

HK Foreign Direct Investment

擁抱希望 分享快樂
for Hope and Happiness

The Chief Executive's 2017 Policy Address



Hong Kong Chief Executive Carrie Lam's maiden Policy Address released on 11 October includes major tax cuts for small business and new tax incentives to boost R&D capabilities and enhance the city's innovation and technology credentials.

Hong Kong will capitalise on the opportunities arising from the national Belt and Road Initiative and the Guangdong-Hong Kong-Macao Bay Area development proactively and holistically. A number of key initiatives which will boost the city's economic development are set out below:

- Provide tax relief to small and medium-sized enterprises: profits tax rate for the first \$2 million of profits proposed to be lowered to 8.25 percent, and standard tax rate at 16.5 percent for profits exceeding that amount.
- Encourage research and development (R&D) investment by enterprises, propose to introduce a 300 percent tax deduction for the first \$2 million eligible R&D expenditure, with the remainder at 200 percent.
- Increase the total number of comprehensive avoidance of double taxation agreements to be signed with other tax jurisdictions to 50 in the next few years.
- Further expand the network of our Economic and Trade Offices (ETOs) to strengthen external promotion. Set up a new ETO in Thailand as the third one within the Association of Southeast Asian Nations (ASEAN) countries.
- Further enhance bilateral ties through signing a free trade agreement and an investment promotion and protection agreement with the ASEAN in November this year, and the Hong Kong and Macao Closer Economic Partnership Arrangement this year.
- Demolish and redevelop the three government buildings next to the Hong Kong Convention and Exhibition Centre (HKCEC) in Wan Chai North into a new wing linking and integrating with the existing HKCEC to provide an additional 23,000 square meters of convention and exhibition facilities.

investhk.gov.hk

**this
Issue**

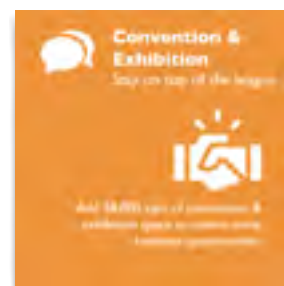
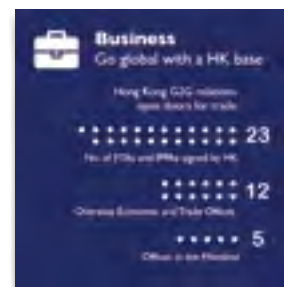
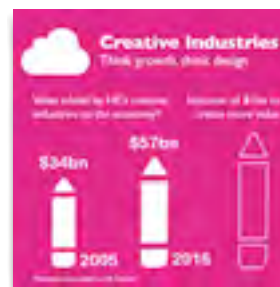
International Forward Calendar
Special Feature: Regional Headquarters Survey
Sector Focus: StartmeupHK Festival 2018

3
4
5

Sector Focus: FinTech Week 2017
Case Studies
New Investors

6
7-15
16





- Boost development of the tourism industry, including the development of cultural, heritage, green and creative tourism, and open up a diversified portfolio of visitor source markets with high yield visitors.
- Consider adding a wider range of investment products into the two-way mutual access mechanism, such as exchange-traded funds, and extending the Mainland-Hong Kong Bond Connect to cover Southbound Trading.
- The Hong Kong Monetary Authority to launch the Faster Payment System next year to further promote development of more diversified and flexible payment products by the market for the benefit of customers and merchants.

Fostering Innovation and Technology

- Set aside no less than \$10 billion as university research funding to encourage private companies to increase investment in R&D.
- Kick-start the \$500 million "Technology Talent Scheme" to train and pool technology talent, and through the injection of \$3 billion into the Research Endowment Fund, provide studentships for local students admitted to research postgraduate programmes funded by the University Grants Committee (UGC); and subsidise local enterprises on a matching basis for training their staff on advanced manufacturing technologies.
- Jointly develop with Shenzhen the "Hong Kong-Shenzhen Innovation and Technology Park" at the Lok Ma Chau Loop, and through the Guangdong-Hong Kong-Macao Bay Area development and collaboration between Hong Kong and Shenzhen, develop an international IT hub in the Bay Area.
- Deploy \$2 billion under the Innovation and Technology Venture Fund Scheme to co-invest, on a matching basis, with venture capital funds in local technology start-ups.
- Deploy \$500 million to encourage government departments to make good use of technology to enhance service quality.

Building a Smart City

- Invest \$700 million to take forward key infrastructure projects for Smart City development to provide an "eID" for all Hong Kong residents, launch a pilot "Multi-functional Smart Lampposts" scheme at selected urban locations, reform the development technology of e-Government and build a big data analytics platform.
- Take the lead to provide telecommunications companies with financial incentives to encourage the extension of fibre-based network to rural and remote areas.
- Continue to develop an intelligent transport system, including the installation of a new generation of on-street parking meters for payment of parking fees via remote payment using mobile applications and providing real-time information on vacant parking spaces.

Promoting Creative Industries

- Propose to inject \$1 billion into the CreateSmart Initiative to strengthen support for the development of the design and creative industries.
- Provide additional resources to the Hong Kong Design Centre to implement a series of measures to reinforce Hong Kong's status as a city of design excellence in Asia.

Stephen Phillips, Director-General of Investment Promotion, said, "InvestHK will continue to actively promote Hong Kong's unique advantages to potential investors around the world. The new and exciting opportunities arising from the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Bay Area development, together with these new initiatives in the Policy Address, will help promote economic development and encourage companies to explore investment opportunities in Hong Kong."

2017 • 2018

NOV

Beijing

One Belt One Road Forum • Leveraging the Hong Kong Capital Markets

The seminar aims to bring together regulators, financial services institutions and large state-owned enterprises leaders and executives to discuss the use of Hong Kong's capital market under the Belt and Road Initiative.

Location: China People's Palace, No. 1 Zhenwumiao Road, Fuxingmen Avenue, Xicheng District, Beijing

Organiser: Hong Kong Exchanges and Clearing Limited and State-owned Assets Supervision and Administration Commission of the State Council

Hong Kong

The 9th World Chinese Economic Summit 2017

The World Chinese Economic Summit (WCES) aims to enhance business linkages between Mainland and Southeast Asia, as well as Mainland and Europe in line with the Belt and Road initiative. It also promotes entrepreneurship and innovation through business networking and knowledge sharing.

