

InvestHK

Quarterly Newsletter

October 2018

START ME UP HK FESTIVAL 2019

startmeup.hk

21.01.19–25.01.19

DEFINE WHAT'S NEXT

InvestHK is hosting the StartmeupHK Festival on 21-25 January 2019, a week-long celebration of the Hong Kong startup ecosystem.

This Issue 3 International Forward Calendar 4-5 Special Feature: Setting up RHQ in Hong Kong
6 Special Feature: Talent List 7 Sector Focus: Tourism and Hospitality
8-16 Case Studies 17 New Investors



Hong Kong's startup ecosystem has witnessed phenomenal growth over the past few years. The city has seven official unicorns across sectors as diverse as logistics, AI, FinTech, hardware, travel technology and cryptocurrency trading. **Sensetime, which was started by academics at Chinese University in 2014, is the highest valued AI startup in the world at US\$4.5 Billion. The FinTech unicorn WeLab filed for an IPO in Hong Kong in July 2018, and another FinTech player TNG Wallet raised US\$115 Million in Series A in 2017, in one of the largest Series A rounds for a FinTech company in the world.**

Since 2016, InvestHK launched the StartmeupHK Festival to showcase not only the robust startup ecosystem, but also the business opportunities for innovative founders, investors, academics and community builders from overseas in the city.

2019 core events highlights:

HEALTHTECH O2O by Nexchange 21.01.19

Brings together leading minds in healthtech, and connects people at the core of transforming the health, medical and wellness world through cutting edge technology. Learn about international and local innovations that are changing the way healthcare is delivered, and explore new solutions to some of mankind's most pressing problems.

 healthtecho2o.com

 mei.tan@nexchange.com

TECH[LIFE]STYLE CONFERENCE by The Mills Fabrica + Startup LaunchPad 22.01.19

Explore the latest lifestyle innovations that are revolutionising the way we live, work and play. The theme is "living better, living smarter"; discovering how lifestyle tech can be interweaved into everyday life.

World-class speakers will illustrate the role of technology in today's society and share their vision for the future. The startup villages will showcase the technologies that are enabling us to live smarter and live better.

 amy.tsang@themills.com.hk

JUMPSTARTER by Alibaba Entrepreneurship Fund 23.01.19 - 24.01.19

This not-for-profit initiative curated by Alibaba Entrepreneurs Fund will provide a platform for all entrepreneurs and young people to jump start their dreams in Hong Kong. It's also a first-of-its kind startup event that is focused exclusively on showcasing quality startups and providing high-impact networking opportunities. Don't miss corporate speed dating, investor matching, startup and student pitches, startup village, mentor hours, networking and a high profile conference.

 jumpstarter.hk

 gracewong@alibaba-inc.com

RETAIL'S CUTTING EDGE by Inside Retail 23.01.19

The forum is for tomorrow's online and offline retail innovators and startups. Technology and innovation are making far-reaching change in the retail industry. Explore how disruptors use technology to shape the way people relate to brands, select products and use social media to help determine their purchases. Also, check out how retailers are adopting new ways to measure, analyse and interact with their customers.

 jasper@octomedia.com.au

THE CONNECTED CITY by KPMG 24.01.19

The Connected City will be showcasing innovations for the next generation of city living with examples featuring a number of smart cities and technologies from around the world, including IoT and Data Analytics to enhance a city's liveability, workability and sustainability.

 cynthia.chow@kpmg.com

STARTUP IMPACT SUMMIT by WHub & Zegal 25.01.19

An event for startups by startups, with one-to-one business matching meetings, country pavilions, office hours, job fair and startup services marketplace for professional services firms targeting startups to exhibit at.

 aigul@whub.io

More details:


 Startmeup.hk

 Facebook.com/startmeuphk

 [#startmeuphk](https://twitter.com/startmeuphk)

For more information,
please contact:

