

HK Foreign Direct Investment



Guangzhou-Shenzhen-Hong Kong Express Rail Unleashes Business Potential

Forming part of the national high-speed rail network, the 142 kilometres long Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL) is aimed to start operate in the third quarter

of 2018. It will link Hong Kong with the Guangzhou South Station through the Futian Station and the Shenzhen North Station at Shenzhen. With this new intercity rail corridor, the journey time

between Guangzhou and Hong Kong would be reduced from 100 minutes to about 50 minutes.

investhk.gov.hk

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Business Opportunities of XRL

At a total length of 26 km, the Hong Kong section is completely underground and designed to operate trains at 200 km/h. The location of the West Kowloon Station (WKS) is situated in the city centre which is connected to the Hong Kong MTR system and passengers can travel around town in ease.

The link will strengthen the connectivity between Hong Kong and Mainland cities, especially the Greater Bay Area, and facilitate cultural, education and commercial exchanges. It will also facilitate Hong Kong-Mainland co-operation and development in various sectors such as finance, trade and professional services and open up more opportunities for business activities. Also, it will build closer bonds between people and strengthen Hong Kong's role as a regional transport hub.

The XRL will also enhance tourism industry, attracting tourists to make Hong Kong a starting point or destination of their journeys.

In addition, the station is adjacent to the West Kowloon Cultural District (WKCD) and will create a synergy with this world-class integrated arts and cultural district. Upon gradual completion of the facilities at the WKCD, including the Xiqu Centre, the M+ Museum for visual culture and the Hong Kong Palace Museum etc., more visitors who are fond of world-class

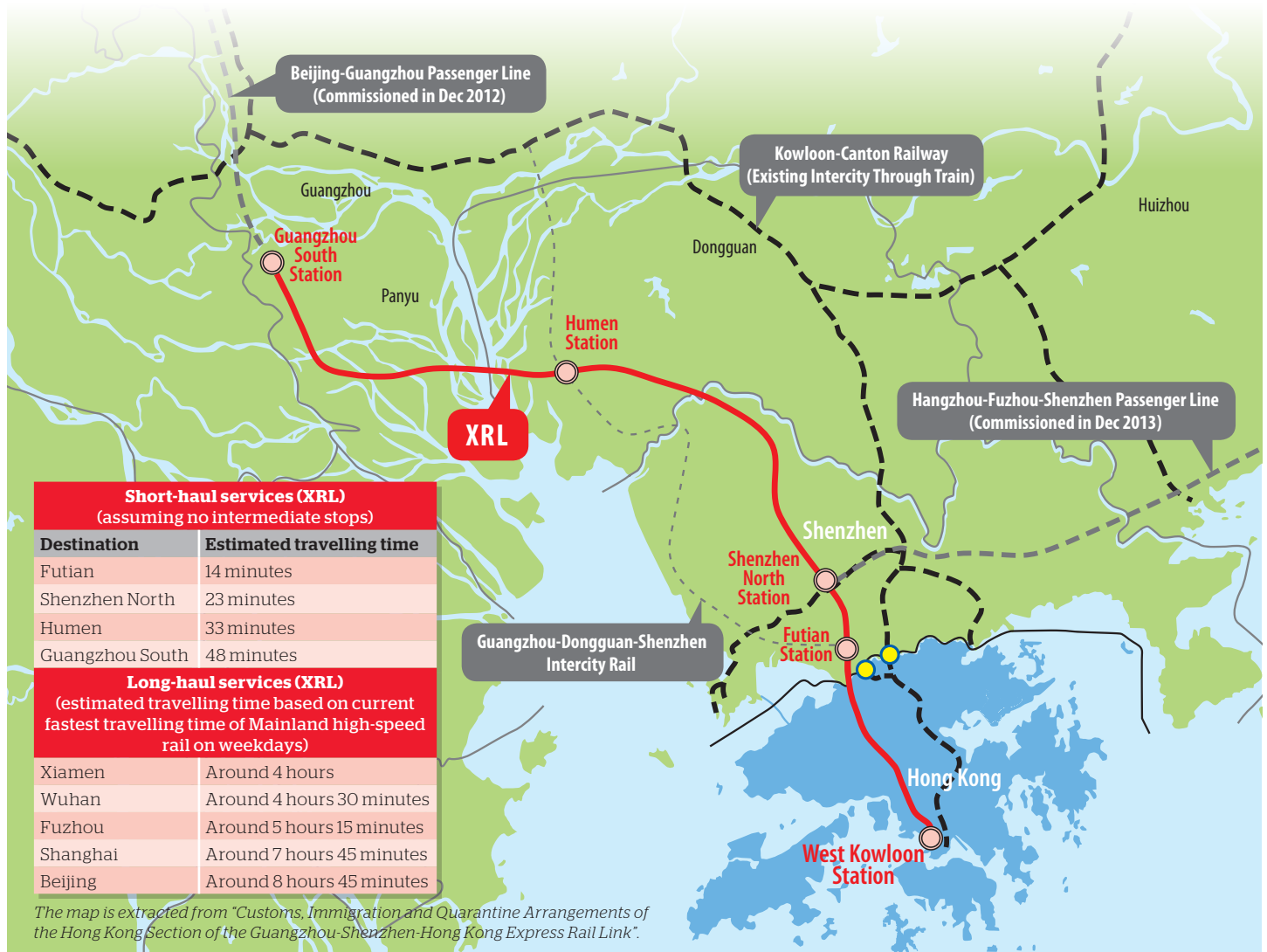
cultural and arts performances and exhibitions are expected to come to Hong Kong using the XRL. This can help promote Hong Kong's status as an events capital.

Jobs will be directly created in railway operation and maintenance as well as retail, catering, station management and services at the WKS.

Hong Kong Section of the XRL connects to the expanding national high-speed rail network, including the Beijing-Guangzhou Passenger Line running through Guangzhou, Changsha, Wuhan, Zhengzhou and Beijing; and the Hangzhou-Fuzhou-Shenzhen Passenger Line running through coastal cities such as Shantou, Xiamen, Fuzhou and Hangzhou. The commissioning of the Hong Kong Section of the SRL will greatly shorten travelling time from Hong Kong to major Mainland cities by rail.