Location: Island Shangri-La Hotel

Organiser: Asian Strategy & Leadership Institute (ASLI)

▶ asli.com.my/event/16/9th-World-Chinese-Economic-Summit-2017/

London, UK

Routes to Growth Conference 2017

The event aims to help UK-based SMEs to explore business opportunities in Mainland China and Southeast Asia, and with key business experts sharing their experiences in Asia.

Location: London

Organiser: Cathay Pacific

▶ routestogrowthasia.com/conference2017

Hong Kong

Innovation and Breakthrough Forum 2017

The forum is designed for senior executives and decision makers responsible for the finance, information technology, strategy, education and marketing who are driving innovation and new development across industries. It will bestow on a hot technology: Blockchain.

Location: JW Marriott Hotel

Organiser: Co-operatives of Innovative Intellectuals

▶ cii-ibf.com/index.php

Beijing

Belt and Road Seminar on Hong Kong Legal and Dispute Resolution Services

The seminar will be held at the 9th China Overseas Investment Fair in Beijing, to promote Hong Kong's role as an international arbitration and dispute resolution centre.

Location: China National Conference Centre

Organisers: InvestHK and China Overseas Development Association

▶ chinagoabroad.com/zh/event/23545

Hong Kong

Hong Kong Biotech Horizon 2017 – “Global Congress on Biotechnology: Diagnostics and Therapeutics”

Promote Hong Kong as an innovation hub with biotech focus through information exchange over multi-disciplinary aspects of biotechnology in Asia Pacific, as well as providing a business partnering platform to transition Hong Kong into an Asian biomedical technology hub.

Location: Hong Kong Science and Technology Park

Organiser: Hong Kong Biotechnology Organisation (HKBio)

▶ www.hkbio.org.hk/hkbh2017/index.php/en/

Amsterdam, the Netherlands

China Business Awards and Hong Kong Shooting Star – Award Night

The China Business Award 2017 and the Hong Kong Shooting Star 2017 will be presented in the event attended by 150 guests including representatives of SMEs, government and corporate organisations and diplomats.

Location: Amsterdam, the Netherlands

Organisers: Cathay Pacific, the Netherlands Hong Kong Business Association and China Council of NCH

▶ www.cathaypacific.nl/cba

Hong Kong

Japanese Community Networking Reception

This networking reception is to thank Japanese companies for their contribution to Hong Kong.

Location: Hong Kong

Organiser: InvestHK

(by invitation only)

Mexico City, Toronto and Seattle

“Guangdong-Hong Kong-Macao Greater Bay Area – Your Ideal Business Partner in China” Seminar

Hong Kong, Guangdong and Macao will co-organise seminars in Mexico City (27 Nov), Toronto (29 Nov) and Seattle (1 Dec) to introduce the latest business opportunities in the Greater Bay Area.

Location: Mexico City, Toronto and Seattle

Organisers: InvestHK, Department of Commerce of Guangdong Province and Macao Trade and Investment Promotion Institute (by invitation only)

Manchester, UK

Hong Kong Business Seminar

This event aims to give a better understanding on how to expand business in Mainland China and Asia via Hong Kong.

Location: Manchester

Organisers: Hong Kong Economic and Trade Office (London) and InvestHK

DEC

Hong Kong

Annual Global Community Reception

This networking reception is to thank Mainland and overseas companies for their contribution to Hong Kong.

Location: Hong Kong

Organiser: InvestHK

(by invitation only)

Shanghai

Marintec China 2017

The largest marine technology exhibition in Asia that attracts exhibitors, industry players and media representatives from around the world. As a key overseas promotion initiative, the Hong Kong Maritime and Port Board and the Hong Kong Trade Development Council will jointly set up a pavilion to provide a platform for exhibitors to reach out to potential customers from different countries.

Location: Shanghai New International Expo Centre

Organisers: UBM and Shanghai Society of Naval Architects and Ocean Engineers

▶ marintecchina.com/en-us/

JAN 2018

Hong Kong

Global Off-Grid Solar Forum and Expo, Hong Kong

The event provides a unique platform for knowledge exchange, networking and showcasing off-grid solar products and services. The event aims to accelerate the development of the global off-grid solar marketing, contributing to achieving universal energy access by 2030.

Venue: Hong Kong Convention and Exhibition Centre

Organisers: Global Off-Grid Lighting Association (GOGLA) and Lighting Global

▶ offgridsolarforum.org

Hong Kong

StartmeupHK Festival 2018

Exploring the future of entrepreneurship and disruptive innovation, the week will feature keynotes, interactive how-to-sessions, hackathons, powerful lessons from seasoned founders and investors in sectors such as FinTech, HealthTech, smart city technologies, Internet of Things (IoT), retail innovation plus many more.

Location: Hong Kong Convention and Exhibition Centre

Organiser: InvestHK

Paris, France

Paris FinTech Fom 2018

Following the success in 2017 the event expects over 2,000 attendees over two days to meet more than 200 CEOs and C-Levels from banks, insurance, telco, regulators and FinTechs from all continents.

Location: Palais Brongniart, Paris, France

Organiser: Altér

▶ parisfintechforum.com

A Continued Growth in Number of Overseas and Mainland Companies in HK

The latest survey shows an increase in overseas and Mainland companies having business operations in Hong Kong

The number of overseas and Mainland Chinese companies running business operations in Hong Kong has climbed to 8,225 companies, which rose by 3 percent from a year ago, according to the results of a joint survey conducted by Invest Hong Kong (InvestHK) and the Census and Statistics Department (C&SD).

These 8,225 respondent companies included 1,413 regional headquarters (RHQs), 2,339 regional offices (ROs), and 4,473 local offices (LOs).

In terms of source country/territory, Japan was ranked first with 1,378 companies, followed by the United States (1,313), Mainland China (1,264), the United Kingdom (675) and Singapore (408).