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OCT

9	Japanese Community Networking Reception This networking reception is to thank Japanese companies for their contribution to Hong Kong. <i>Location: Hong Kong</i> <i>Organiser: InvestHK (by invitation only)</i>
9-10	34th World Fashion Convention, "Building a Smart Future for Fashion" This convention will show many inspiring examples of a smarter apparel supply chain, including Smart supply chain collaboration, smart new machines, smart materials and above all, smart people, providing an opportunity to meet the global industry in one location in a few days' time. <i>Location: Crown Plaza Hotel, Maastricht</i> <i>Organisers: the International Apparel Federation, co-organised by Modint, the Dutch Association for the Fashion & Textile Industries</i> iafnet.com
11-12	TheNETWORK, "Connecting Industry & Startups" TheNETWORK connects startups with industry, nationally and globally. InvestHK has a speaking slot in the session about internationalisation. <i>Location: Europarc - Santa Maria da Feira</i> <i>Organiser: TheNetwork - Francisco Leite</i> thenetwork.pt
21-24	Money 20/20 USA This event will unite thousands of the most powerful, brilliant and pioneering innovators in the financial industry to collaborate, educate and influence. The industry will share big ideas, launch new projects, form partnerships, seek advice, seal deals and break boundaries at Money20/20 USA. InvestHK is one of the sponsors and will be exhibiting at the event. <i>Location: The Venetian, Las Vegas</i> money2020.com
23	Creative Industries Networking Reception This networking reception is to thank creative industries companies for their contribution to Hong Kong. <i>Location: Hong Kong</i> <i>Organiser: InvestHK (by invitation only)</i>
25	Innovation & Technology Investment Promotion Seminar This seminar aims to provide latest information on innovation and technology in Hong Kong and to attract Korean investors to launch and scale up in the world-class innovation hub. <i>Location: Conference Hall B, the Korea Chamber of Commerce and Industry (KCCI), Seoul</i> <i>Organisers: InvestHK, KCCI</i> english.korcham.net/nChamEng/Service/Main/appl/Main.asp
29 Oct 1 Nov	Asia Video Summit 2018 The Summit is a new conference born out of the CASBAA Convention. It aims to address all the challenges and opportunities in the video industry in Asia and provide the definitive assessment of The State of the Video Industry in Asia. <i>Location: InterContinental Hong Kong, Sheraton Hong Kong Hotel & Towers</i> <i>Organiser: Asia Video Industry Association (AVIA)</i> asiavideosummit.com
29 Oct 2 Nov	Hong Kong FinTech Week 2018 The world's first cross-border FinTech event and one of the largest conferences that aims to attract over 5,000 senior executives and features over 100 of the world's top FinTech founders, investors, regulators and academics, who are shaping the future of financial services by driving a technological revolution in the industry across Asia and globally. <i>Location: Hong Kong and Shenzhen</i> <i>Organiser: InvestHK</i> hongkong-fintech.hk/en/events/hkftw18.html

NOV

1	Think Global, Think Hong Kong This event will bring together business communities from Hong Kong and different economies to discuss developments and trends in the dynamic global market, featuring a main symposium, a high-level dinner and various sector-specific sessions. <i>Location: Tokyo, Japan</i> <i>Organiser: Hong Kong Trade Development Council</i> hktdc.com/ncs/tgthk2018/en/main/index.html
5-8	Web Summit Conference 2018, "The Best Tech Conference on the Planet" One of Europe's largest and most important technology marketplace, the conference is a global meeting point for the world's most disruptive technology companies and those interested in how that disruption can transform their business and their lives. InvestHK will organise a cocktail networking event on 6 November. <i>Location: Altice Arena, Lisbon</i> <i>Organiser: Web Summit</i> websummit.com
9	Listed Enterprises of the Year 2018 The event aims at introducing listed companies with excellent performance to the public and recognising their contribution. <i>Location: Hong Kong</i> <i>Organiser: Bloomberg Businessweek/Chinese Edition</i> bbwhkevent.com
12-13	The New York Times International Luxury Conference The New York Times will bring together the world's top CEOs, policy makers, entrepreneurs, celebrities and thought leaders at the annual International Luxury Conference in Hong Kong. <i>Location: InterContinental Hong Kong</i> <i>Organiser: The New York Times</i> nytluxury.com
18-24	Hong Kong Maritime Week (HKMW) The third HKMW will continue to propel Hong Kong as an international maritime centre. A week of multifarious maritime activities covering themes of shipping and maritime, ship finance, maritime law and arbitration, marine insurance, ship management, maritime technology, port and logistics and maritime education and career, and more. <i>Location: Hong Kong</i> <i>Organiser: The Hong Kong Maritime and Port Board; Co-organised by Hong Kong Shipowners Association and Hong Kong Maritime Museum, with HKTDC and InvestHK as partners</i> hkmmw.hk
29	Seminar: FinTech Opportunities in Hong Kong and the Greater Bay Area The aim of this seminar is to highlight Hong Kong as the regional Asia-Pacific FinTech hub, showing how the Greater Bay Area will further enhance the opportunities. There will be speakers from FinTech companies and Financial Services companies (banks and insurance companies) etc. InvestHK has a speaking slot. <i>Location: Kasteel de Wittenburg, Wassenaar</i> <i>Organiser: NHKBA (the Netherlands Hong Kong Business Association), co-organised by InvestHK</i> nhkba.nl