High-speed Rail in the Mainland

In Mainland China, high-speed rail is developing rapidly. In 2016, the national high-speed rail network surpassed 20,000 km in length and carried more than 1.44 billion passengers. The target is to increase the total network length to 30,000 km and to cover more than 80 percent of major cities by 2020.



2017

SEP

Hong Kong

7-8

Smart City. Connected City.

This conference will focus on how technology can drive city transformation. On both the city and regional levels, the event will explore the Smart City Blueprint for Hong Kong and how smart resilient planning can successfully be realised in neighbouring countries.

Location: Hong Kong Science Park

Organisers: HKSTP, APAC Innovation Summit

► apacinnosummit.hkstp.org/en/ais-smart-city/

Hong Kong

11

Belt and Road Summit in HK

The Belt and Road Summit brought together 2,400+ government officials, senior representatives of international institutions and top business executives from China and countries along the Belt and Road to identify the new business opportunities arising from the Initiative.

Location: HKCEC

Organisers: HKSAR Government, HKTDC

► beltandroadsummit.hk/en/index.html

Hong Kong

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Technology Sector Reception

This networking reception is co-organised by InvestHK and the Hong Kong Exchanges and Clearing Limited to provide a platform for technology companies to facilitate technology exchanges and cooperation.

Location: Hong Kong

Organisers: InvestHK and the Hong Kong Exchanges and Clearing Limited

Hong Kong

15

"Logistics Robotics and Technologies for One Belt One Road" Summit

This year's annual summit will focus on how robotics and other technologies create profound and positive impact on the logistics industry so as to embrace opportunities brought by the Belt and Road Initiative. Furthermore, the Summit will offer a platform for business networking, collaboration opportunity and technologies showcase.

Location: Hong Kong Science Park

Organiser: Hong Kong R&D Centre for Logistics and Supply Chain Management Enabling Technologies

Chengdu, Sichuan

15-18

2017 Western China International Fair Import and Export Expo

This event occupies a total exhibition area of 60,000 square metre, including Industrial Cooperation Pavilion, Trade in Goods Pavilion and Trade in Services Pavilion.

Location: Western China International Expo Center

Organisers: China Chamber of International Commerce, Organising Committee of Western China International Fair

► www.wcif.cn

Xiamen, Fujian

18

"Belt and Road, Together We Grow" Seminar in Xiamen

The seminar will be held during the 2017 China International Fair for Investment & Trade in Xiamen, to promote Hong Kong as the "super-connector" in the Belt and Road Initiative as well as an ideal platform for Mainland companies to go global.

Location: Xiamen, Fujian

Organisers: InvestHK, Commercial Office of the Economic Affairs Department of the Liaison Office of the Central People's Government in HKSAR and Hong Kong Economic and Trade Office in Guangdong

Singapore

19-20

Marine Money Asia

The 16th Annual Marine Money Singapore Ship Finance Forum will be attended by the industry's movers and shakers.

Location: St. Regis Singapore

Organiser: Marine Money Asia

► marinemoney.com/forums/SINI7/index

Vienna, Austria

20

Hong Kong - The stepping stone for the Belt and Road

InvestHK presents new initiatives for Hong Kong as a high-tech centre and stepping stone for the Belt and Road with opportunities for European companies. Austrian companies active in Hong Kong will share insights of their experience.

Location: Hotel Ambassador, Kärtnerstraße 22, 1010 Vienna

Organisers: Austrian Chinese Business Association, InvestHK

► acba.at/hongkong/

Hong Kong

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Tourism and Hospitality Networking Reception

The networking reception is to thank the companies from the Tourism and Hospitality sector for their contribution to Hong Kong.

Location: Hong Kong

Organiser: InvestHK

Hong Kong

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The HKIB Annual Banking Conference 2017

With the theme "Changing World, Reshaping Priorities", the conference will look at how the industry can achieve better operational efficiency and profitability by reshaping their priorities, trying new business models and better leverage technologies against the backdrop of shifting geopolitical landscape, economic policies and customers' preferences.

Location: HKCEC

Organiser: The Hong Kong Institute of Bankers

► bankingconference.hkib.org/hkib2017/

OCT

Singapore

11

Payload Conference & Awards 2017

The Payload Asia Awards is a celebration of excellence, spotlighting companies in the air cargo supply chain that have excelled in the industry. In conjunction with the Awards, the Payload Asia conference brings together six panels of diverse, senior industry professionals who face the challenges of seizing opportunities, adapting, innovating and pursuing greater efficiencies and new business paradigms to maintain the competitive advantage for their respective companies.

Location: Singapore

Organiser: Contineo Media Pte Ltd

► conference.payloadasia.com

Changsha, Hunan

17

"Belt and Road, Together We Grow" Seminar in Changsha

The seminar aims at promoting Hong Kong's business advantages and encouraging Mainland companies to make use of Hong Kong as an ideal platform to go global under the Belt and Road Initiative.

Location: Changsha, Hunan

Organisers: InvestHK, Commercial Office of the Economic Affairs Department of the Liaison Office of the Central People's Government in HKSAR, Department of Commerce of Hunan Province and Hong Kong Economic and Trade Office in Wuhan

Hong Kong

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CILT Award 2017

CILT Award is a biennial award aiming to recognise and applaud the outstanding achievements of transport and logistics service providers in Hong Kong with their contributions to the development of Hong Kong's transport and logistics industry.

Location: Hong Kong

Organiser: The Chartered Institute of Logistics and Transport

► cilt.org.hk/webadmin/img/events/1425_2.pdf

NOV

Lisbon, Portugal

6-9

Web Summit

The conference focuses on internet technology with attendees ranging from Fortune 500 companies to the world's most exciting tech companies.