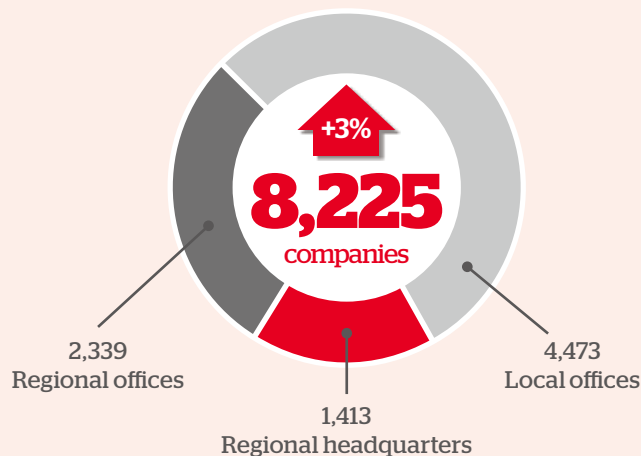
By sector, import/export trade, wholesale and retail topped the list with 3,810 companies, followed by financing and banking (1,621), and professional, business and education services (1,200).

Stephen Phillips, Director-General of Investment Promotion at InvestHK, said, "As the results of the latest survey show, Hong Kong continues to attract a growing number of overseas and Mainland companies, reflecting confidence in Hong Kong's business environment. InvestHK will continue to actively promote Hong Kong's unique advantages to potential investors around the world. These include our city's strategic location in the region, as well as the new and exciting opportunities arising from the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Bay Area development. I am confident that all these factors will help promote economic development and encourage companies to explore investment opportunities in Hong Kong."

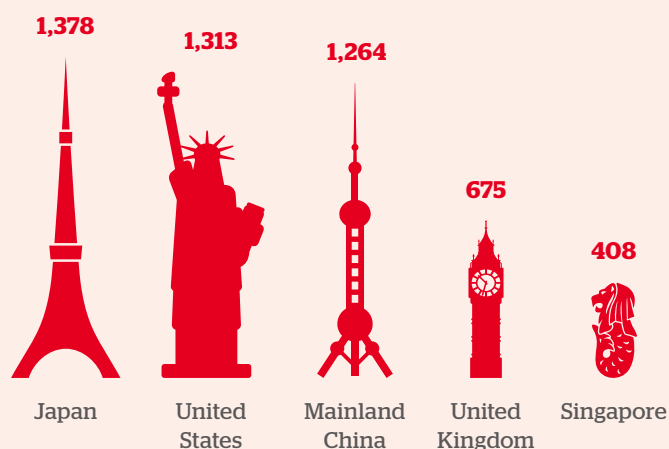
In terms of jobs, the number of persons engaged by the overseas and Mainland companies (443,000) went up by around 2 percent compared to 435,000 persons in 2016.

By sector, the top three lines of business engaged by these companies in Hong Kong were import/export trade, wholesale and retail (3,810 companies); financing and banking (1,621); and professional, business and education services (1,200)

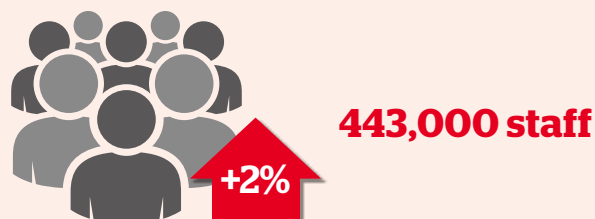
The full survey results are available from the C&SD website: www.censtatd.gov.hk



Top Five Source Countries / Territories



Number of staff employed





**START
ME UP HK
FESTIVAL
2018** startmeup.hk

startmeup.hk

The World Capital for Startups

Join us for the 2018 StartmeupHK Festival and be part of the action to put Hong Kong on the map

Over 5,000 people participated in the week-long 2017 StartmeupHK Festival, which featured up and coming verticals ranging from retail innovation, fashion technology to smart cities, financial technology (FinTech) and health technology.

The upcoming 2018 StartmeupHK Festival will be held **29 January to 2 February** at the **Hong Kong Convention and Exhibition Centre (HKCEC)**. Exploring the future of entrepreneurship and disruptive innovation, the week will feature keynotes, interactive how-to-sessions, hackathons, powerful lessons from seasoned founders and investors in sectors such as FinTech, HealthTech, smart city technologies, Internet of Things (IoT), retail innovation plus many more.

Why Attend?

For Startups

InvestHK's StartmeupHK Festival is a great platform to connect with thousands of startups, investors, accelerators, incubators and other community partners, both local and from around the world in one place. There are also opportunities to meet with manufacturers, pitch your business and find partners to go global or enter the Mainland China or Asia market.

For Investors

Get the latest trend on what's happening in world of technology in some of the most popular sectors in Hong Kong, Mainland China and the world, and meet fledgling or growth startups. Connect with your peers, angel investors, venture capitalists and co-work spaces; and learn from those who have already invested in startups.

For the Startup Community

Whether you're a hardware manufacturer looking to move up the value chain, an industrialist looking to diversify

your business, an academic teaching entrepreneurship or a corporate entity looking to bring some of that innovation in-house, the StartmeupHK Festival will provide you with opportunities to connect, to learn and to be inspired.

Event Calendar

29 Jan	Startmeup Venture Forum
29 Jan	The Connected City
30-31 Jan	2018 FinTech Finals
31 Jan	Retail's Cutting Edge
1 Feb	Internet of Life
2 Feb	HealthTech Asia

In addition, there will be other community events including global startup showcase, fireside chats, workshops and investor pitches.

Contact:

Jayne Chan, Head of StartmeupHK

Tel: (852) 3107 1014

Email: jchan@investhk.gov.hk



FinTech Week 2017

Hong Kong emerges from FinTech Week as Asian leader

Led by InvestHK, the Hong Kong FinTech Week (23-27 October) drew more than 4,000 attendees from over 50 countries and more than 300 speakers. Alongside the packed events in the main hall and workshop rooms, more than 150 one-on-one meetings took place involving entrepreneurs, regulators, incubators, venture capitalists and service providers.