DEC

3-8	Business of Design Week (BODW) BODW is an Asia's premier annual event on design, innovation and brands since 2002. It provides a valuable platform for business and creative leaders to exchange ideas, network, and explore new business opportunities. <i>Location: Hong Kong Convention and Exhibition Centre</i> <i>Organiser: Hong Kong Design Centre</i> bodw.com/en/
11	Annual Global Community Reception This networking reception is to thank Mainland and overseas companies for their contribution to Hong Kong. <i>Location: Hong Kong</i> <i>Organiser: InvestHK (by invitation only)</i>

See more events at



Setting up Regional Headquarters in Hong Kong



Hong Kong is an attractive destination for companies of all sizes to set up their business, including multinational corporations or startups. The city is the third largest foreign direct investment destination globally in 2017¹.

Companies choose to set up shop in Hong Kong for various reasons. They can test their products or services' acceptance by the huge local and international client base located in this global business centre. After securing a foothold in Hong Kong, they expand and take advantage of our proximity to market in the Greater China region and the Asia Pacific more widely, an area which can reach half of the world's population from within five hours flight from Hong Kong and is seen as the engine of global economic growth in recent years.

Hong Kong can provide a whole range of business and professional services, such as financial consulting services,

due diligence, branding, legal advice, tax planning and risk management, to support them expanding abroad, not least taking advantage of the Free Trade Agreement (FTA) with the Association of Southeast Asian Nations (ASEAN) countries.

For companies with more than one regional office, it is imperative to choose a regional headquarter (RHQ) location that facilitates business expansion while managing cost. Hong Kong is simply the best place to do it. Hong Kong is the world's freest economy and has a very business friendly environment with a low and simple tax system; robust rule of law and intellectual property protection; free flow of capital and information and safe investment environment. The high productivity and efficiency of Hong Kong is well-known around the world, which is of paramount importance for RHQs. As an international logistics and trade centre, Hong Kong can also offer high-

end logistics services, including global supply chain management solutions in the Guangdong-Hong Kong-Macao Greater Bay Area, Mainland China, ASEAN and countries along the Belt and Road and beyond.

An International Talent Pool

It is also easy to dip into the rich international talent pool in Hong Kong and find the right people with global experience. Moreover, the Government has set up several admission schemes for talents, entrepreneurs and professionals to work in Hong Kong. Entrepreneurs and professionals from overseas and Mainland China may apply under the General Employment Policy which has no sector restriction.

Recently, the Government launched a new Technology Talent Admission Scheme which provides a fast-track arrangement for eligible technology companies and



institutes to admit overseas and Mainland Chinese technology talent to undertake research and development work for them and the Postdoctoral Hub programme that offers a monthly allowance of HK\$32,000 for each postdoctoral talent.

Needless to say, Hong Kong is a great city to live in. It is a safe and cosmopolitan city with breath-taking natural scenery, top-notch entertainment, global connectivity and world-class education, which makes recruiting and retaining talent so much easier.

Depth of Capital Market

In addition to command and management, one of the key functions of RHQs is to serve as the corporate treasury centre to manage the company's cash position, process payments and manage relationships with financial institutions. Moving your corporate treasury centre to Hong Kong not only allows you to

enjoy all the benefits of an international financial centre, the Government allows the deduction of interest expenses in calculating profits tax for the intra-group financing business of corporations and reduces profits tax rate for specified treasury activities by half to 8.25 percent.

Furthermore, it recently launched a two-tier tax system for all Hong Kong registered companies with a tax rate of only 8.25 percent for the first HK\$2 million profit and 16.5 percent for the rest in order to further increase the attractiveness of Hong Kong.

The depth of Hong Kong's capital market with ample international institutional investors increases the demand for equity and corporate debts which in turn drives up valuation of listing companies. The city has been a top fund raising market with tremendous capability in initial public offering as well as strong sustainability of the post-market for further fundraising.

Listing in Hong Kong can also raise brand name awareness in the region and finance expansions or merger and acquisition in the local currency. These are just some of the reasons why moving your RHQ to Hong Kong and listing on the Hong Kong Stock Exchange is beneficial. Companies can also have access to a vibrant and international angel investors, venture capital and private equity community as sources of funding.

In short, Hong Kong is an excellent location for all kinds of companies to set up their RHQ. As the world's freest economy, with a rich mix of cultures and ethnicities, Hong Kong is one of the world's most international cities and is uniquely placed to serve as the gateway to and out of Mainland China.

Hong Kong Opens Doors to Talent

To attract high quality talents to develop Hong Kong into a high value-added and diversified economy, the HKSAR government published the first talent list in August 2018.

