span the spectrum of FinTech from biometrics and big data to the latest in investment management, lending, customer onboarding, and payments.

investhk.gov.hk

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The conference is essentially a sales demo, press conference, analyst briefing, trade show, and business development meeting all packed into one.

Other highlights include:

- **Finnovasia – The Future of FinTech in China**

What's next for China? What will it mean for the rest of the world? The conference will take a deep dive into China's FinTech landscape, including regulations, P2P lending business, credit market and wealth management.

- **FinTech Community Day**

The whole day conference will assess the attributes of successful ecosystems (talent, capital, policy and demand) and examine the Asian FinTech landscape, the differences and similarities between different regions and ecosystems, and the opportunities for Hong Kong.

- **State of the Ecosystem**

What does it mean to be a FinTech professional today? For people who want to start their own company or re-route their career to FinTech, FinTech O2O: State of the Ecosystem examines the pillars of FinTech from funding to customer outreach.

- **Regulators' Latest Drives**

Regulators such as the Hong Kong Monetary Authority (HKMA) and the Securities and Futures Commission (SFC) share the latest updates on Regtech, payment technology, blockchain and more.

- **Social Networking**

Ample networking and social events throughout the week to connect people with different players in the local and regional FinTech communities.

How We Can Help

Earlier in 2016, the HKMA, the SFC, and Office of the Commissioner of Insurance (OCI) have established their dedicated FinTech platforms to enhance communication between regulators and the FinTech community, as well as to help ensure a good balance between market demand for innovative financial products and services, and investors' understanding and tolerance of risk.

In April 2016 Cyberport launched the first phase of its dedicated FinTech co-working space, Smart-Space FinTech 1, which will grow to some 3,000 square metres by the end of this year. It has also admitted the first cohort of start-ups under its designated incubation programme that will provide support to 150 FinTech companies over five years.

InvestHK has set up a dedicated FinTech team to attract top innovative FinTech enterprises, start-up entrepreneurs, investors, accelerators, incubators, innovation labs and R&D institutions from all over the world to Hong Kong and assist them to establish their presence here.

Contact us now to discuss how to grow your FinTech business from Hong Kong.

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www.hongkong-fintech.hk



@HongKongFinTech; hashtag #HKFinTechWeek

2016

NOV

Beijing

"Belt & Road" Investment Promotion Seminar in Beijing for Beijing, Tianjin and Hebei enterprises (A Panel of "The 20th Beijing Hong Kong Economic Cooperation Symposium")

This investment promotion seminar aims to provide an overview of the various advantages of Hong Kong as an investment destination for enterprises in Beijing, Tianjin and Hebei in compliance with the "Going Global" and "Belt & Road" strategies.

Venue: Agate Hall, Tower E, Beijing Hotel (33 East Chang An Avenue, Beijing, China)

Organisers: Beijing Municipal Commission of Commerce, InvestHK, HKSARG, Tianjin Municipal Commission of Commerce and Hebei Provincial Department of Commerce

Lisbon, Portugal

"Europe's Largest Technology Market Place"

Web Summit is held annually since 2010. The conference is centered on internet technology and attendees range from Fortune 500 companies to the world's most exciting tech companies. InvestHK will organise a cocktail networking event on Wednesday November 9.

Organiser: Web Summit

► websummit.net

Macao

CASBAA

Staged at Studio City in Macao, CASBAA 2016 is the most influential networking occasion for the Asian pay-TV market.

Venue: Studio City Macao

Organiser: Cable & Satellite Broadcasting Association of Asia (CASBAA)

► casbaa.com/events/list/

Hong Kong

Hong Kong FinTech Week (Please refer to page 1-2)

Los Angeles

CityAge: Build the Future

The 27th CityAge offers the chance to meet the country's most unique mix of leaders in architecture, infrastructure, finance and engineering, sustainability and entrepreneurship.

Venue: The California Club, Los Angeles

Organiser: CityAge Media Inc.

► cityage.org/la

Hong Kong

Inside Retail Academy Seminar – Retail's Next Revolution

Inside Retail brings its specialised retail seminars to Hong Kong. Experienced and respected retailers and industry experts will share their insights on how to survive the disruptive retail environment in Hong Kong.

Organiser: Inside Retail Asia

► insideretail.hk/event/retails-next-revolution/

Lisbon, Portugal

Portugal-China Economic Forum

The 1st Portugal-China Economic Forum is a multi-sectoral event designed to strengthen the interaction between companies and institutions of the two countries. InvestHK will have a booth at the Trade & Investment Fair.

Organisers: The Portuguese-Chinese Chamber of Commerce and Industry (CCILC) and the Portuguese Industrial Association (AIP) Foundation

► ccilc.pt/en/events/ccilc/i-portugal-china-economic-forum-2016

Hong Kong

Hong Kong Maritime Industry Week (HKMIW)

The first-ever Hong Kong Maritime Industry Week aims to propel Hong Kong as a renowned international maritime centre and the objectives are to make Hong Kong a preferred base for operating maritime business, and to foster interest and professionalism in various port and maritime services.

Organiser: Hong Kong Maritime and Port Board

► hkmiw.hk

Canada

Canadian Innovation Exchange (CIX)

The CIX is a leading national event in Canada's innovative sector which attracts 750+ technology industry leaders and entrepreneurs of innovation focused startups companies in Canada.

Venue: Toronto

Organiser: Brunico Communications

► canadianinnovationexchange.com

Wuhan, China

"Belt and Road, Together We Grow" Seminar (Wuhan)

This investment promotion seminar aims to introduce to Wuhan enterprises Hong Kong's business advantages and how Mainland enterprises could make use of Hong Kong as a platform to "go global" under the Belt and Road Initiative.