Programme Partners for the Week, NexChange and Finnovasia, each curated two days of events, respectively focusing on two overarching themes - blockchain and artificial intelligence (AI). Also featured under these themes were insurance technologies, wealth technologies and cyber security, all core areas within FinTech, which drew large audiences.

Speakers came from companies including Dianrong, Ping An, Zhong An, Ant Financial, Yunfeng, Baidu, Aviva, Swiss Re, Sentient Technologies, First Data, PricewaterhouseCoopers, Standard Chartered, Citibank and Facebook. All shared knowledge, experience and analysis of their respective industries, presenting a vision of the future of the financial services sector which will comprise fundamental transformation, driven by data and AI, in the coming years.

The central part of the week was dedicated to local and regional collaboration. The Hong Kong Monetary Authority (HKMA) hosted FinTech Day on October 25, with involvement from key regulators the Securities and Futures Commission (SFC) and the Insurance Authority (IA). In his address the HKMA Chief Executive, Norman Chan, announced a FinTech Co-operation Agreement on collaboration and trade finance between the HKMA and the Monetary Authority of Singapore.

Chan also announced a collaboration between the HKMA and the development of the Shenzhen Municipal Government Financial Services Office to support the development of FinTech in the Guangdong-Hong Kong-Macao Bay Area.

The Financial Secretary, Paul Chan, said, "Participants in this year's FinTech Week came from all around the world, clearly demonstrating Hong Kong's potential to develop into a global FinTech hub. Indeed, with the concerted efforts of the Government, regulators and the industry, a market-driven FinTech ecosystem has gradually taken shape in Hong Kong. Last year, a total of 138 FinTech companies started up in Hong Kong, representing a year-on-year increase of 60 percent. We currently have four FinTech-related accelerators and host more than 200 FinTech-related activities every year. Last month, the HKMA, the SFC and the IA have announced initiatives relating to FinTech sandboxes to further promote the FinTech development in Hong Kong."

For further highlights of the Hong Kong FinTech Week, please visit www.hongkong-fintech.hk

Contact:

Charles d'Haussy, Head of FinTech

Tel: (852) 3107 1016

Email: cdaussy@investhk.gov.hk



“Not only is the density of quality universities in Hong Kong as high as that in Boston, it is also easy for organisations to operate here. The city is within the Greater Bay Area with Shenzhen as its immediate neighbour, so startups can do prototyping and scale up physical artefacts. This is something that interests MIT very much.”

Professor Charles G. Sodini, LeBel Chair of Electrical Engineering MIT



MIT Opens Its First Innovation Node in Hong Kong

US top-notch university nurtures future startup founders by connecting MIT and Hong Kong students to develop tech business ideas together

Massachusetts Institute of Technology (MIT) recently celebrated the grand opening of the MIT Hong Kong Innovation Node, a collaborative space aiming to connect MIT with the Hong Kong academic, commercial and social community through education and public engagement programmes.

MIT chose Hong Kong for a few reasons. “Not only is the density of quality universities in Hong Kong as high as that in Boston, it is also easy for organisations to operate here,” said Professor Charles G. Sodini, LeBel Chair of Electrical Engineering of MIT, “the city is within the Greater Bay Area with Shenzhen as its immediate neighbour, so startups can easily do prototyping and scale up physical artefacts. This is something that interests MIT very much.”

Situated at the Hong Kong Productivity Council Building in Kowloon Tong, the Innovation Node is a 5,000-square-foot multifunctional space with classroom, co-working space and maker space facilities, featuring advanced prototyping equipment and media centres for teaching purpose.

Brian Yen, Executive Director, sees the Innovation Node as a catalyst to foster innovation. “With the unique programmes that we offer, our aim is to bring some of the MIT teaching concepts and philosophies about innovation, entrepreneurship, and the whole pedagogical method to Hong Kong students and educators,” he said.

As its flagship programme, the MIT Entrepreneurship and Maker Skills Integrator (MEMSI) was launched in January 2017, bringing together 30 students from MIT and local universities through an intense and immersive “tech startup bootcamp”. At the end of the two-week bootcamp, students were required to come up with a viable business plan and a proof of concept prototype for a potential startup business. The programme also included factory tours in Shenzhen and Dongguan, as well as panel discussions and mentorship by MIT lecturers.

Serving as faculty director for the Innovation Node, Sodini said that the programme complements the existing education

system in Hong Kong and MIT by adding the innovation element. “Instead of focusing on grades and lectures, the experience provided by MEMSI is about entrepreneurship and making,” he said, “this is a huge eye-opener for both local and MIT students, leading them to come up with ideas for something that can actually be built.”

On top of MEMSI, more programmes are in the pipeline, including MIT Innovation Academy, a mini version of MEMSI that targets secondary school students, and a maker weekend programme that encourages the public to experiment using the advanced tools in the Innovation Node.

The team is also planning a tech startup bootcamp open for international professionals who need coaching on entrepreneurship for technology business. “I believe this can attract a lot of people from around the world to Hong Kong as this is an ideal place for tech startups,” Yen concluded.

MIT Innovation Node

- MIT Hong Kong Innovation Node launched in Hong Kong in June 2016
- Space officially opened in September 2017
- Currently offers educational and community engagement programmes targeting university and secondary school students.
- Projects in the pipeline include FinTech Entrepreneurship programme and Entrepreneurship for deep-tech startups

hkinnovationnode.mit.edu

Mainland Tech Giant Using Hong Kong to Go Global

Further to its listing on Hong Kong Stock Exchange, Mainland Chinese mobile internet company and smart-hardware maker Meitu plans to use the city as its international headquarters for global expansion

Being one of the largest technology companies in Mainland China, Meitu's mission is simple - to beautify everyone in the world. With its photo editing app Meitu and BeautyPlus as well as smartphones optimised for selfies, users can retouch and edit their photos and videos, and share their beautified life to the world.

Established in 2008, the company currently has 480 million monthly active users around the globe, over 90 million of which come from overseas, including Japan, South Korea and the US.