Currently the List comprises 11 professions and talents where Hong Kong needs most in the immediate to medium term for its economic development.

The 11 Professions on the Talent List

- Waste treatment specialists
- Asset management professionals
- Marine insurance professionals
- Actuaries
- FinTech professionals
- Data scientists and cyber securities specialists
- Innovation and technology experts
- Naval architects
- Marine engineers and superintendents of ships
- Creative industries professionals
- Dispute resolution professionals and transactional lawyers

Talent in these professions are eligible for the immigration facilitation under the Quality Migrant Admission Scheme (QMAS) within the existing annual quota of 1,000. Successful applications are not required to have secured an offer of local employment for settlement in Hong Kong. Those who meet the specifications of their profession on the list will be given bonus marks under the scheme's General Points Test.

Potential entrants from other industries and sectors not covered by the Talent List are welcomed to apply for QMAS and other admission schemes as long as they fulfill the respective eligibility criteria. For example, the Technology Talent Admission Scheme (TechTAS) is a three-year pilot scheme. It provides a fast-track arrangement for eligible technology companies or institutes to

admit non-local technology talent to undertake research and development (R&D) work for them in Hong Kong. Eligible technology companies or institutes would first have to apply for a quota. A company or institute allotted with a quota by the Innovation and Technology Commission (ITC) can accordingly sponsor an eligible person to apply for an employment visa or entry permit within the six-month quota validity period. It also has to fulfil the requirement to employ new local employees in technology-related work.

For more information, please visit:

 talentlist.gov.hk



Developing Talent for Hong Kong as Asia's Premier Travel and Culinary Destination

As home to some of the world's finest hotels and leading restaurants, Hong Kong is seen as one of the world's best holiday destinations. In 2017, the total number of visitors reached 58.4 million and the total number of annual visitors is forecast to reach 100 million by 2023.

To cope with the dynamic growth of tourism and hospitality businesses, education institutions in Hong Kong have been developing quality talents programmes to sustain the city's reputation as Asia's tourism and hospitality capital.

International Culinary Institute, The Vocational Training Council

Established in 1982, the Vocational Training Council (VTC) is the largest vocational and professional education and training provider in Hong Kong. Specialised in developing quality manpower in culinary art, wine and event management, International Culinary Institute (ICI) is the new campus which combines a wide range of professional programmes with practical facilities. Complement with the Chinese Culinary Institute (CCI) which focuses on educating students in various regional Chinese cuisines, ICI and its new campus ensure that students are able to train in a wide range of other culinary traditions from around the world.



There are kitchens which cater to European, Mediterranean, American, Asian and Middle Eastern cuisines. Dedicated facilities including event training, multi-purpose kitchen, sensory laboratory and wine forum allow students to explore the latest trends in the culinary sector.

School of Hotel and Tourism Management, The Hong Kong Polytechnic University

For close to 40 years, School of Hotel and Tourism Management (SHTM) of The Hong Kong Polytechnic University (PolyU) has refined a distinctive vision of hospitality and tourism education and become a world-leading hotel and tourism school.

The SHTM has long recognised that it is important for hospitality and tourism education to be international in its outlook. The School's major strength lies in its internationalisation with an international faculty of 75 academics that are drawn from 22 countries and regions, majority of whom possess hospitality or tourism industry management experience, making the School the most diverse talent base of its kind.

As a result of the emergence of disruptive technologies and other latest trends, the SHTM offers a wide range of ground-breaking programmes to nurture those who strive for exciting opportunities in the hospitality and tourism industries.



SHTM undergraduate programmes incorporate work-integrated education providing students with practical hands-on experience during internships in and outside of Hong Kong. While the MSc programmes provide students with the opportunity to be engaged in Management Practice (paid internship), this allows them to acquire experience in the SHTM's pioneering teaching and research hotel, Hotel ICON. Evidence suggested that employers increasingly expect those who have completed postgraduate studies to bring a range of professional skills with them.



For tourism and hospitality opportunities in Hong Kong, please contact:

Sindy Wong
Head of Tourism and Hospitality
(852) 3107 1067
swong@InvestHK.gov.hk

Launch of AI Lab to Advance Innovation and Technology in Hong Kong

A major Chinese technology company has partnered with a leader in facial recognition and a statutory body to nurture AI startups in Hong Kong.



Photo Credit: Eric Sin

Alibaba, SenseTime and the Hong Kong Science and Technology Parks Corporation (HKSTP) launched the HKAI Lab ("Lab") in early 2018 to promote the frontiers of AI with cutting edge technology and expertise, and to empower startups to commercialise their new inventions.