Organisers: Wuhan Municipal Bureau of Commerce and InvestHK

Copenhagen, Denmark

Hong Kong Business Seminar

Representatives from InvestHK will speak to companies in the Greater Copenhagen area and members of the Denmark Hong Kong Trade Association on the business opportunities in Hong Kong.

Organisers: InvestHK Nordics Team and Denmark Hong Kong Trade Association

Location: to be determined

Hong Kong

Business of Design Week (BODW)

BODW is an annual flagship since 2002 that brings in some of the world's most outstanding design masters and influential business figures to inspire the regional audience on creative thinking and design management.

Venue: Hong Kong Convention and Exhibition Centre

Organiser: Hong Kong Design Centre

► bodw.com

Hong Kong

Corporate Treasury Centre Seminar

The seminar aims at encouraging Mainland companies to establish corporate treasury centres (CTC) in Hong Kong by introducing the latest policy on CTC and the business environment in Hong Kong.

Location: Hong Kong

Organisers: InvestHK, The Hong Kong Chinese Enterprises Association and Hong Kong Monetary Authority

Hong Kong

Japanese Community Networking Reception

The networking event is to thank Japanese companies for their contribution to Hong Kong.

Location: Hong Kong

Organiser: InvestHK

DEC

Hong Kong

World SME Expo

The World SME Expo is a one-stop platform where SMEs from Hong Kong and overseas come together to showcase their services and explore co-operation.

Organiser: HKTDC

► hktdc.com/fair/worldsmeexpo-en/HKTDC-World-SME-Expo.html

Hong Kong

Annual Global Community Reception

The networking event is to thank all Mainland and overseas companies for their contribution to Hong Kong.

Organiser: InvestHK

StartmeupHK Survey

Hong Kong Continues to be a Leading Global Startup Hub

The latest survey results point to a surging number of entrepreneurs setting up their business in Hong Kong



Invest Hong Kong (InvestHK) announced today the results of its 2016 startup survey, which saw 1,926 entrepreneurs from around the world engaged in various tech sectors and operating at different co-work or incubation locations across the city, an increase of 24 percent compared with last year.

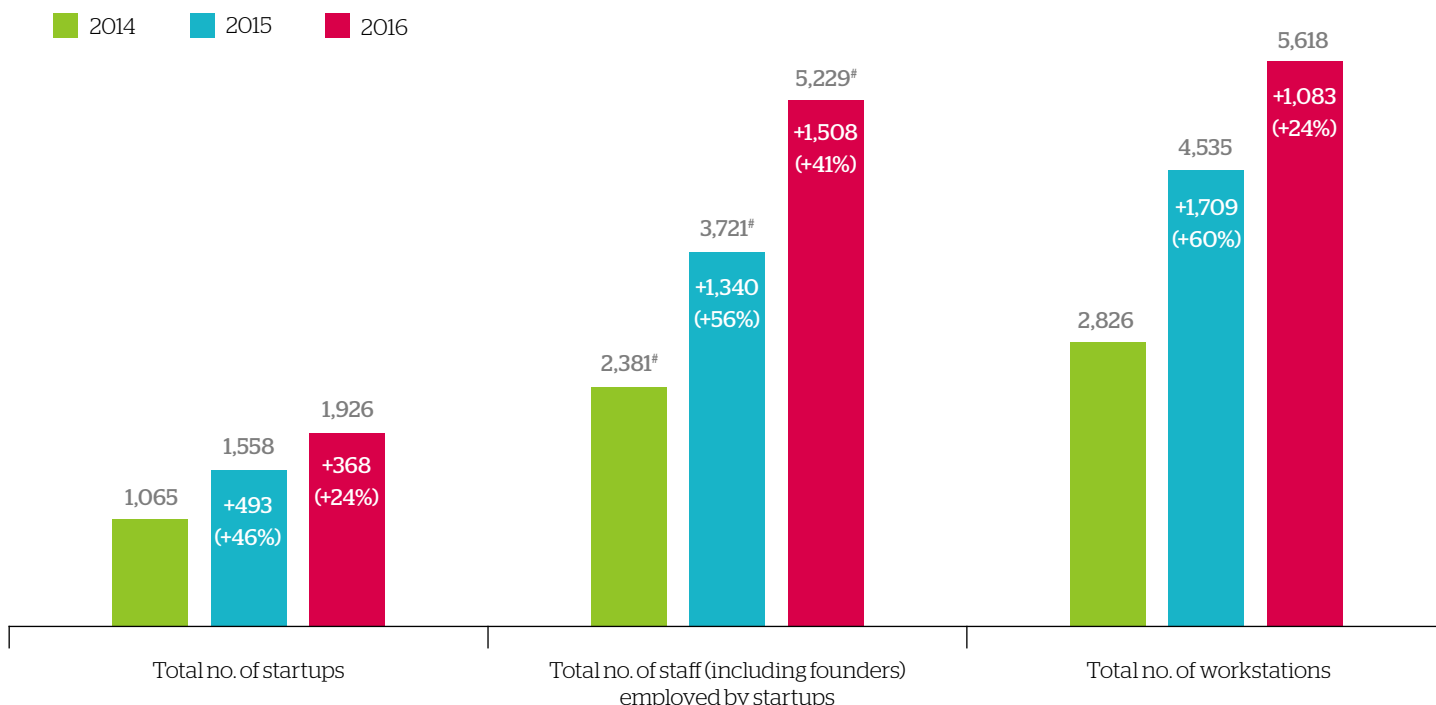
The results of the survey were released at InvestHK's launch reception with the startup community on 1 November to unveil the upcoming StartmeupHK Festival, scheduled for 13-21 January 2017.

The survey was carried out in collaboration with 38 co-work spaces and incubation programme operators, who provided information on the profile of occupants in 48 such premises across the city. The objectives are to better understand the startup community and to promote Hong Kong as a leading hub for innovation and entrepreneurship.