Headquartered in Xiamen, the company was listed in Hong Kong stock market in December 2016, marking the largest technology initial public offering in the last decade.

"Hong Kong is perhaps the only place in the world that allows investors from both Mainland China and overseas to buy our stock directly," Gary Ngan, CFA, Chief Financial Officer, said, "we hope to rake in the benefits of Shanghai/Shenzhen-Hong Kong Stock Connect to attract more capital, so that every user in the world can be our shareholder."

According to Ngan, Meitu is now ready for next venture to go global and plans to set up its international headquarters in Hong Kong. "We have expanded far beyond the Chinese community based region, and we see the potential of Meitu to become a real global company," he remarked.

"We choose to establish our global headquarters here for a few reasons: Hong Kong's status as a world-class city has attracted talent from all over the world which contributes to a deep and diverse talent pool," Ngan continued, "its robust legal system and flexible financial infrastructure are also favourable for us to expand our global reach."

"The graduates from the universities in Hong Kong have become more and more qualified and influential," he added, "there is so much potential for the city to become a tech hub."

Meitu currently has around 10 employees in Hong Kong with functions such as advertising sales, marketing and corporate finance. As when the international headquarters is in place, more roles dedicated to global marketing strategy will be added to the team.

Moving forward, the company has its eyes on capturing more users globally and expanding the Meitu community through its various platforms. The company is also exploring its eCommerce capability with automation and artificial intelligence.

Meitu, Inc.

- Set up in 2008 and headquartered in Xiamen, Mainland China
- The company went public on the main board of the Hong Kong Stock Exchange in December 2016
- The company is preparing to set up international headquarters in Hong Kong

corp.meitu.com

"Hong Kong's status as a world class city has attracted talent from all over the world which contributes to a deep and diverse talent pool. Its robust legal system and flexible financial infrastructure are also favourable for us to expand our global reach."

**Gary Ngan, CFA, Chief Financial Officer
Meitu, Inc.**



Transcend Your Musical Experience through Innovation

International award-winning startup Devialet brings its revolution in sound technologies to Hong Kong with plans to tap into the high potential Asia Pacific market

“As Hong Kong is a free port, we can easily import our products into the city and manage our business across the region. The mature logistics infrastructure and connectivity from Hong Kong is very convenient and helpful to businesses.”

Julien Bergère, General Manager, Asia Pacific Devialet

From its creation in France in 2007, Devialet was an acoustic engineering company selling high end amplifiers through distributors and dealers plus one retail shop in Paris. In 2015, the company established its regional headquarters in Hong Kong and now has 30 point of sales worldwide including five in Hong Kong.

“We established the regional headquarters in Hong Kong as it is located in the heart of the Asia Pacific region. Its proximity to Mainland China and the ease of travel to Korea, Japan, Australia or New Zealand make it easy for our company to expand to these regions in the future,” Julien Bergère, General Manager, Asia Pacific said. “As Hong Kong is a free port, we can easily import our products into the city and manage our business across the region. The mature logistics infrastructure and connectivity from Hong Kong is very convenient and helpful to businesses.”



Devialet products entered the Hong Kong market seven years ago through dealership and professional amplifiers retail channels, with its first product line, “Expert”, a revolutionary audiophile system. With the launch of the second product line, “Phantom” in 2015, their products are now available in well established department stores and multi-brand electronics stores and their own retail stores in premium, high-traffic shopping malls. “Our products are focused on acoustic engineering, and are designed and made in France. We hope to provide a unique and intimate setting so that audio enthusiasts can come to our stores to truly appreciate music through our devices,” Bergère said.

Recently, Devialet hosted The Lost Recordings in Hong Kong, a rare lacquer vinyl event that exhumed a collection of forgotten live jazz recordings, reviving the emotion of the renowned musicians through the revolutionary technologies of Expert Pro. Also, they have partnered with a five-star hotel to launch a special spa treatment that combines a massage treatment with soundscape that is unique to Hong Kong.

In Hong Kong, the team started with two people and has now expanded to over 40 staff who manage retail operations, sales and marketing, finance, logistics, customer services, engineering and human resources for the region. It is an international team with a balance of local and expatriate staff. Also, Bergère commented that the working holiday scheme allows them to attract younger staff to join the team on a temporary basis, which is a great asset to the team. At the moment, the company is evolving rapidly with changes in almost every quarter. Bergère is happy that he can find talent in the city who are highly adaptable and able to create changes.

InvestHK assisted the company by providing market and industry information, advice on entry and expansion strategy, and introduction to potential partners and suppliers.

“We are very happy that more and more people in Hong Kong know our products because of word-of-mouth and our marketing efforts, and we are very proud to win our 70th international design award in Hong Kong at Design For Asia Award,” Bergère concluded.

Devialet

- Founded in France in 2007 and established its Hong Kong regional headquarters in 2015
- Products are designed based on acoustic engineering and manufactured in France

devialet.com



“Hong Kong is a very mature hub for professional services, whether it’s legal, accounting and tax, as well as finance. We also see a lot of capital flowing from Asia to Europe and the US. The city is a good focal point for business.”

**Andrew MacGeoch, Head of Asia Real Estate and Infrastructure and Global Head of Hotels Group
Berwin Leighton Paisner**

Well-positioned in Hong Kong for Success

International law firm Berwin Leighton Paisner seizes opportunities for the city’s vast development in real estate, infrastructure and transportation, especially under the Belt and Road initiative

Berwin Leighton Paisner (BLP) is an international law firm with over 200 partners based across 14 international offices, providing legal services for global clients including Fortune 500 and FTSE 100 companies. Since its Hong Kong office opened in 2011, the firm has established a strong reputation for advising on real estate, infrastructure, transportation and energy in the region.

Sitting in their new office in Taikoo Place, Quarry Bay, Andrew MacGeoch, Head of Asia Real Estate and Infrastructure and Global Head of Hotels Group, said that Hong Kong is an ideal location for BLP’s areas of focus. “Hong Kong is a very mature hub for professional services, whether it’s legal, accounting and tax, as well as finance. We also see a lot of capital flowing from Asia to Europe and the US. The city is a good focal point for business.”