Location: Lisbon, Portugal

Organiser: Ci Labs

► websummit.com

ASEAN

Celebrating ASEAN's 50th Anniversary

The ties between ASEAN and Hong Kong have been strong and will continue to deepen. Taking trade as an example, the trade value between Hong Kong and ASEAN has grown by a cumulative 72 percent over the past 10 years, making ASEAN the second largest trading partner of Hong Kong. The free trade agreement between Hong Kong and ASEAN, which is expected to be signed before the end of 2017, will further facilitate the flow of goods, services and investment between Hong Kong and ASEAN.

The Chief Executive of HKSAR Mrs Carrie Lam visited Singapore and Thailand in August for her first overseas duty visit. That demonstrates the great importance she attaches to strengthening Hong Kong's connection with ASEAN countries.

One of the purposes of her visit to Singapore is to identify more opportunities for learning, exchange and collaboration. In the visit to Thailand, Mrs Lam introduced Hong Kong's unique role in the Belt and Road Initiative and the development of Guangdong-Hong Kong-Macao Bay Area, as well as the advantages of Hong Kong's professional services in areas including finance and construction. She hoped to promote trade and investment between Hong Kong and Thailand, and step up exchanges between the two governments as well as co-operation in areas including tourism.

On 26 July, Financial Secretary Mr Paul Chan officiated at the opening ceremony of the Jakarta Economic and Trade Office (ETO). The establishment of the Jakarta ETO will certainly take Hong Kong's co-operation with ASEAN countries to another level. Hong Kong will work hand-in-hand with ASEAN to seize the opportunities ahead.

In his keynote speech at the business seminar entitled "Belt and Road Initiative: Connecting China, Hong Kong, and Indonesia" Mr Chan highlighted the promising future for Hong Kong and Indonesia under the Belt and Road Initiative. "Given its fast growing economy, its strategic location in Southeast Asia, as well as its vast human and natural resources, Indonesia is a key player in the Belt and Road Initiative," he said.

On 9 August, Stephen Phillips, Director-General of InvestHK, spoke at a business forum in Kuala Lumpur co-organised by the Jakarta ETO and the Hong Kong Malaysia Business Association, and supported by InvestHK and Hong Kong Trade Development Council. He highlighted the pivotal role that Hong Kong plays as the leading international centre serving both China and the countries along the Belt and Road.

"For international and Mainland companies, Hong Kong offers a fantastic base for companies to mastermind and drive their overall engagement along Belt and Road, all underpinned by Hong Kong's enduring advantages - including the rule of law, low and simple tax system, sound financial and regulatory



regime, world-class infrastructure, ease of doing business, and a strong talent pool," he said.

"The developments taking place around the Greater Bay Area are just as exciting as the much broader Belt and Road initiative. Major infrastructure projects, including the Guangzhou-Shenzhen-Hong Kong Express Rail Link and the Hong Kong-Zhuhai-Macao Bridge, will reshape and open up new dynamic markets. The rail and bridge links will see Hong Kong even better connected to Macao and nine fast developing cities in Guangdong. A consumer market of 67 million will open up and be within around 90 minutes travel time of Hong Kong, making it one of the most dynamic and vibrant clusters of cities in the world," he added.

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Aircraft Leasing

Hong Kong - a Global Aircraft Leasing Hub

The HKSAR government has recently reduced corporate tax for aircraft lessors from 16.5 percent to 8.25 percent, with only 20 percent of rental being subject to this tax



This newly launched tax regime is to promote aircraft leasing business in Hong Kong with an aim to devote more efforts to growing and diversifying Hong Kong's aviation services. Under the new tax regime, which offers one of the world's lowest tax rates for aircraft leasing business, we expect Hong Kong to become one of the major aircraft leasing hubs of the world.

Asia's Premier Location for Aircraft Leasing

Being an international financial centre, Hong Kong has a very robust stock market for fund raising. Three aircraft leasing companies have already chosen to get listed on the Hong Kong Exchange ("HKEx"). With over 70 of the world's 100 top banks operating in the city and a lot of financial institutions providing aircraft financing, Hong Kong is a hub for institutional investors and private equity investors who are interested to invest in aircraft as an asset class. In addition, no withholding tax ("WHT") applies on payments of interest and dividends.

Besides, the rapid development of Mainland China's aviation industry has triggered exponential growth in aircraft demand to service its domestic and international services. The industry forecasts that Mainland China airlines will need nearly 7,000 new aircrafts over the next 20 years. In terms of value, it is estimated to be over US\$1 trillion. Hong Kong's proximity to the Mainland China and the already very strong business ties with Mainland companies are other core advantages. Besides, the WHT rate between Hong Kong and Mainland China has been lowered to 5 percent, which is better than those enjoyed by other aircraft leasing hubs.

Key Features of the New Regime

- The Ordinance provides concessionary tax treatment for qualifying profits of qualifying aircraft lessors ("QLs") and of qualifying aircraft leasing managers ("QMs") payable, received or accrued after 1 April 2017
- QLs and QMs must be a corporation that is not an aircraft operator (the separate entity condition)
- Qualifying profits of QLs and QMs will be subject to tax at 8.25%
- QLs taxed on deemed profits "20% x (gross lease payments less outgoings and expenses)" basis
- Aimed at "operating lease"
- Built on the special purpose vehicle (SPV) model of the leasing business
- QLs and QMs must satisfy the "central management and control" and "substantial activity" requirements, including whether the SPV used for aircraft leasing has substantial connection with a QM in Hong Kong
- Actual legal ownership of aircraft is not required

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Why Hong Kong is Set to be a Global FinTech Hub

Hong Kong is emerging as one of the world's most exciting FinTech hubs, with APAC investment into FinTech companies eclipsing both the US and European markets for the first time this year.

China's market dwarfs almost any other in the world. Even more striking is the consumer penetration of FinTech, with the EY FinTech Adoption Index 2017 highlighting the region as one with the world's highest rate of adoption at 69 percent. Hong Kong provides a unique gateway to the market and by acting as China's bridge to the West, it's one of the world's most important "super-connectors".