The founders are engaged in businesses including information, computer and technology; e-commerce, supply chain management, and logistics technology; professional or consultancy services; design; FinTech and more. Among the FinTech founders, they are engaged in various subsectors including financial software and services; algo-trading and algorithm-based portfolio management; payment; wealth management; lending and crowd funding; cybersecurity and anti-fraud; currency, remittance and forex; crypto currency and blockchain; insurance and so on.

The number of co-work spaces has also increased from 40 to 48, or a rise of 20 percent. In terms of the founders' origins, about 65 percent are local Hong Kong people or returnees, with the remaining from around the globe, and the US, UK, Mainland China and France among the top four.

HK Startup Ecosystem – Overview

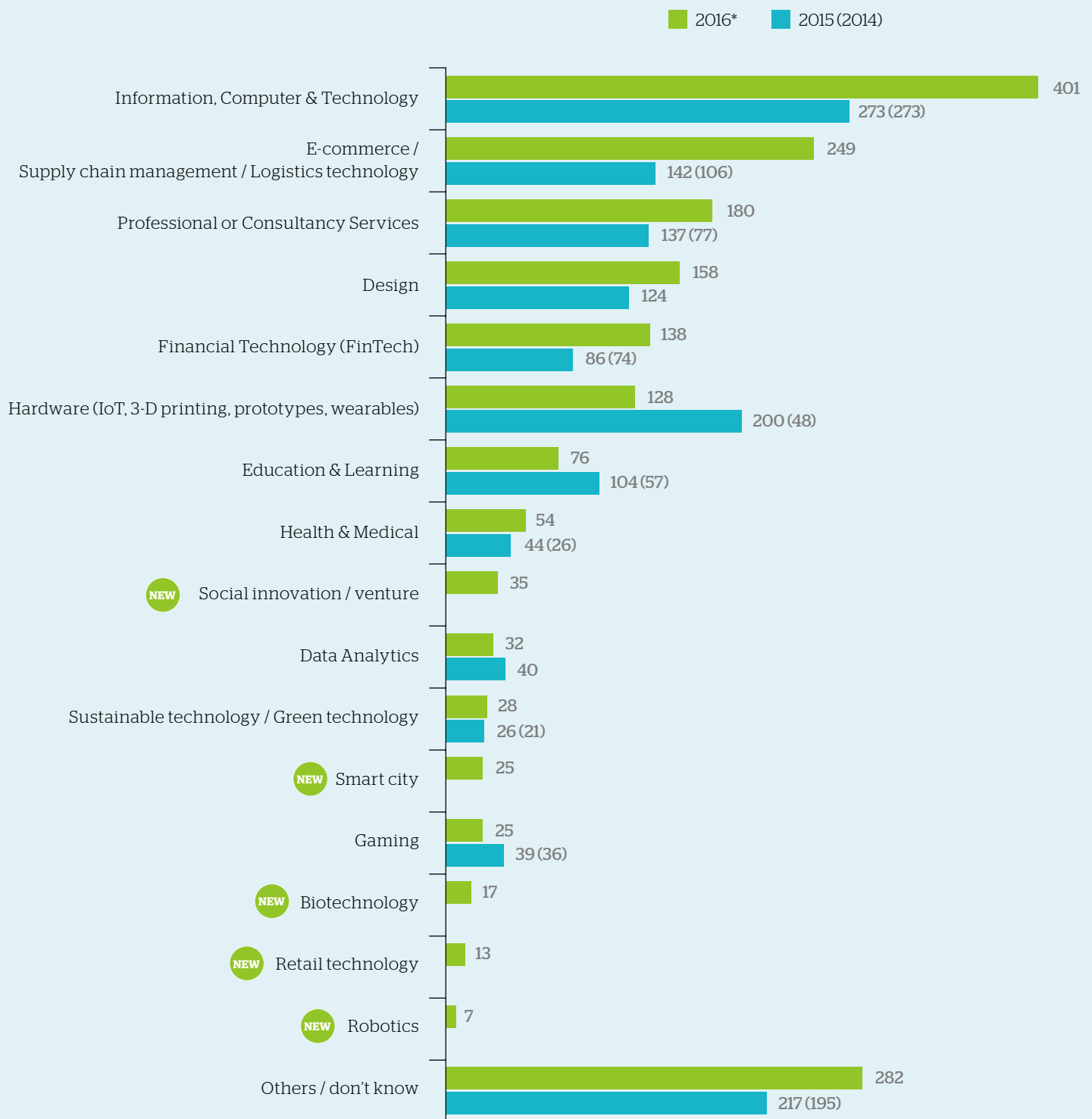


[#] Based on respondents who provided data for the questions (23, 27 and 37 respondents in 2014, 2015 and 2016 respectively)

Startmeup.HK website has got a new look.
Visit us now: www.startmeup.hk



Sector Distribution



Note:

"E-commerce" and "Supply Chain Management/Logistics Technology" are separate categories in 2016 survey. They are combined here for year-on-year comparison purpose

25, 24 and 36 respondents provided answers to the question in 2014, 2015 and 2016 respectively

* Some startups engage in more than one sector
2014 figures, if available, are set out in brackets

SKYCITY

Airport Authority Unveils SKYCITY Plan – Mega Integrated Development Set to become a new Destination

Airport Authority Hong Kong (AA) plans to develop SKYCITY, a major integrated development situated just a short stroll from Hong Kong International Airport (HKIA), with a strategy to expand and transform HKIA into an airport city – a new paradigm for leading airports in the 21st century



Driven by a vision to create a unique new destination for Hong Kong and further strengthen HKIA's position as an international aviation hub, SKYCITY will feature retail complexes, entertainment facilities, dining space, hotels and office towers on approximately 25 hectares of land at the north of the airport island.