“Hong Kong still produces better offerings and opportunities for seasoned and mature investors who want to purchase good quality legal service. We have been a great beneficiary of that.” He added.

According to Bob Charlton, Partner, Head of Asia, the significant growth of real estate, infrastructure and transportation in North Asia will continue to develop over the next 20 years with the Mainland’s Belt and Road initiative in place. “We want to be as well-positioned and relevant as we can be, so as to take advantages of the major transactions in the next decade,” said Charlton.

Recently, the HKSAR government has made a welcoming move for the aircraft leasing industry by lowering the corporate tax

for aircraft lessors. Charlton pointed out that the tax incentives provide a good opportunity for law firms like BLP. “There is a massive market for airline leasing and purchasing in Mainland China that will carry on for a very long time,” he remarked, “the tax incentive will definitely benefit Mainland Chinese airlines and the development of its aviation business in general. We’ve made a very good choice in positioning our transport focus team here in Hong Kong.”

“InvestHK is a useful conduit for communicating initiatives and policies for many brands who want to come to Hong Kong,” remarked MacGeoch, “even for some of the most down to earth assistance like setting up, getting visas, they can do that expeditiously and properly. Their support has been very helpful for overseas investors.”

Berwin Leighton Paisner

- An international law firm based in UK
- BLP has three offices in Asia - Beijing, Hong Kong and Singapore
- Opened in 2011, the Hong Kong office currently has 70 staff and is expected to grow in the next few years

www.blplaw.com

Klook Seeks Expansions into Europe and US via Global Headquarters in Hong Kong

Travel tech company leverages the city's thriving tourism, government's tech initiative and international talent pool to continuously grow

“Hong Kong's proximity to Mainland China and Southeast Asia along with its melting pot culture gives startups a unique advantage to replicate their business models in other new markets.”

**Eric Gnock Fah, Co-founder and President
Klook Travel Technology Limited**



Technology startup Klook is Asia's largest in-destination service booking platform through which travellers can browse and book the best deals on travel attractions, tours and things-to-do in Asia. The platform was launched in Hong Kong back in 2014 with only three destinations including Hong Kong, Macau and Singapore. Today, Klook is present in more than 120 destinations worldwide with over 3,000 partnering operators, providing more than 30,000 travel services globally through its website and mobile app. Additionally, Klook just announced its Series-C funding with US\$60 million from Sequoia Capital, Goldman Sachs and Matrix Partners, bringing total investment close to US\$100 million for Klook since three years of establishment.

With 13 offices across Asia, the Hong Kong team remains its global headquarters which houses local Hong Kong operations as well as many central functions such as the Growth Marketing team that collaborates closely with regional user acquisition team, ensuring enterprise-wide strategies are well localised and executed.

According to Eric Gnock Fah, Co-founder and President, who was featured in “Forbes’ 30 Under 30 Asia 2017 List”, the company is looking to enter the Europe and US market in 2018.

He believes that Hong Kong's thriving tourism industry is a key factor for Klook's rapid growth. “Hong Kong has the largest influx of global travellers and high outbound travel frequency in the world, which secures a promising market for an in-destination services provider like Klook to grow,” he said.

Gnock Fah remarked that in addition to the Hong Kong government's support to the growth of new economic activities which leads to a more promising outlook of startup scene here, government initiatives on digitisation such as Smart City Blueprint will also foster an open-minded atmosphere towards

new ideas and technology, which will generate more public interest to adopt new ways of living.

He added, “Hong Kong's proximity to Mainland China and Southeast Asia along with its melting pot culture gives startups unique advantage to replicate their business models in other markets.”

Klook is headquartered in Hong Kong with staff serving functions of regional and global marketing, business development and product management. With the company's rapid expansion, Klook is always looking for like-minded talent to join the team. “Hong Kong's deep pool of multinational talent provides an edge for global companies like us to expand quickly worldwide,” said Gnock Fah, adding that the city's strategic location also enables them to attract tech and eCommerce talent in the region to advance their technology and user experience on its app.

Gnock Fah encouraged startups to make use of InvestHK's services to gain exposure and expand their network in Hong Kong. “InvestHK team has been very helpful in connecting us with the right person in the industry and share resources with us to expand in the local market, for which we are always very grateful,” he concluded.

Klook Travel Technology Limited

- Set up in Hong Kong in 2014
- Currently has over 400 staff across 13 offices in Asia
- Hong Kong is its Global Headquarters

www.klook.com

Digital Multi-Therapy Platform that Transcends Geographical Borders

By developing cutting edge technologies, Caspar Health creates stronger connection and more intensive interaction between therapists and the patients

“Our partnership with the Hong Kong Polytechnic University, the government-driven initiative for tele-medicine solutions and the eagerness of many medical facilities to become digital have enabled us to operate at the forefront of medical disruption.”

**Max von Waldenfels, Managing Director
Caspar Health**

Headquartered in Berlin, Caspar has developed software which for the first time allows for all essential components of the therapeutic treatment and communications to be continued on a digital basis and guarantees persistent therapeutic progress. Therapists can now create individual training plan through Caspar's web-app or mobile-app, which is configured according to the patient's personal need. The patient does not necessarily have to go to the therapy facility or clinic anymore to seek advice, as this can be done online. Therapy formats and training programmes can be implemented from home via Caspar and complemented by videos from their library. Also, patients can rate the exercise, note the progress and discuss the result with their therapists.

Hong Kong is the first rollout of Caspar in Asia. According to Max von Waldenfels, Managing Director, Hong Kong provides the best know-how in the field of rehabilitation. “Our partnership with the Hong Kong Polytechnic University, the government-driven initiative for tele-medicine solutions and the eagerness of many medical facilities to become digital have enabled us to operate at the forefront of medical disruption.”

Caspar aims to work with the best medical facilities in the field of rehabilitation in Hong Kong to showcase the effectiveness of their tele-medicine solution and to help their partners in offering digital services to their clients. In the long run, the company hopes to provide what they are offering in Europe i.e. everyone can have access to first class medical know-how, regardless of time and location.