Promoting AI technology has always been one of the major business objectives of the Alibaba Group. Given Hong Kong government's declared ambition to develop

innovation and technology, the Alibaba Hong Kong Entrepreneurs Fund has joined hands with Sense Time, which specialises in large scale facial recognition systems, and HKSTP to establish an AI lab at HKSTP to advance the AI frontier in the city. One of the first initiatives to be run by this lab is a six-month accelerator programme to nurture AI startups. The programme was commenced in September.

According to Cindy Chow, Executive Director of Alibaba Hong Kong Entrepreneurs Fund, the city has a strong pool of AI professionals and talent. "The objective of our fund is to foster the entrepreneurial spirit among young people who focus on innovation and technology and R&D development. With the support of HKSTP offering the venue of the Lab, together with the technical support from Alibaba Group and SenseTime, I believe we can help a lot of young entrepreneurs to make their dreams come true."

To attract both local and foreign entrepreneurs to enter the programme, InvestHK will promote the programme to its well established startup community network through various marketing channels and a range of startup-related events.

Comprehensive Support

Successful participants will be able to conduct their research in the Lab with support from the organisers. Jeff Zhang, CTO of Alibaba Group and director of the Lab, will provide valuable direction to the teams. SenseTime, based in Hong Kong, will provide technical support with their expertise in the areas of developing and deploying its AI technology and applications in different sectors and industries. Riding on Alibaba

Cloud platform with a variety of scenarios available, and under an environment that is equipped with high performance computing facilities, the teams can easily run their research and test in the Lab.

After completion of the six-month programme, participants can transfer to HKSTP's incubation programme. Through events organised by HKSTP, Cyberport and InvestHK, entrepreneurs can gain access to investors and like-minded individuals both in Hong Kong and overseas.

Talking about the future, Chow hopes to promote the Lab to more Hong Kong business organisations for their support in commercialising the projects initiated by the Lab.

Chow sees Hong Kong as an ideal platform for I&T projects. "With an open economy, a group of outstanding researchers in universities working on AI, plus strong intellectual property protection, Hong Kong has all the ingredients to flourish in innovation and technology."

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Cindy Chow
Executive Director
Alibaba Entrepreneurs Fund

HKAI Lab

- Alibaba Hong Kong Entrepreneur Fund, SenseTime and HKSTP join hands to launch HK AI Lab
- The first initiative rolled out by the Lab is a six-month accelerator programme to nurture AI startups

Ent-fund.org

Hong Kong Offers Space for Growth

Dutch workspace provider launched its first location in Hong Kong and is already planning for another four by end of 2018.



Founded in 2006 in Amsterdam and part of the International Workplace Group (IWG), creative workspace provider Spaces has a vision to offer a dynamic, inspirational, and lifestyle-driven workplace for entrepreneurs. Spaces is known for its one-of-a-kind European design and a mixed community that welcomes business in all shapes and sizes, creating a unique vibe where people are comfortable no matter they are in sneakers or suits. The concept now operates over 140 co-working spaces spanning over 80 cities around the world and continues to grow.

In July 2018, the company opened its first location in Hong Kong Causeway Bay, a bustling commercial and shopping area. Housed in the new Lee Garden Three, the five-floor workspace offers 65,600 square feet with over 830 desks, and features a business club for members to meet and network, as well as fully-equipped meeting rooms and private offices. A dedicated community team will also host engagement events such as business talks and leisure community activities tailored for members' needs.

The company's major expansion includes the opening of four more new locations across Hong Kong by the end of this year, including Sheung Wan, Wan Chai, Kwun Tong and Wong Chuk Hang, providing a total of over 236,700 square feet of floor space in the city.

Martijn Roordink, Co-Founder and Managing Director, revealed that while Spaces is cautious in terms of choice of location, Hong Kong has always been on the top of their list following its overseas expansion to Melbourne, New York and

London. "Study shows that in 2050, about 65 percent of the world population will live in the top 150 cities in the world," Roordink said, "we tend to follow these cities for our global expansion, and Hong Kong is one of the test markets."

"Traditionally, Hong Kong is a gateway of trade, which always has an entrepreneurial magic. People are attracted to here by its

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Hong Kong is open to different cultures. It is also a very dynamic, entrepreneurial-minded city and the people are proud of what they do, which I think are what businesses need.”**

**Martijn Roordink
Co-Founder and Managing Director
Spaces**

history of business success," Roordink remarked, "being in Hong Kong will help us attract like-minded customers and audiences."

He added that the boom of co-working spaces in Hong Kong shows a positive sign for the industry and the business ecosystem. With different co-working spaces coming into the market, such diversity will offer options that fit different needs and help businesses to enhance productivity and facilitate collaboration.