Speaking on the AA's aspirations for SKYCITY, Jack So, Chairman of the AA said, "Our vision is to create a new destination that goes far beyond the traditional notion of a shopping mall. Located right next to the airport, SKYCITY aims to capture broad opportunities in tourism and business, while also providing a dynamic lifestyle and family entertainment hub for Hong Kong residents and visitors alike."

SKYCITY is well-positioned with its proximity to HKIA, which serves nearly 70 million international passengers and local residents annually. The passenger traffic is projected to rise to more than 100 million by 2030 with the completion of the three-runway system, providing a large and stable potential customer base for SKYCITY. SKYCITY will also tap into the full potential brought by the Tuen Mun-Chek Lap Kok Link and the

Hong Kong-Zhuhai-Macao Bridge, strategic road links that will provide greater interconnectivity not only in Hong Kong, but also with the Pearl River Delta region.

SKYCITY will be developed in phases in partnership with developers. Phase 1 of the project will comprise a retail, dining and entertainment (RDE) destination of 195,000 sq. metres, scheduled to open in 2021, and a hotel providing 450 to 750 rooms, expected to be completed in 2020. Invitations for tender submissions for the hotel and RDE developments will be issued in November 2016 and early 2017 respectively.

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“Hong Kong has become a magnet – angel investors, venture capitalists, and young entrepreneurs from around the world have been attracted by the business-friendly climate.”

Henek Lo
General Manager (Australia, Hong Kong, S Korea)
WeWork

Hong Kong – A Magnet for Building a Collaborative Community

The global movement of startups has created a new office culture where success is about sharing and being part of a collaborative community, and that spirit is clearly reflected in workspaces created by WeWork around the world

The company, founded in New York in 2010 and now employing 1,400 staff globally, offers flexible office space rental. Its first workspace in Hong Kong opened in Causeway Bay on 1 October and joined a portfolio of more than 100 physical locations in 32 cities of 12 countries while another opening is planned for Wanchai.

“In just a few short years, Hong Kong has become a magnet – angel investors, venture capitalists, and young entrepreneurs from around the world have been attracted by the business-friendly climate. In addition, as an economic centre, this city is a place where East meets West, leading to a real diverse culture that is full of energy and passion,” Henek Lo, General Manager (Australia, Hong Kong, South Korea) of WeWork, said.

WeWork has chosen its Causeway Bay and Wanchai locations because of their proximity to transportation, headquarters of major corporations, and the Hong Kong Convention and Exhibition Centre.

Great Degree of Flexibility

WeWork’s workspaces offer private offices for teams of one to more than 100, and there are also options of a dedicated desk or a hot desk. Conference rooms of various sizes can be booked online or through a specially designed app. The interior features glass walls that maintain privacy without sacrificing transparency or natural light, and common spaces offer different types of seating.

Customers are referred to as “members” and they enjoy a host of office essentials such as high-speed Internet access and wifi, onsite staff and use of printing equipment, as well as benefits including free micro-roasted coffee, tea, fruit water and beer.

“WeWork’s mission is to give members the space, community and services they need to create their life’s work, while helping them collaborate with like-minded people who can help their businesses grow and succeed,” Lo explained.

To facilitate this goal, WeWork organises events for members, such as “Lunch + Learn” for knowledge sharing, one-on-one sessions with investors and industry leaders, weekly happy hours and networking opportunities. Members can also access WeWork’s services and facilities while on the road.

“More than 70 percent of WeWork’s members collaborate with each other and its international locations serve as convenient bases for business travel, enabling a great degree of work flexibility for both multinationals and small-to-medium-sized businesses alike, as well as options for easy expansion into new markets,” Lo said.

Other than startups and smaller businesses, WeWork has also served well-known names such as Delta, IBM, KPMG, GE, Dropbox and Samsung. The company’s diverse clientele is one of the reasons why Hong Kong is a strategic hub for its expansion.

“We’ve always wanted to come to Asia, and Hong Kong is a natural part of that. Hong Kong has always been home to big, multinational businesses and an innovative workforce, and is becoming a hub for startup activity as well. We think Hong Kong holds tremendous promise for WeWork,” Lo concluded.

WeWork

- Offers flexible office space rental from 100 physical locations in 32 cities of 12 countries
- Other than startups and smaller businesses, clients include well-known names such as Delta, IBM, KPMG, GE, Dropbox and Samsung

wework.com

The Next Shore Thing

Having established a successful track record in opening many venues as group operations director of a restaurant group in Hong Kong, Mark Cholewka formed his own business, Shore Hospitality, in 2010. In just six years, his company has developed three highly successful restaurant concepts with five outlets around town, and hires almost 100 staff. More new concepts are coming up this year

A chef by training, Cholewka has been developing restaurant concepts based on both personal taste and business acumen. He started with his flagship steak and seafood restaurant, Shore, based on memories of growing up in a cottage on the lake in Canada and leisure time spent by the river and the sea. His Western pork concept, Salted Pig, has quickly expanded to three locations in Tsim Sha Tsui, Sai Wan Ho and Lai Chi Kok.

"The obvious thing when it comes to making a business is you've got to attend to the majority of the population. We figured there hadn't been a Western pork concept here in Hong Kong, so we decided it was something new, and would fit the appetite and the price point of the majority," he said.

Salted Pig's dishes are designed for sharing, which is in line with the local culture. The same serving style is also followed at Cull N' Pistol, one of Cholewka's latest openings along the waterfront of Sai Wan Ho, known to some as SoHo East. Very aptly, the menu features New England-style seafood dishes.

Cholewka thinks that locally developed restaurant concepts are on a par with those opened in Hong Kong in recent years by international names such as Gordon Ramsay, Jamie Oliver and Mario Batali.