Behind this regional growth are five key factors that have facilitated Hong Kong's ascent to the world FinTech stage.

1 A thriving, open-minded financial hub

The importance of Hong Kong as a global finance centre should not be understated. The city was recently named in the top five Global Financial Centres Index by Z/Yen. As China's financial capital, and a base for three-quarters of the world's top 100 banks, the city has an established and well-oiled legal and regulatory system for the financial sector to rely on.

Banks are also taking an active role in working with the city's nascent FinTech scene. According to a survey conducted by PwC, 82 percent of Hong Kong financial services organisations are looking to partner with FinTech companies.

2 Investment and education

Hong Kong has also seen huge levels of public and private investment in technological innovation. In 2016, APAC investment into FinTech companies totalled £6.7 billion. There has also been a push to upskill local professionals from a young age. The Hong Kong authorities have shown foresight and commitment with FinTech bachelor degrees being taught at both the Chinese University of Hong Kong and Hong Kong Polytechnic University. In addition, 11 banks currently support the Hong Kong Monetary Authority's (HKMA) FinTech Career Accelerator Scheme ("FCAS") to nurture new FinTech talent.

3 A honey pot for attracting talent and entrepreneurs

Hong Kong has a rich and dynamic tech scene which is boosting the startup culture and attracting the best in tech talent. The city hosts 1,926 startups, involving 5,618 workstations and 5,229 staff. This year's RISE conference has shown that the thriving tech scene plays a huge role in establishing this environment. Impressive collaborative spaces and availability of investment from Hong Kong itself like Cyberport and Hong Kong Science and Technology Park, to the border area (Lok Ma Chau Loop) connecting Shenzhen and the Greater Bay Area in Southern China, means we will see some of the world's top talent looking to Hong Kong as the place to build their careers and companies.

4 A progressive regulatory environment

A mature and stable regulatory environment is important for any industry, especially for a city that is seeing such rapid change and evolution. Hong Kong's regulatory structure is made of organisations driving innovation from within, particularly in FinTech and even regtech. For instance, the Hong Kong Monetary Authority (HKMA) recently unveiled a trade finance platform based on blockchain technology, supported by Deloitte and five of the city's top banks.

Furthermore, the Securities and Futures Commission (SFC) has initiated an internal regTech project to assess what technologies could improve its standing operations and efficiency whilst combatting money laundering and cyber-crime. These initiatives are telling of a willingness to modernise practices.

5 A flourishing and well-founded ecosystem

The dynamic created by the close proximity of world-leading banks, regulators, tech companies and incubators has led to the flourishing, supportive ecosystem in Hong Kong - one which is fuelling collaboration, new ideas and innovation every day.

Hong Kong FinTech Week

The annual Hong Kong FinTech Week (23 - 27 Oct 2017) is a good example to demonstrate Hong Kong's vibrant FinTech ecosystem with a mix of local and international firms as well as support from the private and public sectors.

SIGN UP NOW

 hongkong-fintech.hk  fintech@investhk.gov.hk

 [#HongKongFinTech/ #HKFinTechWeek](https://twitter.com/HongKongFinTech)



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Hong Kong Maritime Week 2017

Jointly organised by the Hong Kong Maritime and Port Board, the Hong Kong Shipowners Association and the Hong Kong Maritime Museum, Hong Kong Maritime Week (HKMW) 2017 will be held from 19 to 26 November. The eight days of events will range from industry briefings, seminars and conferences, corporate functions, maritime-themed sports to networking events which will further strengthen Hong Kong's role as the regional premier maritime services hub.

At present, there are more than 800 shipping-related companies in Hong Kong offering a wide range of maritime services, including shipping agency and ship management, ship broking, marine insurance, ship finance, as well as maritime law and arbitration, etc. According to the Quarterly Survey of Employment and Vacancies conducted by the Census and Statistics Department last year, there were about 280 companies providing shipping agency and ship management services in Hong Kong in 2016, with another 70 companies providing ship broking services. Besides, according to the Office of the Commissioner of Insurance, there are at present 88 insurance companies providing marine insurance services in Hong Kong. Also, 12 out of the 13 members of the International Group of Protection and Indemnity Clubs have presence in Hong Kong, which is the largest cluster of representatives outside London.

The Hong Kong Shipping Register (HKSAR) ranks fourth in the world in terms of total registered gross tonnage. As at end-March 2017, 2,536 ships with a total gross tonnage of 109.2 million were registered with the HKSAR. Hong Kong registered ships are among the best performers in the world with 0.81 percent detention rate in 2016.

In April 2016, the HKSAR Government set up the Hong Kong Maritime and Port Board, which is tasked to formulate strategies to promote the development of high value-added maritime services on all fronts, including manpower development, marketing and promotion, as well as industry development.

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Maritime Week Event Highlights

5th Asia Marine Insurance Conference 20-21 November

The two-day Conference will provide the premium peer networking and dialogue event for ship owners, ship managers, underwriters and all the stakeholders in the maritime industry to come together to discuss the common threats and issues and find sustainable solutions of mutual interest to insurers and the maritime community.

Asian Logistics and Maritime Conference (ALMC) 23-24 November

Being the largest event of its kind in Asia, ALMC 2017 will feature around 70 luminaries from the logistics and maritime industries as the speakers, and attract around 100 exhibitors and 2,000 participants from home and abroad.

Mare Forum Hong Kong 24 November

At the world renowned Mare Forum, leaders in the maritime industry will analyse the "renaissance" of the shipping and commodity markets, the maritime transportation of oil, gas and dry bulk commodities, containers and the offshore ongoing developments, the geopolitical risks, the upcoming industrial and technology post-crisis "revolution" impact on shipping and shipbuilding, the regulations, the environmental imperatives, ship-finance and investments, the threats and opportunities affecting shipping, views on future smart investments and the future of the global shipping hubs and Hong Kong.





Time for Quality Storytelling

The New York Times sees an increasing appetite in the Asia Pacific region for high quality content and set up its own T Brand Studio Hong Kong to meet this emerging marketing demand

“Hong Kong is an exciting hub for advertisers and it also offers excellent transportation links to the rest of Asia so we can work easily with our clients across the region.”