Visiting the city as one of the speakers at RISE Hong Kong to discuss global workplace trends, Roordink experiences an energetic vibe here for business to succeed. "Hong Kong is open to different cultures. It is also a very dynamic, entrepreneurial-minded city and the people are proud of what they do, which I think are what businesses need," he concluded.

Spaces

- Founded in Amsterdam in 2006
- Over 140 locations in more than 80 cities worldwide
- Launched their first Hong Kong location in Causeway Bay and plans to launch four additional locations by year end

 www.spacesworks.com

The Ideal Location for a Corporate Treasury Centre

Leading Chinese financial leasing company chooses Hong Kong as the location for its Corporate Treasury Centre.



Established in 2007, Bank of Communications Financial Leasing (BoComm Leasing) is a wholly-owned subsidiary of Bank of Communications and one of the first five financial leasing companies to receive approval from the China Banking and Insurance Regulatory Commission. It provides enterprises with flexible, efficient and comprehensive financial leasing solutions for a range of

“Hong Kong offers an attractive business environment as well as an independent judicial system, a welcoming taxation system and free trade policies. It is also a gateway between Mainland China and international markets. This is why we chose the city as the location for our CTC.”

Sun Lei
Vice President

**Bank of Communications
Financial Leasing Co. Ltd**

industries including aviation, shipping, public infrastructure, energy equipment and machinery equipment.

BoComm Leasing's innovation-driven business model was conceived in 2011. The company provides services to domestic and international markets, strives for business specialisation as well as international development, and realises globalisation of assets. Now one of Mainland China's leading financial leasing companies in terms of revenue, profits and asset quality, BoComm Leasing has become a big player in international aviation and shipping leasing. The company has total assets of over RMB 200 billion, more than 50 percent of which are allocated in aviation and shipping leasing while over 30 percent of its assets are overseas.

Following rapid growth over the last decade, the company decided to expand its business to Hong Kong by setting up a Corporate Treasury Centre (CTC) and shipping asset management platform in the city in 2017. The CTC is responsible for providing financial support to the group's overseas affiliates. Shortly after launching the CTC, the company established relationships with local and overseas banks in order to acquire direct and indirect financing tools to support its international shipping leasing services.

According to Vice President Sun Lei, the Hong Kong government has been implementing CTC friendly policies, such as low tax regime, providing a favourable environment for Mainland financial leasing companies to grow and expand in the city. “Hong Kong offers an attractive business environment as well as an independent judicial system, a welcoming taxation system and free trade policies. It is also a gateway between Mainland China and international markets. This is why we chose the city as the location for our CTC as it allows us to develop our business in line with international financial regulations.

BoComm Leasing's network covers more than 20 countries and regions in the US,

Asia, Europe and Australia. According to Sun, the company will continue to explore opportunities in the Asia Pacific and Middle East where the demand for aircraft leasing is soaring.

“China has two major financial centres - Hong Kong and Shanghai. Shanghai is the gateway to the Mainland Chinese market for overseas companies, whereas Hong Kong is the gateway to the global market for Mainland companies. Over the last few decades, Mainland China's rapid growth has led to an increasing number of companies expanding into overseas markets. Hong Kong has extensive experience of doing business with international companies. Following the launch of the Guangdong-Hong Kong-Macao Bay Area and Belt and Road Initiative, the importance of Hong Kong will continue to grow.”

Sun appreciates the assistance provided by InvestHK during the company's expansion in the city. “InvestHK guided us through the setup procedure by giving us support and advice on preferential taxation policies, staff recruitment and visa applications. We hope to continue working with the team in the future,” he concluded.

Bank of Communications Financial Leasing Co. Ltd

- Founded in 2007 as a wholly-owned subsidiary of Bank of Communications
- One of the first five financial leasing companies with a banking background to receive approval from the China Banking and Insurance Regulatory Commission

 bocommleasing.com



FOX Networks Group Aims to Redefine Advertising in Asia

FOX Networks Group Asia's advertising arm sees Hong Kong as a springboard to marketing excellence.

Being one of the world's leading media enterprises, FOX Networks Group Asia launched its first unified brand advertising studio FOX Content Labs in 2017, with central production studios in Hong Kong and Singapore, supporting local markets on content partnerships. The full-service creative production house offers brands bespoke and compelling marketing solutions across all markets in Asia.

Since its inception, FOX Content Labs has already completed some significant projects with well-known brands, including the world's top cosmetics manufacturers and hospitality giants.

Mike Rich, EVP of Sales and Content Partnerships for FOX Networks Group Asia, believes that they have selected an ideal place to launch creative advertising services. "Hong Kong is special because of its DNA of east meeting west," he said, "it was built on a multicultural foundation, and that still thrives today. We see world-class ideas arise from such a stimulating business climate."