"I am a Hong Kong, home-grown type of business operator, and I like starting my plans here. People are open to new dining concepts and getting a license is relatively fast and simple. There are a lot of people doing the same, and the quality and consistency can be exactly the same as someone coming in from the UK, Australia or wherever it may be," he said.

Together with business partner Cathal Kiely, Cholewka is keeping himself, and their staff, busy. Their latest projects include Halcyon, an upscale coffee lounge by day and private members' club by night, and Poke Company, a chain of fast-casual restaurants serving Hawaiian fish salads. He is in the process of hiring 45 new staff.

Cholewka has also started another company that serves as an incubator of restaurant startups, offering fledgling restaurateurs financing, backend support and mentorship.

Invest Hong Kong has been supporting Shore Hospitality by providing marketplace intelligence and information about potential new sites for restaurants.

Shore Hospitality

- Founded in 2010 and having developed three highly successful concepts with five restaurant locations in Hong Kong
- With more concepts in the pipeline and looking to hire 45 more staff

shore.com.hk

"People are open to new dining concepts and getting a license is relatively fast and simple."

Mark Cholewka
Managing Director
Shore Hospitality





“Hong Kong is ideally located; it is very convenient for people to come from all over Asia. It was quite obvious to us that we had to be here.”

**Gaël de Dorlodot, Managing Director
Studio Harcourt Hong Kong**

The Picture that Tells a Legend

A legend has arrived in Hong Kong to set up a second home, and the name is Studio Harcourt

Created in 1934 through collaboration between Cosette Harcourt, two Lacroix brothers and Nina Ricci's son, Robert, the brand is world-famous for its distinctive glamorous black-and-white portraits inspired by the golden era of cinema. A long list of 20th and 21st centuries' movie stars and celebrities, including ones from Hong Kong, have been immortalised in the Paris studio.

After almost one year in the making, Studio Harcourt Hong Kong is open to offer the legendary experience, the first and only outside of France. “The team from Studio Harcourt in Paris believes that Hong Kong people are very sensitive to art and photography, and love the sense of a unique experience,” Gaël de Dorlodot, Managing Director, said.

“And, of course, Hong Kong is ideally located; it is very convenient for people to come from all over Asia. The next step will naturally be China, and being in Hong Kong, we can start to tell the story to Mainland Chinese traveling to the city. It was quite obvious to us that we had to be here.”

The idea of bringing Harcourt to Hong Kong was sparked by a pop-up studio set up at the IFC and Four Seasons Hong Kong in 2012, which generated very positive response. De Dorlodot said that the “once-in-a-lifetime portrait” experience complements all the luxury brands already present in the city.

All of Studio Harcourt's signature experiences are offered in Hong Kong. The Prestige Portrait, for example, is a two-hour session including professional make-up and a personal presentation. It can be enjoyed by an individual, a couple or a small group. The Fashion and Legend Day is a full-day experience where the guest is the star, with an exquisite wardrobe prepared for the session and an artistic team dedicated to make every moment special.

Guests will receive selected prints with the “Harcourt Paris” signature embossed and an edition number assigned.

These offerings are in addition to the three-quarter-length Instant Portrait, Executive Portrait, and Corporate Portrait.

Studio Harcourt in Hong Kong strictly follows guidelines set forth by the Paris studio, from the ritual of receiving guests to the signature Tungsten lighting used in shoots. Two among the small full-time team of four are lighting assistants. “It's a high-technicity job because at Studio Harcourt, the light is as important as the photography,” de Dorlodot said.

There are three freelance photographers, all trained in Paris, working with Studio Harcourt Hong Kong, in addition to two freelance make-up artists. De Dorlodot hopes to seek out more talent, especially locally, as the business expands, and grow the freelance pool to about a dozen. Once Hong Kong is on track, she is looking to open an operation in Macau.

The studio is partnering with a luxury department store to offer preferred guests the Studio Harcourt experience as an exclusive gift, and it is also seeking to partner with high-profile events to build up the Studio Harcourt story in Hong Kong.

Studio Harcourt Hong Kong

- A tradition originated in Paris and world-famous for its distinctive glamorous black-and-white portraits inspired by the golden era of cinema
- Hong Kong is Studio Harcourt's first location outside of France

studio-harcourt.hk

“We are starting to see the FinTech and startup community in Hong Kong gaining some real traction.”

Liam Gilligan, Head of Hong Kong Innovation Lab
Commonwealth Bank of Australia



Interaction with Innovations – Hong Kong FinTech and Beyond

Commonwealth Bank of Australia (CBA) believes that the future of banking relies on a deep and continued understanding of the customers, coupled with the emergence of new technologies at the intersection of social and economic progress

CBA believes these tech trends will change the way we communicate, absorb information, purchase products and, ultimately, engage with brands both as employees and customers. It also believes that change will inevitably continue, and there is the need to identify these trends and understand their impacts and the opportunities they bring. Based on this thinking, the bank established its first Innovation Lab in its home base of Sydney in August 2014, which was followed by Hong Kong and, most recently, London.

“Hong Kong is an important market for CBA’s global innovation strategy,” Liam Gilligan, Head of the Hong Kong Innovation Lab, explained the reason for choosing this city as the Lab’s first location outside of Australia.

“We are seeing an explosion of innovation from Mainland China, not just in FinTech, but also in Internet of Things, robotics and artificial intelligence, so our Hong Kong Lab team are well placed to stay tapped into these developments.”

He added that Hong Kong is known as a gateway to Mainland China, and its emerging FinTech leadership and well-developed financial services sector underpins substantial growth opportunities for CBA, its customers and the global FinTech community.

“We are starting to see the FinTech and startup community in Hong Kong gaining some real traction. There is an increasing focus from startups on the opportunities presented by having so many of the world’s largest banks in the area and, as a result,

seeing some really innovative B2B-focused startup businesses emerge,” he said.