At the moment, Caspar has a team of four in their Hong Kong office and plans to hire four more this year to handle sales and business development as part of the rollout plan in Hong Kong, Singapore and Mainland China.

When comparing the business environment in Hong Kong, Waldenfels feels that Hong Kong has a service-oriented economy where people are dynamic and act fast. As a result, Caspar has been able to set up easily in the city and met people who inspire and support the team in reaching their goals.

Caspar first got in touch with InvestHK's Berlin office and after the Caspar team arrived in the city, the Hong Kong head office staff continued to offer support and assistance. “The team offers highly personalised support, especially in helping us with crucial issues, such as business visa and establishing our local network,” Waldenfels concluded.

Caspar Health

- Headquartered in Berlin and Hong Kong is the first overseas office
- Develop online multi-therapy platform that allows therapists to create individual training plan that is configured according to patient's personal need

caspar-health.com

Hong Kong - the Link to High Digital Growth Markets in Asia

In midst of rapid expansion in Asia, French IT solution expert LINKBYNET continues to use Hong Kong as regional headquarters to reach out to new markets

“Hong Kong is the only location that allows us to reach both APAC and the Mainland markets in parallel.”

**Benjamin Detroye, CEO APAC
LINKBYNET East Asia Ltd**



Founded in 2000 and headquartered in Paris, LINKBYNET specialises in digital transformation, providing clients with IT management and hosting services, cloud computing advisory, project management as well as ICT solutions. Having offices in Europe, Asia-Pacific, North America and Mainland China with over 600 employees, the company is serving over 800 clients globally ranging from small and medium sized enterprises to major multinational corporates.

In 2014, the company set up its regional headquarters of Asia in Hong Kong, and since then LINKBYNET has been expanding rapidly in the region. Following the opening of a technical centre in Vietnam, a sales office in Singapore and Vietnam, as well as operation office in Shanghai this year, the company is looking to expand to Japan in 2018 and double the number of staff in Asia within two years. “We are also exploring other opportunities as the Asian market is on a high growth rate and we don’t want to miss the chance,” said Benjamin Detroye, CEO APAC.

According to Benjamin Detroye, Hong Kong is the best place for LINKBYNET to deploy their business strategy in Asia. “We were looking for a location that is centrally based, easy to commute from Europe and other Asian markets where we would like to develop our business and catch up with the market growth,” he said, “Hong Kong is the only place that allows us to reach both APAC and the Mainland markets in parallel.”

The high demand for cloud adoption and security in almost every industry is another major reason for LINKBYNET’s vast development. “There are opportunities for new technologies to help deliver innovative services for many industries; with a well-established telecommunications infrastructure in Hong Kong, companies are more willing to invest into technologies which will be integrated into the services that they provide,” he said.

Benjamin Detroye also appreciates the openness of the business environment as well as the high quality of talent here. “Hong

Kong is a great place for business networking,” he said, “we reach out to new business mainly through networking and referral. Everyone here is very open-minded about collaborations and opportunities.”

“Thanks to the quality of high schools and university, we can be sure to find high-skilled candidates who can fit the job in any position. This is very important for a company that is growing fast,” he added.

InvestHK has been assisting LINKBYNET to set up in Hong Kong since the beginning, and Benjamin Detroye thinks that the free service provided is valuable for any business. He recalled, “Everything seemed a bit daunting in the beginning, but the InvestHK team explained the whole process for starting a business and helped us establish key local contacts. It was really helpful and I feel more confident when you know someone is always there to back you up.”

LINKBYNET East Asia Ltd

- Founded in 2000 and headquartered in Paris
- Set up Hong Kong office in 2014 as its regional headquarters for APAC
- Currently has over 120 staff in the region, and expects to double the staff number in two years
- Linkbynet Group recently raised a fund of 50 million Euro for further expansion

www.linkbynet.com

Capturing New Opportunities along the Belt and Road

Century-old German logistics company uses regional headquarters in Hong Kong to capture opportunities in new markets

Founded in 1887, a.hartrodt is one of the oldest shipping companies in Europe, and has remained privately owned by the same founding family until today. Celebrating its 130th anniversary this year, the Hamburg-based company now has 2,000 employees in over 100 offices across 80 countries, providing all-rounded shipping and forwarding services such as sea and air freight, trucking and warehousing for local and international logistics.

In 2002, a.hartrodt set up its office in Hong Kong to be its regional headquarters of Greater China. The office currently oversees local market, as well as business development in Mainland China. In view of the thriving food import and dining business in the region, a.hartrodt also operates a dedicated food and beverage logistics division to meet the growing demand for transporting food products.

According to Jan Buelck, Managing Director, Hong Kong and South China, Hong Kong is an ideal regional headquarters for companies like a.hartrodt from different perspectives. "The infrastructure in Hong Kong is amazing. Also, Hong Kong people have been adapting to create every inch of space in the most efficient way due to space limitations. The connection within and beyond the city is exemplary. Other competitive edges include the flexibility in money transfer and payment terms and the free flow of information," he said.

"Hong Kong makes business travelling easy and relaxing. One can travel to anywhere in Asia within four hours and there are flights to almost everywhere," Buelck added.

As Mainland China's Belt and Road Initiative is gaining steam, new opportunities have arisen for a.hartrodt. "The initiative will increase cargo transport between Asia and Europe by rail. It is a perfect alternative solution between air and sea freight," Buelck said, "we have noticed that there are more and more customers

in both Mainland and Europe asking for this land route to transport their goods."

Under the Belt and Road infrastructure, more countries will be connected to the new markets in Central Asia such as Kazakhstan, opening up great opportunities for both Asian and European companies.

a.hartrodt's Hong Kong office performs a full range of functions including logistics operations, administration, accounting, sales and business development, and is expected to grow steadily in the near future. The company also offers on-the-job training for students from both Germany and Hong Kong, so as to nurture young talents to join the logistics industry. "There is a high quality of talent in Hong Kong. We really hope to transfer our knowledge and experience to the young talent here, and this is very important to the future development of both our company and the logistics industry as a whole," Buelck concluded.

a.hartrodt

- Founded in 1887 in Hamburg, Germany
- Hong Kong office, set up in 2002, is the regional headquarters for Greater China, overseeing its 17 offices across 15 cities in Mainland
- It also operates a dedicated division for food and beverage transport

www.hartrodt.com

a. hartrodt
TRANSPORT IS OUR BUSINESS

"The connection within and beyond the city is exemplary. Other competitive edges include the flexibility in money transfer and payment terms and the free flow of information."