**Raquel Bubar, Director
T Brand Studio International**

T Brand Studio, the brand marketing unit of The New York Times, was started in 2014 and has been working with global brands to create industry-leading content, strategy and distribution.

In Asia Pacific, The New York Times opened the T Brand Studio in Hong Kong earlier this year and aims to work more closely with their advertisers in the region and to help them create the same high quality productions that T Brand Studio is known for all over the world.

According to Raquel Bubar, Director of the International T Brand Studio, more and more clients in the Asia Pacific region are looking for high quality branded content, so opening T Brand in Hong Kong is a natural move for them to work closely with clients here within the same time zone and with local expertise.

“Hong Kong is an exciting hub for advertisers and it offers excellent transportation links to the rest of Asia so we can work easily with our partners across the region,” Bubar added. “Together with our existing regional headquarters of The New York Times office in Hong Kong, T Brand Studio can work alongside our talented team that is already in place.”

With a team of four comprised of a content strategist, producer, editor and designer, they have hired some of the best talent in the region to tell brand stories in any format both on and off The New York Times. They work alongside T Brand teams in Paris, London and New York to develop winning campaigns that marry quality storytelling and multimedia.

“Our approach is to always think about the story first, then integrate multimedia such as VR films, chat bots and

infographics when it is relevant to the story that we’re trying to tell. This leads to an effective formula for content that we know our audience will engage with and share time after time,” Bubar explained.

During the opening stage of T Brand Studio in Hong Kong, InvestHK assisted the team on introducing potential partners and service suppliers.

“Hong Kong is such a vibrant city and a leader in advertising and technology. It’s an exciting place to do business and we look forward to building our team here,” Bubar enthused.

In three short years, T Brand Studio has already won numerous international awards, including Hottest in Native Advertising by AdWeek and Native Advertising Agency/Studio of the Year by Native advertising Institute. Also, their work in Virtual Reality has been recognised at Cannes and their recent campaign for UBS has received awards from OMMA, The Drum and The World Media Awards.

T Brand Studio

- The New York Times developed the brand marketing unit T Brand Studio in 2014 and established the Hong Kong studio in 2017
- Works with global brands to create industry-leading content, strategy and distribution

tbrandstudio.com

More than a Workspace

Shanghai-based co-work space network naked Hub eyes ambitious expansion in Hong Kong with 10 new locations in the pipeline

The emerging co-work space naked Hub, backed by the Shanghai-based hospitality service naked Group, currently operates 21 locations across Mainland China and Vietnam. Its first space in Hong Kong was recently opened in Sheung Wan, spanning across 16 floors with hot desks, open offices and private rooms.

More locations are on the way including a four-storey space in Sai Ying Pun, as well as a new hub in Kwun Tong. Both locations will be completed by the end of 2017.

According to Jonathan Seliger, CEO, naked Hub's goal is to have at least 10 significant hubs in Hong Kong within one to two years. "By 2030, it is estimated that 30 percent of the office spaces in Hong Kong will be turned into flexible, shared workspace," said Seliger, "this is a paradigm shift in the way that people work, and we are just at the ground level."

Amongst the vast competition in the shared office market, naked Hub has proven itself to be more than just a workspace. With the strong hospitality background of the team, naked Hub's expertise lies in delivering an outstanding user experience through spatial design, an engaging community and exclusive services for its members. "We hope to create a dynamic, authentic community to solve business needs," Seliger said, "we called it 'community as a service'."

naked Hub has a dedicated community team for that purpose. "We have built an incredibly strong team in Hong Kong over a very short period of time," Seliger remarked, "we are taking a lot of people out of hospitality industry; they have a high sense of customer services and satisfaction. I am thrilled to have this team and it is a testimony to the quality of talent in Hong Kong."

To naked Hub, co-work space is not just for startups. Seliger also sees the demand for flexible workspace in the corporate world.

"Multinational corporations who are still working in traditional offices will definitely see the value of such shared workspace as it is more affordable and flexible," he explained.

The company has recently announced a merger with JustCo, a leading co-work space operator in Singapore, making naked Hub the biggest co-work space operator in Asia with 41 locations in China, Hong Kong and Singapore and with upcoming hubs in Bangkok, Kuala Lumpur and Jakarta. The combined footprint will span 140,000 sqm GFA under management in 9 cities over 6 countries, gathering over 8,000 companies and expected to attract 32,000 members.

"For our expansion, we are targeting tier one cities with a healthy startup culture, as well as a supportive government for innovations. Hong Kong is a perfect market, it is the recipe for good co-working business," Seliger concluded.

naked Hub

- In Hong Kong, naked Hub currently operates a 16-floor co-work space in Sheung Wan, providing over 800 seats
- Sai Ying Pun and Kwun Tong hubs are under development and will be completed by the end of 2017
- Recently merged with Singapore-based co-working brand JustCo to expand footprint in Asia, expecting 200 hubs in the region by 2020.

nakedhub.com

"For our expansion, we are targeting tier one cities with a healthy startup culture, as well as a supportive government for innovations. Hong Kong is a perfect market, it is the recipe for good co-working business."

**Jonathan Seliger, CEO
naked Hub**



Asia's Leading Events Organiser has Gone from Strength to Strength

UBM Asia organises over 290 trade events and activities each year in Asia and has strengthened their portfolio through acquisition

The story began in 1994 when UBM acquired a local exhibition company which organised successful trade events in Hong Kong and the region. UBM set up their regional head office in the city and decided to expand their event business in Hong Kong, from Hong Kong. Nowadays, the company is running some of the largest shows of its kind in the world or Asia here, such as the Hong Kong Jewellery and Gem Fair, Cosmoprof, the largest cosmetic and beauty show in Asia, and the long established Asia Pacific Leather Fair - Leather & Materials+ & Fashion Access.