“Along with this, we are seeing growth in the volume of accelerator programmes, incubators and co-working spaces in Hong Kong which are helping to foster this growth.”

CBA’s Innovation Lab in Hong Kong is located in the heart of the financial district, making it easy for CBA’s clients, partners and startups to come together and work alongside the bank in a collaborative environment.

The staff of the Hong Kong Lab are part of a 20-strong team across CBA’s Innovation Labs and they collaborate across the various locations to work on specific projects. “We think one of the greatest attributes of our lab team is the varied perspectives, experiences and expertise that sit across the collective group globally,” Gilligan enthused.

“If there is a common thread across our innovation team it’s a mindset of challenging status quo, questioning what is possible and ensuring we keep the customer at the centre of everything we do.”

Gilligan relocated from Sydney for this role six months ago, and has been enjoying his experience.

“The first thing that struck me was how vibrant and buzzing a city Hong Kong is. There is an incredibly warm and open population here and I feel like I have been here for years already,” he said.



Commonwealth Bank of Australia

- First Innovation Lab founded in Sydney in August 2014, followed by Hong Kong and London
- The Hong Kong Lab was the first outside of Australia, located in the financial district for accessibility
- Twenty staff across the three Labs collaborate across locations on projects

commbank.com.au

Watch this Payment Space

Payments technology and expense management specialist Fraedom seeks to use Hong Kong as the launch pad to expand its operation into Asia

“The ecosystem is quickly evolving. In the FinTech space there’s so much optimism about Hong Kong as a city.”

Gareth Parrington
Commercial Partnerships Director – Asia
Fraedom



Fraedom is a company with roots in New Zealand, where it began life as myPCard.com, a technology startup incubated within Deloitte. Today, it is a wholly owned company of Hogg Robinson Group providing web-based payment and expense management technology that is used by more than 155,000 organisations in 178 countries. Its goal is to offer frictionless B2B payment solutions through a single user interface scalable to suit companies of different sizes.

Through Hogg Robinson Group's presence in Hong Kong, Fraedom is using the city as its gateway to Asia. "For us, setting up in Hong Kong is a very strategic move," Gareth Parrington, Commercial Partnerships Director – Asia, explained.

"There is a huge opportunity in Mainland China, and Hong Kong is a launch pad for us to grow our operation into China. Seventy of the 100 biggest banks in the world have a presence in Hong Kong, putting an office here allows us to open up dialogues with those organisations with whom we want to partner."

He also pointed to FinTech events such as Finnovasia as instrumental in making Hong Kong a hub for companies like Fraedom.

"The ecosystem is quickly evolving. In the FinTech space there's so much optimism about Hong Kong as a city. The way in which Hong Kong is trying to position itself and the work that's being done are all being seen in very positive light," he said.

Parrington furthered that APAC is on its way to become the world's largest market for the payment industry. He cited a 2014 Nielsen report that showed the region recording US\$9 trillion of spend across different types of cards. "If we look forward eight

years from now, that is forecast to be US\$27 trillion; that's a phenomenal amount of growth for our industry," he said.

Fraedom's solutions are distributed through two main ways; either direct to client or through banking partners. While the company has established networks in the UK, Australia, New Zealand and North America, Asia is very much an uncharted territory and hence presents huge potential.

The primary markets in Asia the company is assessing at this point are Hong Kong, Mainland China and India, but Southeast Asian countries such as Singapore, Indonesia and the Philippines are also on its radar.

Parrington said that Fraedom will soon be looking to recruit more staff not only on the technical front but also in areas such as client and strategic relationship management. The company now employs over 500 people globally. "We have big plans for our presence in Asia over the next 12 months," Parrington said.

Fraedom

- Began life in New Zealand as technology startup myPCard.com incubated within Deloitte
- Provides web-based payment and expense management solutions to more than 155,000 organisations in 178 countries

fraedom.com



“Hong Kong is a hub for innovation, attracting startup businesses, innovative ideas and disruptive ideas from all over Southeast Asia.”

Sigal Atzmon
Group President
Medix

Informed Choices are Healthy Choices

Medix is currently significantly expanding its personal medical case management services to Asia, including Mainland China, Singapore, Kuala Lumpur and Taiwan, by using Hong Kong as a gateway

In 2006, Belgium-born Sigal Atzmon left a successful career in the financial sector and founded Medix, which provides personal medical case management services to patients, especially those diagnosed with serious illnesses. She explained her mission being to “disrupt the way healthcare is consumed and provided around the world”.

The company currently employs over 300 in-house doctors who look at customers’ cases and make medical recommendations, but they are not involved in actual treatments or surgical procedures in order to maintain objectivity. In addition, Medix maintains ongoing professional relationships with over 3,000 leading specialists and over 1,500 medical facilities in various countries it deems of high-calibre.

Medix serves a client base of over 1.7 million insured customers globally, working in some 90 countries and 20 different languages. It has expanded its company in Hong Kong, which acts as its Asia hub in addition to the two other headquarters in London and Tel Aviv.

“We have been working in Asia for many years, but without a fully operational hub. We look at Hong Kong as the bridge to Asia,” Atzmon said. She cited the city’s openness, transparency, ease of doing business and common law tradition as some of the reasons for making it the company’s headquarters in the region. “I think the work environment is very good and fast-paced; people are very engaged, eager to do business and very hard working.”

Medix employees, especially the researchers in the international research department, spend much of their time studying the healthcare systems and landscapes of different countries and territories, and Atzmon finds that in Hong Kong, sometimes patients tend to want quick solutions, which are not always in their own best interest. That is where Medix’ services can be of help to ensure accessibility and implementation of quality care and to advocate patients’ needs.

“In Hong Kong, most people, if they discover they have a tumour, usually go to see a surgeon. The surgeon might be the best one in Hong Kong, and he would offer to take the tumour out, but that might not be the right first solution for the patient.