The studio also sees Hong Kong as the ideal playground to be experimental and creative. "Hong Kong is a great launch pad to reach so many booming markets around Asia Pacific, especially Mainland China," Rich said, "we believe that Hong Kong can support our satellite teams in all of FOX Networks Group's markets with ideas, best practices and great case studies."

He added, "Hong Kong attracts unique and diverse talents from around the world because of its vibrant economic environment. Together with a strong pool of local talents, we are able to build a team

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Hong Kong is a great launch pad to reach so many booming markets around Asia Pacific, especially Mainland China. ”

**Mike Rich
EVP of Sales and Content Partnerships for FOX Networks Group Asia**

with a never-ending supply of new ideas and inspiration."

The studio currently has 30 employees in Asia Pacific and Middle East with a high concentration in Hong Kong. The team executes the full scope of advertising and studio functions, from research to strategies, as well as production and distribution.

FOX Content Labs enables brands to increase their reach, deepen their engagement and deliver the most creative and compelling marketing strategies through the network's iconic brands across Entertainment, FOX Sports and National Geographic.

FOX Networks Group Asia's commitment to fostering locally relevant storytelling and talent development is reflected in the Asia arm of their global incubator programme - FOX Creative Labs. Intensive master classes and meetings with media professionals are provided to nurture participants' ability to deliver innovative and unique stories. The programme was successfully held in Los Angeles and Taiwan from May - July 2018 and will roll out to other markets in the near future.

"Through InvestHK events and publications, we are able to keep in touch with our fellow business community and of course, their consultation services about how to set up in Hong Kong, especially for businesses catering to the Mainland China market, providing companies with the confidence that they are approaching the right way," Rich concluded.

FOX Content Labs

- Sets up its Asia Pacific Regional Headquarters in Hong Kong in 2017
- Offers video content, product integration and celebrity talent access, etc
- Hires around nine employees in Hong Kong and about 30 in the region with multiple business functions

Embracing the FinTech Revolution

A new Hong Kong FinTech company has grown so quickly in its first year of operations that it has had three separate growth phases.



FinEX Asia operates in three core business segments - asset management, private equity and lending. It sources world-class solutions to reduce investment friction, increase transparency and maximise investment returns.

The company started with a small Hong Kong office in 2017 but has had to move three times because of rapid expansion. It now employs 35 staff in Hong Kong.

Meanwhile, Dianrong, the company's strategic partner, has accumulated over five years of experience of providing FinTech solutions in Mainland China and has a staff of more than 600 engineers. In order to work closely with Dianrong's engineers, FinEX Asia has a dedicated technology team of 20 person stationed in Shenzhen. Hiring in Hong Kong will continue to be a central part of FinEX Asia's growth strategy as the city has a wealth of talent in finance, legal, operational and sales roles.

Soul Htite, Executive Chairman and founder of Dianrong, knew from the start that FinEX Asia's business visions and Dianrong's proven FinTech solutions will be the perfect match. "US consumer credit, supply chain finance and account receivables remain very attractive assets, and, using Dianrong's robust FinTech infrastructure, Asian institutional and professional investors are now able to gain access to these and other high quality, low-volatility asset classes," Htite explained.

Welcoming Moves by Hong Kong Government

Hong Kong was selected as the headquarters for FinEX Asia thanks to its attractive blend of global capital flows and local investor access, stable legal system and regulatory regime, strong language capability and deep talent pool.

"The recent regulatory steps taken to ensure Hong Kong is well positioned to groom local FinTech companies are welcome. Given that our company's business model targets investors and assets from all around the world, positioning the headquarters here gives us the advantage



The Hong Kong government has created a pro-business environment, where starting and scaling a new company is not only achievable, but is also encouraged.

**Maggie Ng
Founder and CEO
FinEX Asia**

of facing global clients and assets. Together with the representative offices in Taiwan and Singapore, this allows FinEX Asia to better serve our local clients," Maggie Ng, Founder and CEO of FinEX Asia, said.

FinTech uses technology to reduce the cost of delivery and sources of friction in the investment process, enhancing both customers' experience and return. This may become one of the driving forces for FinTech companies setting up and expanding in Hong Kong.

"Hong Kong is uniquely positioned, being the central hub of North Asia. FinEX Asia utilises this unique advantage to source tech solutions, investment assets and capital from the best global location, giving an investment product that combines the best of all worlds," Ng added.