Sitting in the newly renovated office, Michael Duck, Executive Vice President recalled, "At the time when we first started, Hong Kong was the best place in the Asia Pacific region to run trade shows. There has always been free movement of capital, rule of law, simple taxation and for people coming from overseas, Hong Kong is a safe place to walk around. And all these advantages are still going on today." In addition, the fantastic geographic location and professionalism of the trade events organisers easily makes Hong Kong the ideal destination for some of world's biggest exhibitions such as electronics fair, gift fair; Asia's largest entertainment expo, fashion fair; and financial and technology conferences.

UBM built its success on its professionalism, providing quality service and organising much targeted trade shows throughout the year with over 2 million quality exhibitors, visitors, professional buyers and conference delegates from all over the world. The shows they run attract international buyers to come to meet business partners, learn the latest trends and build stronger ties with the industries.

Recently, the company acquired AllWorld, a privately owned

company that has been running a range of successful food and hotel, oil and gas and communications events in the ASEAN countries and Mainland China. "We hope to form a synergy and grow these businesses stronger and better in the region," Duck said.

Other than high quality shows, Duck complimented that the first class exhibition space in Hong Kong operated by extremely well management complement the success of event businesses in the city. Also, under the one country two systems, Duck believes it allows the city to differentiate itself from other cities in China. "Hong Kong is part of China which can enjoy close collaboration with neighbouring Mainland cities in the Greater Bay Area. The Hong Kong-Zhuhai-Macao Bridge and other cross-boundary infrastructure will further strengthen Hong Kong as a default hub for the region, giving the city a direct catchment of over 68 million people."

The Hong Kong regional office has a team of over 200 staff and 80 percent of them are local. Duck found Hong Kong people well educated with the positive working attitude and hardworking.

UBM Asia

- Set up the Hong Kong regional office in 1994 and has been running over 290 trade events in Asia every year
- over 2 million quality exhibitors, visitors, professional buyers and conference delegates from all over the world

Ubm.com



"There has always been free movement of capital, rule of law, simple taxation and for people coming from overseas, Hong Kong is a safe place to walk around. And all these advantages are still going on today."

Michael Duck
Executive Vice President
UBM Asia

“Hong Kong has well-developed legal and banking system, convertible currency, high education level, as well as a free trade port. All these advantages are creating immense opportunities here.”

**Michael Zankel, Managing Director
Gebrüder Weiss**



Using Hong Kong as a Key Hub of the Greater Bay Area

Austrian logistic company Gebrüder Weiss enjoys Hong Kong advantages and is quick to seize opportunities arising from the “Belt and Road” Initiative

Founded in 1473, Gebrüder Weiss (GW) is one of Austria's oldest transport and logistics companies. With more than 500 years of history, the family-owned company has emerged as one of the top global players in the industry.

Like many of its overseas offices, GW did not have a full presence in Hong Kong and operated in the city as a joint venture for the last 17 years. In July 2017, the company decided to set up its own office for full presence in Hong Kong and announced a new brand strategy: GW's offices in Hong Kong, Mainland China, Taiwan, Vietnam, the Arab Emirates, USA and Canada have been uniformly grouped under the “Gebrüder Weiss” brand, reflecting the company's ambition to expand its worldwide network.

The Hong Kong office also manages operation of Shenzhen, Guangzhou and Zhanjiang offices. Michael Zankel, Managing Director, revealed that GW looks at these areas as a whole for strategic development. “The Greater Bay area is a term that we have heard a lot recently. The fact is we have been witnessing the gradual integration of these areas into one over the years,” he said, “we have to find out the purpose of different locations and how they work together.”

While Austria is a hub for Eastern Europe, Hong Kong is the key hub for the Greater Bay area, thanks to its well-developed infrastructure and world-class international airport with flights covering more than 40 countries along the Belt and Road countries.

Over the last decade, the company has not only expanded its transport services to Europe but also increasingly towards the East. “Well before the announcement of the Belt and Road initiative, we have been setting up offices across Central Asia

and Mainland China because we believe in the shifting of the economic centre of gravity to this area,” Zankel said, “with the ongoing infrastructure under the concerted governmental effort along the Belt and Road, the initiative will be supportive to our global strategy, contributing to our success at both regional and global levels.”

With the Belt and Road Initiative and Greater Bay Area development plan in full swing, Zankel believes that enterprises should leverage Hong Kong's advantages to seize business opportunities. “Hong Kong has well-developed legal and banking system, convertible currency, high education level, as well as a free trade port. All these advantages are creating immense opportunities here,” Zankel remarked.

Currently, GW's Hong Kong office is a team of 25 with administration, operation, accounting and marketing roles. In the next three months, the team will focus on forming a sales and business development department with an aim to develop its own clientele within the region.

Gebrüder Weiss

- Headquartered in Lauterach in Vorarlberg, Austria, Gebrüder Weiss has 150 locations worldwide with over 6,500 employees
- Hong Kong office oversees the company's development of a growing network of offices in the Greater Bay Area

gw-world.com

European Law Firm Expands in Asia via Hong Kong

CMS leverages Hong Kong's status as a leading international arbitration hub to support global clients

Operating 71 offices worldwide in 40 countries, Frankfurt-based law firm CMS offers comprehensive legal services, such as corporate law and dispute resolution in Europe, Asia and Latin America.

To facilitate the expansion plan in Mainland China and Asia, CMS opened its office in Hong Kong in September 2016, the third branch in Asia after Beijing and Shanghai. Its fourth branch, Singapore, was recently added to the Asia network in 2017.

The Hong Kong office has two primary areas of focus: International Arbitration and Finance. The international arbitration team led by Nicolas Wiegand, Managing Partner, advises on arbitration disputes in both commercial and investment arbitration, with a specific focus on M&A, infrastructure and Intellectual Property or Information Technology related matters and, through a specialised team, on treaty arbitration. The finance team led by Tim Elliot, Partner, focuses on asset finance with a strength across multiple asset classes including shipping, aviation, energy and infrastructure.