Jan Buelck, Managing Director, Hong Kong & South China
a.hartrodt





Mengniu Dairy Going Global through Hong Kong

Mainland's leading dairy product manufacturer rides on the city's business environment and international capital market to deploy its global expansion plan

“Hong Kong offers a favourable business environment and a level playing field for all companies.”

Fengliang Wen

**General Manager, the Normal Temperature Business Division, Sales Management Centre, Overseas Department
Inner Mongolia Mengniu Dairy (Group) Co. Ltd.**

Headquartered in Inner Mongolia, Mengniu is Mainland's leading dairy product manufacturer. Since 1999, the company has been producing a wide range of products and plays an important role in improving industry standards. Over the years, Mengniu has expanded its presence into Asia and other regions. The company currently employs over 40,000 staff and operates 33 production facilities in Mainland China plus one in New Zealand.

Mengniu was listed on the Hong Kong Stock Exchange since 2004, and in 2014 it became the first Chinese dairy company to be included in the Hang Seng Index constituent stocks. According to Wen Fengliang, General Manager of Overseas Markets, listing in Hong Kong has benefited Mengniu in several ways. “Hong Kong is an international financial hub - listed on the Main Board has enabled us to raise international capital to expand our business. In addition, Hong Kong is a big market for international brands, so establishing a presence here has helped to enhance our brand image.”

Wen said that Mengniu's entry into the city is the first step towards establishing a global business. “Hong Kong is the quality benchmark for the Southeast Asian markets. Also, it is home to many international brands. By establishing a presence here, we hope to offer our premium dairy products to local customers as well as to overseas markets,” he said, “Hong Kong's favourable business environment also allows a level playing field for all companies here.”

Riding on Mainland's Belt and Road Initiative, Wen said, Mengniu will focus on its “go global” strategy by developing a diverse product range and enhancing quality.

Mengniu currently employs a team of over 60 staff in the city, who are mainly responsible for sales and marketing. “Hong Kong is a cosmopolitan city with a deep global talent pool. The availability of highly skilled professionals is essential in the company's rapid development,” said Wen.

According to Wen, the events organised by InvestHK have helped Mengniu to expand their network with local companies. “InvestHK has invited us to many business events, such as Mainland Chinese trade mission to Hong Kong, and the recent Belt and Road Summit. These events promote exchanges between companies and provide an effective platform for Mengniu to go global.”

Inner Mongolia Mengniu Dairy (Group) Co. Ltd.

- Inner Mongolia Mengniu Dairy (Group) Co. Ltd was founded in 1999 and is based in Hohhot, Inner Mongolia
- The company has a team of over 60 staff in Hong Kong who are responsible for sales and marketing

www.mengniuir.com

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	
Shirlaws Asia	Business Coaching and Consulting	Rice Communications Ltd	PR and Marketing Communications
Cayman Islands		The New Luncher Ltd.	Healthy Lunch Boxes Delivery Service to Hong Kong Schools
TTB Partners Limited	Financial Services	Slovenia	
Chile		Iskra Hong Kong Ltd.	Electro Technical Products and Intelligent Industrial Solutions
7 Colores	Wine Producer	Taiwan	
France		Bubbletea Work (Hong Kong) Ltd.	Food & Beverage
Devialet	Acoustic Engineering	Cloud Mile Limited	Cloud Technology
LINKBYNET East Asia Ltd	IT Consulting Services	GYEN Hutong (Hong Kong) Limited	Food & Beverage
Germany		The Netherlands	
a. hartrodt	Transport and Logistics	Bleckmann Fashion & Lifestyle Logistics	Supply Chain Management / Logistics
CASPAR HEALTH Limited	Digital Healthcare	United Kingdom	
DBK Technology Ltd.	Electrical Components and Control Technology	Berwin Leighton Paisner	Law Firm
Greece		Stufish Asia	Live Entertainment
Levant Foods Limited	Food Import and Distribution	The Change Group Hong Kong	Luxury Hospitality Recruitment
India		Time Out Hong Kong Company Ltd	Media and Entertainment
OkSir (Hong Kong) Limited	On-demand Services Marketplace	United States	
Italy		Alton Aviation Consultancy (Hong Kong) Limited	Management Consulting Services for the Aviation and Aerospace Industries
Givi Italia International Ltd.	Import & Export Firm	Klook Travel Technology Limited	Online Travel Platform
Maimex International Ltd.	Logistics and Supply Chain Management	MIT Innovation Node	Education
Padus Consulting (HK) Limited	Coffee and Coffee Machine Trading	Proficio	Managed Cybersecurity Services Provider
Japan		ScoolSmart Hong Kong Limited	Software App Development and Technology
Taisho Pharmaceutical (H.K.) Co., Ltd.	Pharmaceutical		
Mainland China			
China Mengniu Dairy Company Limited	Dairy Products Manufacturer and Distributor		
Meitu, Inc.	Mobile Internet Company and Smart-hardware Maker		
MorriSofa Hong Kong Limited	Sofa and Furniture Manufacturing, Export and Retail		



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

#investhk



INVEST_HK



Follow us on

The information contained in this publication is for general reference only. While every effort has been made to keep information current and accurate, InvestHK is not liable for any errors in, omissions from, or misstatements or misrepresentations (whether express or implied) concerning any such information, and does not have or accept any liability, obligation and responsibility whatsoever for any loss, destruction or damage (including without limitation consequential loss, destruction or damage) however arising from or in respect of any use or misuse of or reliance on the information. You are responsible for making your own assessment of all information contained in this publication and shall verify such information by making reference and obtaining independent advice before acting upon it. There is no implied endorsement of any material or recommendation of a company or service provider over another.