“First, one needs to reach a clear diagnosis and then stage the disease. Any patient should go see an oncologist first because maybe you need a process, rather than a quick fix. This has proven to save people’s lives many times. Sometimes people tend to underestimate the power of knowledge and the power of a process” Atzmon said. She explained that in a case like this, an oncologists might first recommend treatment that would make the subsequent surgery more effective.

Medix is also in the process of designing a homecare model for Hong Kong, with the aim to reduce time patients spend in the hospital and, thereby, help save medical costs and relieve the burden on public hospitals.

The company has set up an investment platform supporting startups in the digital health space. “Hong Kong is a hub for innovation, attracting startup businesses, innovative ideas and disruptive ideas from all over Southeast Asia. It is exactly the right place for us.”

Medix employs a growing number of staff in Hong Kong which includes doctors, nurses and medical administrators, as well as operational and marketing support teams. It is currently in the process of hiring more people, as the company’s activity is expanding rapidly. Atzmon expects the number to grow to 65 in two years.

Medix

- Founded in 2006 to disrupt the way healthcare is consumed and provided
- Has 300 in-house doctors, and ongoing professional relationships with over 3,000 world-leading specialists and over 1,500 medical facilities
- Plans to expand its Hong Kong staff to 65 in two years

medix-global.com

“Want It More” ASICS Reaches for Higher Goals

Iconic Japanese performance sports product manufacturer ASICS, founded in 1949, sees growing opportunities in Hong Kong and plans to increase its presence in the city

ASICS HK was incorporated in 1996 and entered the market through product distribution channels. Thereafter, ASICS works with local partners to open its own mono-brand stores for the capacity to offer a wider range of products and increased brand awareness among target consumers. There are currently three ASICS mono-brand shops and six for the company's lifestyle brand Onitsuka Tiger in Hong Kong.

“We gained significant recognition as well as trust of the brand among Hong Kong consumers, particularly in the running category,” Hilda Chan, Managing Director, Greater China of ASICS China Trading Co, Ltd, said.

“Furthermore, we have been organising our 10K marathon event for the past few years and have successfully established our first running club in Hong Kong this year to offer regular running classes for consumers.” The goal in the future, she said, is to launch more marketing activities to engage customers at different levels and to organise more events on a regional scale with support from the new Hong Kong team dedicated to retail business. ASICS has plans to open more mono-brand stores in key locations within Hong Kong and Macau.

“The culture of exercising and sports in Hong Kong is getting mature and consumers in general have sound purchasing power. Research statistics showed that the sportswear and sports-inspired fashion market achieved significant growth in Hong Kong in 2015. We foresee continued upward trends in the coming years,” she said.

Chan pointed out that while their business growth in Mainland China has doubled in the past few years and is expected to grow at an average of 30 percent, Hong Kong remains a strategic hub for brand building.

The city's strengths as a financial centre are also conducive to mid- to long-term corporate planning, she added.

ASICS is in the process of expanding its office in Hong Kong, setting up functions such as logistics, finance, human resources, marketing and merchandising. The new team will enable ASICS to connect with local customers more closely and provide stronger support to local partners in all aspects.

“Talent in Hong Kong is used to working in a fast-paced environment with a professional mindset. Setting up business here adds to our advantages and I believe it will generate human resource assets for us in the Greater China region in the long run. There are definitely more plans to add other functions into the team as we expand our business.”

ASICS has some 50 offices around the globe and operations in over 150 countries. In 2015, it achieved over 400 billion yen in annual sales, 76 percent of which were achieved outside of Japan.

ASICS

- Founded an incorporated company in Hong Kong in 1996 and entered the market through product distribution channels
- Operates three ASICS mono-brand shops and six for the company's lifestyle brand Onitsuka Tiger in Hong Kong

“Hong Kong remains a strategic hub for brand building for ASICS Group.”

Hilda Chan
Managing Director, Greater China
ASICS China Trading Co, Ltd



Music to Hong Kong's ears

An event organiser and promoter brought to Hong Kong the most famous annual music festival Clockenflap, which is in its ninth year, and more

Mike Hill, CEO, explained that being from the UK where music festivals are an important part of cultural development, he and his business partner felt Clockenflap “was something Hong Kong needed, and wanted.”

And they were right. What started out as a side project grew from a modest one-day gathering of 1,500 local music lovers in 2008 to a three-day extravaganza attracting some 60,000 local and overseas visitors last year. Top-class performers who have shared the stage of Clockenflap with local talent over the years include New Order, The Libertines, Primal Scream, Chic featuring Nile Rodgers, Franz Ferdinand and De La Soul.

Doors Opening Up

With the success of Clockenflap came other opportunities. Faced with the challenge of ticketing, Hill made use of his expertise as the owner of a technology company to create Ticketflap, which has become one of the top four ticketing businesses in Hong Kong. While searching for help in digital marketing, Magnetic Asia struggled to identify an agency with the know-how and insights to properly evaluate the effectiveness of its online activity through data analysis, so it created one.

With an integrated range of capabilities, not only has the company been able to sell out 95 percent of the events it organises and promotes, it is also offering its service to other event managers.

Turning Up the Volume

Despite the diversification of Magnetic Asia as a business, music remains close to its heart. It has created more events for different audiences, including Neon Lights, a spinoff of

Clockenflap in Singapore that is in its second year. Then there is YourMum, a live show series that brings the finest talent on a regular basis to Hong Kong, and matches them with suitable venues and top-grade production support throughout. Morrissey is one of the most notable names featured in 2016. Scheduled for an April 2017 debut in Hong Kong is Sónar, the legendary electronic music and arts festival hailing from Barcelona. Since its creation in 1994, Sónar has established itself at the cutting edge of the electronic music landscape, and is widely considered the world's most respected event of its kind.