Wiegand revealed that the Hong Kong office is the anchor point for European companies with business interest in Mainland China and the Asia Pacific region and vice versa. With a robust legal system, Hong Kong is an ideal neutral venue for international arbitration services to support both international and Mainland businesses. "Hong Kong is one of the most important arbitration hubs in the world, it is essential for CMS to have a presence here," he said.

Thanks to positive trade relations between Mainland and Europe, CMS aims to further expand their footprint. "China is one of the most important trading partners for Germany. The enormous amount of trade and investment between the two countries leads to increasing demand for legal advice." He said, "This, together with the Belt and Road Initiative that rolls out major infrastructure projects along the route, will provide

us the opportunity to create more business in Mainland China through Hong Kong."

According to Wiegand, what sets CMS apart from other large law firms in the region is their Continental European root which combines Civil Law with common law experience. "We have many civil lawyers in our team who share the same legal understanding with companies in Mainland China as well as other Asian civil law countries. We have a much better understanding on clients' expectation, and how they approach disputes," he said.

The CMS Hong Kong office has a growing team, which Wiegand expects will continue to expand. "Our plan is to establish a long term presence in the region, and employ more local and international staff," he added.

Before CMS set its foot in Hong Kong, Wiegand was already in contact with InvestHK Berlin office and was referred to the Hong Kong team which has provided various services to help its development in the city. "We wouldn't be here today without InvestHK. We got the right advice and everything is smooth and easy," he concluded.

CMS

- Founded in Europe, CMS is a leading law firm with 71 offices worldwide
- Offers a full range of legal services such as corporate law, dispute resolution, banking and finance and employment law

cms.law



"With a robust legal system and infrastructure, Hong Kong is an ideal neutral venue for international arbitration services to support both international and Mainland China businesses."

**Nicolas Wiegand, Managing Partner
CMS**

“There are still many multi-national companies who have their APAC operations based in Hong Kong; we have also seen a fast-growing start-up culture here in the last couple of years. That gives us great faith in Hong Kong’s future.”

Christopher Ryan
Managing Director and Partner, Asia
AnalogFolk



Leading Creativity and Innovation from Hong Kong

UK digital creative agency AnalogFolk strengthens the strategic role of its Hong Kong office for expansion in Asia

AnalogFolk’s Hong Kong team has grown rapidly since its establishment in 2015. Being the first office in Asia, the two Hong Kong-based founders planned their start-up over a series of meetings in a coffee shop before taking co-work space at Blueprint in Quarry Bay. Today, the London-based global digital creative agency has a team of 20 staff in Hong Kong, taking up half of a commercial building floor in bustling Causeway Bay. “We expect to double the number of staff over the next 12 months,” said Christopher Ryan, Managing Director and Partner, Asia.

While the team has expanded significantly in the region, their role has also evolved. “Given our size in the early days, the AnalogFolk Hong Kong team started out in a supporting role for their team in London, but quickly grew to provide real strategic partnership to our other offices and clients.”

AnalogFolk’s network is strategic partner to a number of global consumer brands such as Pernod Ricard, Nike and Dyson, which explains why the agency needs a presence in Hong Kong. “Initially, we set up here to support our global client business. There are still many multi-national companies who have their APAC operations based in Hong Kong. Our appointment as Pernod Ricard’s digital agency of choice for Asia came only one year after our birth. This year we were appointed as Steelcase’s digital creative agency for APAC,” Ryan said.

We have also seen a fast-growing start-up culture here in the last couple of years, which gives us great faith in Hong Kong’s future,” he said. “One of our clients – Biorna Quantics – is one of them. They are trail blazers, and an inspiration to work with.”

“Our agency model allows us to be consistent in our strategic and creative strength in every region. The Hong Kong office for Asia is no exception. There are some global projects in which we play the role of creative lead from this office,” added Harry Llufrío, Executive Creative Director and Partner, Asia.

According to Ryan, what makes AnalogFolk unique is the entrepreneurial business model: directors of each office have

invested in the business they run, and are given the freedom to create a business almost from the ground up – in line with our global mission, but also in line with the region’s special needs. This model reinforces our start-up mindset and attitude. It also makes being in business more fun,” he said.

AnalogFolk sees a great potential for creative industries in the Asia market. Many global clients realise that they need to invest more in Asia as home markets mature. There is still a huge amount of untouched potential, generating a big demand for agencies that can provide innovative digital solutions.

To support the expansion plan in Asia, Ryan believes that it is vital for AnalogFolk to have people from Hong Kong and Mainland China in the team, and he is confident in the talent pool here. There are a lot of graduates here who have been educated in international schools and universities; their understanding of local culture is balanced with a strong international perspective. “They have also caught the startup bug and proven to be tenacious in their enthusiasm for learning. We want that startup mentality in our outfit,” he enthused.

AnalogFolk

- A digital creative agency founded in 2008 and headquartered in London
- With offices in London, New York, Portland, Sydney, AnalogFolk opened its first Asia office in Hong Kong in 2015
- Currently has 20 employees in Hong Kong, the company expects to double the number of staff in the next 12 months

analogfolk.com

CAPCO

London UTC + 1

“Hong Kong is well-structured, well-regulated, and at the same time gives room for innovation. It is a great breeding ground for innovation and talent, which fits what we are doing here.”

**Neil Ramchandran, Managing Partner
Capco (Hong Kong) Limited**



A Breeding Ground for Innovation in Finance Industry

Thanks to Hong Kong's sound regulatory framework and room for innovation, London-based finance and technology consultancy Capco plans further regional expansion through its regional headquarters here

The Capital Markets Company N.V. (Capco) is a global business and technology consultancy dedicated to the finance industry, specialising in capital markets, retail & commercial banking, digital regulatory compliance and technology.

Capco first came to Asia for one simple reason. “We followed a number of our global clients to come to Hong Kong, so that we can form a closer partnership and continue to serve them here,” said Neil Ramchandran, Managing Partner of Capco APAC. “Being the financial centre in Asia, Hong Kong is a natural hub for Capco to serve both global and local clients in the region, particularly in the banking sector.”

Set up in February 2014 with 4 employees, the Hong Kong office is Capco's APAC regional headquarters and now has grown to over 400 staff in Hong Kong, which also manages other regional offices in Malaysia, Thailand, Mainland China, Singapore and Japan.

Ramchandran believes that Hong Kong has provided a fertile ground for Capco to grow. “The city is full of enthusiasm and energy for us to do new deals,” he said, “the HKSAR government is very open to new ideas, and they make changes to allow new payment structures.”

He added, “Hong Kong is well-structured, well-regulated, and at the same time gives room for innovation. It is a great breeding ground for innovation and talent, which fits what we are doing here.”

Since the Hong Kong office is established, Capco has already won significant regulatory compliance projects with tier one global investment banks that have a strong footprint in Asia. According to Ramchandran, the company is now looking to solidify their market share in Hong Kong while maintaining a diversified portfolio.

“We are now looking to penetrate deeper into the Hong Kong market where we already have presence, as well as to target international Chinese banks,” said Ramchandran. “Our

short-term focus here is to expand our client base, without affecting the service quality to our existing clients,” he said, adding that the company will also diversify the portfolio of its clientele, such as insurance companies.

Ramchandran said that InvestHK has been a long-term partner throughout their expansion journey. “InvestHK is always our first point of contact. I know that we can always come to them for any kind of support. It is a trusted intermediary to the government,” he remarked, “without InvestHK we probably would not have been what we are here today.”

Having been in Hong Kong for 3 years, Ramchandran thinks that it was the right decision to make the move to Hong Kong, both for the company and himself personally. “The company is very pleased to set up the regional headquarters in Hong Kong, and this decision has been one of the major reasons contributing to our success,” he said. “The city is very convenient and expat-friendly; the integration between locals and expats is a big draw for foreigners.”

Capco (Hong Kong) Limited

- Headquartered in London, Capco has offices in North America, Europe, Asia and Africa, and has over 4,000 employees across 23 offices worldwide
- Established its Hong Kong office as the regional headquarters in February 2014, and has expanded from 4 staff to over 400 staff by early 2017

www.capco.com

Cultivate Sustainable Beauty through Hong Kong to Asia

Italian beauty brand Davines positions Hong Kong as a distribution hub to deploy its high quality hair and skincare products to the Asia market

Founded in 1983 in Parma, Davines manufactures and supplies high quality haircare and skincare products to salons and spas worldwide with presence in 97 countries. Besides the Parma headquarters, the company also has branches in New York, Paris, London, Mexico City, Deventer and recently opened a representative office in Hong Kong.

In Hong Kong, Davines hair products are distributed to professional hair salons while skin care brand Comfort Zone products are available in beauty centers and hotel spas. There is also a training centre and showroom for salon professionals to get to know the brand in greater detail and encourage more interaction. According to Dr Davide Bollati, Group Chairman, the increase in beauty interest and high disposable income have been the major growth factors for haircare and skincare products in Hong Kong. The professional haircare market is estimated to grow at an annual rate of 2.9 percent and the number of salons, propelled by rising demand of young consumer, is estimated to rise in the coming years with an increasing demand for professional beauty services.

Other than tremendous market potential, the strategic location of the city and the international environment also represent great business opportunities for the company to set up the Hong Kong office as their Asia distribution hub. "Hong Kong is an ideal location for businesses to enter Asia markets and to gain market share, especially in Mainland China," Dr Bollati said.

In December 2016, the Davines Group obtained a B Corp certification. B Corps are for-profit companies certified by

the non-profit B Lab to meet rigorous standards of social and environmental performance, accountability, and transparency. Since its origin, the group has a vision on promoting sustainability, challenging itself with projects that combine profit and positive impact on people and the environment by raising awareness and actively involving stakeholders. By pursuing the company's vision of "sustainable beauty", the company has been involving in many projects devoted to maximise the positive impact on both the environment and the community.

InvestHK supported the Davines Group to better understand the Hong Kong market by offering up-to-date market information and advice on market entry with its potential and business opportunities.

Davines S.p.A.

- Founded in Italy in 1983 with branches in New York, Paris, Mexico City, Deventer and a representative office in Hong Kong
- Manufacturer of Davines haircare products and [comfort zone] skincare products
- Obtained a B Corp certification in December 2016

Davines.com



"Hong Kong is an ideal location for businesses to enter Asia markets and to gain market share, especially in Mainland China."

Dr Davide Bollati
Group Chairman
Davines S.p.A.

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
Austria		United Kingdom	
Gebrüder Weiss	Transport and Logistics	Analogfolk	Creative Agency
Belgium		BridgeU	Education Technology
Capco	Management & IT Consulting	Enable Foundation Limited	Social Design and Design Research
Canada		KplusK Associates	Architecture, Masterplanning and Interior Design
Rocketbots	Artificial Intelligence / Chatbots	UBM Asia	Trading and e-Commerce
France		United States	
Boogie Woogie Photography Limited	Creative Industry	Centric Software HK Ltd	Software Service (PLM software)
ENE Consulting HK Limited	Energy and Environment Strategy Consulting	EventBank	Business Services, SaaS, All-in-one Engagement Management Cloud
Palo IT Hong Kong Limited	Information Technology and Services	MapR Technologies	Enterprise Software
Germany		Mathnasium Center Licensing HK Limited	Education
CMS	Law Firm	T Brand Studio	Brand Content Agency
Hungary		Thriveful	Education Technology, Software, Artificial Intelligence
European Trading House Hong Kong Limited	Food Trading	Turnbury Limited	North American Live Seafood Distribution
Italy			
Davines	Distribution and Marketing of Skincare Product		
Unigra SRL	Food & Beverage		
Japan			
Marumo Mori (Hong Kong) Limited	Tea Leaves, Teawares, Sweets and Trade		
Sansiao Gallery HK	Art		
Mainland China			
Naked Hub	Co-working Space Developer		
Sweden			
GAFELL Limited	Food		



InvestHK 投資推廣署
The Government of the Hong Kong
Special Administrative Region

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