The company usually maintains a staff of 25 to 30, but at peak times, the number can grow to 60. Employees range from marketers and event producers to digital professionals and software engineers.

Having lived in Hong Kong for 17 years, Hill cited the opportunities the city presents as the reason he has decided to stay. “There is a real can-do attitude in Hong Kong; people support you, it's really positive. There is a great network of people and friends, and amazing quality of life.”

Magnetic Asia

- Founded on the success of Clockenflap music festival, whose audience grew from 1,500 in 2008 to some 60,000 over three days last year
- Business has expanded to encompass event management, ticketing and digital marketing

magneticasia.com

“There is a real can-do attitude in Hong Kong; people support you, it's really positive.”

**Mike Hill, CEO
Magnetic Asia**





“Hong Kong has a unique business environment where you can find excellent human resources, a well-established financial system, a simple tax regime, highly efficient transportation infrastructures and customs clearance procedures, as well as strategic geographic location.”

**Xavier Huang, Managing Director
Sunway Express Co., Ltd**



Handle with Care

Taiwan-invested Sunway Express (H.K.) Limited provides professional fine art logistics solutions including transportation, storage, exhibition set-up and uninstallation, as well as insurance planning

With thriving business in Hong Kong, Sunway Express has recently undergone a major business expansion. “Founded in the 90’s, Sunway Express is the leading art logistics service provider in Taiwan,” said Xavier Huang, Managing Director of Sunway Express. “In early 2012, we planned to make a strategic investment in response to the burgeoning art logistics market in the Greater China region. We explored the options of setting up a branch company in either Beijing, Shanghai or Hong Kong to take charge of this initiative, and came to the conclusion that Hong Kong was the right place for us. The Hong Kong branch was subsequently set up in late 2012 and it has grown into an integrated fine art logistics platform within a few years’ time.”

Recently, the company launched a new art logistics facility in the Kerry Cargo Centre in Kwai Chung with 10,000 square feet of space and a five-metre-high ceiling. The sizable area and high ceiling allow for the addition of a museum-standard private viewing room and private storage units. The humidity- and temperature-controlled environment, together with stringent security system and control measures, ensures the safety of the art pieces and peace of mind of the clients.

From the perspective of logistics operation, the new facility allows direct access to its loading bay by different types of vehicles, enhancing loading and unloading flexibility, as well as minimising risk in the transportation process and maximising efficiency and security.

Optimistic Outlook

Huang says that fine art logistics is a flourishing industry in the Greater China region and is attracting an increasing number of multi-national players hoping to tap the market potential. Sunway Express welcomes such challenges, and the establishment of the

new facility demonstrates its remarkable achievements in the market and self-confidence in maintaining a leading position.

Over the years, Sunway Express has handled art pieces by prominent artists such as Zhu Ming, Fernando Botero and Miyazaki Hayao. It has also worked with major arts events including Art Basel Hong Kong, Art Central Hong Kong and International Antiques Fair. The recent business expansion has given it even more resources to pursue new clients.

Huang has an optimistic outlook on the continued success of Sunway Express in Hong Kong. He explained, “Hong Kong has a unique business environment where you can find excellent human resources, a well-established financial system, a simple tax regime, highly efficient transportation infrastructures and customs clearance procedures, as well as strategic geographic location, all in one city. In addition to developing local business, we are using Hong Kong as the gateway to the Mainland and overseas markets.”

Sunway Express (H.K.) Limited

- Provides professional fine art logistics solutions including transportation, storage, exhibition set-up and uninstallation, as well as insurance planning
- Recently launched a new facility in the Kerry Cargo Centre in Kwai Chung with 10,000 square feet of space and a five-metre-high ceiling

sunwayexpress.net

InvestHK recently facilitated the following companies to establish or expand their business presence in Hong Kong. We welcome them to our city and wish them a prosperous future.

Company name	Sector	Company name	Sector
Australia		Singapore	
Burra Foods	Food and Agribusiness	LYNK	Knowledge Platforms & Expert Network
The Commonwealth Bank of Australia	Financial Services	Well Being Digital Limited	Medical Device
Canada		Taiwan	
4STRIPES	Education, Sports, Event	Sunway Express Logistics	Logistics and Supply Chain Management
Shore Hospitality	Hospitality		
Czech Republic		The Netherlands	
Fund Genesis Limited	Financial Services	Sparta Rotterdam Football Club	Sport
Dubai		WSS	Environmental Technology, Waste Management
MCG Associates Hong Kong	Creative / Media / PR / Digital Recruitment	United Kingdom	
France		Angloinfo HK	Expat Information and Business Directory
Agorize	Innovation & Technology	Fraedom	Financial Technology
Harcourt Studio	Art & Culture	Indigo Software	Warehouse Management Software
NeoXam Hong Kong	Financial Technology	JAC Recruitment Hong Kong	Employment Agency
Greece		Macey and Sons Auctioneers and Valuers Limited	Retail Art Gallery
Greek Delicatessen Ltd	Importer, Distributor, Wholesaler, Retailer	Magnetic Asia Limited	Media and Entertainment
Israel		Tute.HK	Education
Medix	Medical Consulting	United States	
Japan		AirHelp	Travel
ASICS	Sports Footwear and Garment	Backstop Solutions Group	Cloud-based Technology Solutions
Mainland China		BYDEAU	e-commerce, Flower and Gifts
Ampd Energy	Energy Storage / Cleantech	FeedMe Limited	Online Food-Tech Platform
Tianyun International Holdings Limited	Fruit Sales	Harvest Mission Community Church (HMCC)	Church
New Zealand		iPharma Ltd	Pharmaceutical Contract Research Organisation
Clean Nutrition Co	Protein Supplements	WeWork	Shared Workspace
Russia			
Tau Integration Systems Limited	Cloud e-Commerce Solution for Import-Export Automation		



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