"The Hong Kong government has created a pro-business environment, where starting and scaling a new company is not only achievable, but is also encouraged. The support from InvestHK to facilitate brand building, networking and being a bridge between FinTech companies and the government is a testimony to Hong Kong

government's support for this particular sector. InvestHK has also provided valuable assistance in identifying relevant forums and events for us to participate in. The recent development of InvestHK taking the Hong Kong FinTech Week to a global stage means we will be able to attract more global capital as well as FinTech companies to come to Hong Kong. This will facilitate learning and allow FinTech industry to leapfrog against other locations," Ng explained.

Moving forward, FinEX Asia aims to leverage technology to provide better access for investors, as only in this way can the investors reach out to more investment opportunities with most transparent information and can the company reach out to more qualified investors with minimal infrastructure and people costs. That will allow investors from various location such as South Korea and Japan to easily access to FinEX Asia to widen their investment portfolios.

Ng has some tips for new comers. "New FinTech firms should always utilise the free resources that the Hong Kong government provides, including InvestHK's excellent information resources and practical how-to guides. Understanding and respecting the local regulatory framework is also important to ensure success. Timing is a consideration as well, given that the conditions are advantageous and opportunities are plentiful for those that know the market," she concluded.

FinEX Asia

- Launched Asia's first financial technology asset management platform
- Obtained two SFC licenses, hired over 35 local staff and deployed more than US\$200 million in consumer credit and private equity assets

 finexasia.com

Award-winning Sustainable Fashion Startup Develops 3D Weaving Technology to Reduce Textile Waste



12-month business Incubation Programme that supports techstyle fashion and textile startups. According to Lam, the programme has created valuable business and networking opportunities for apparel startups in addition to providing financial support. "Riding on this opportunity, it opens up the entire fashion ecosystem for us," Lam said, "we were introduced to many Hong Kong-based fashion brands and supply chain enterprises and we look forward to the possibility of collaborating with them."

Lam advised entrepreneurs who would like to set up a business in Hong Kong to leverage assistance provided by the government and private corporations. "Hong Kong has a favourable startup environment, thanks to its abundant startup support and well-developed IT infrastructure. No matter at which stage of the business, a company can always find the support they need."

Lam also sees InvestHK as a useful resource for startups. "With a strong global network, Invest Hong Kong is an excellent source and platform for sharing the latest industry information," he concluded.

With Hong Kong's robust support for startups, unspun joins locally funded incubation programmes.

unspun, a venture-backed fashion tech startup founded in 2015, aims to provide solutions to reduce inventory, unsold stock and textile waste in the fashion industry.

Currently producing only denim jeans, the company also plans to gradually expand its apparel product range. unspun describes themselves as a "robotic and apparel company" with a mission to reduce global carbon emission by minimising overproduction through automising, localising and intentional manufacturing. Its self-developed digital fit algorithms and 3D-weaving machine automate production process while enabling customisation and on-demand production.

The founders studied together in San Francisco Bay Area, and the company set up its office in Hong Kong in 2017 with a focus on business development, marketing and customer services.

Walden Lam, Co-Founder, thinks that the city has great potential to grow their business. He said, "Many global sourcing offices are based in Hong Kong, with an entire ecosystem of buyers and suppliers. We can easily reach out to many decision makers along the whole garment supply chain by establishing a local presence."

unspun has already started to operate their e-Commerce business, and opened five pop-up stores around the city last year. "It is an excellent location for us as a Fashion Tech company to try out bricks and mortar retailing and to interact with the consumers, we have had very positive feedback from both locals and overseas visitors," Lam said, adding that the team is also planning to launch more physical retail stores in other locations next year and is keen on exploring other markets in the region, such as Japan.

In 2018, unspun was selected as one of the startups to join the Mills Fabrica's

“Many global sourcing offices are based in Hong Kong, with an entire ecosystem of buyers and suppliers. We can easily reach out to many decision makers along the entire garment supply chain by establishing a local presence.”

Unspun

- Established in 2015 in San Francisco and set up in Hong Kong in 2017
- Grant recipient from the National Science Foundation; incubatee of HAX in San Francisco and Mills Fabrica Incubation Programme and Cyberport 2018 in Hong Kong; winner of H&M Foundations's Global Change Award 2017

 unspuntech.com

Walden Lam
Co-Founder, Unspun

Hong Kong is **the ONE**

A joint venture of three Japanese shipping lines has set up its East Asia regional headquarters in Hong Kong.



Three major Japanese shipping companies, Kawasaki Kisen Kaisha, Ltd. ("K" Line), Mitsui O.S.K Lines, Ltd. (MOL) and Nippon Kabushiki Kaisha (NYK) have joined together to create a joint venture company, Ocean Network Express (ONE) and commenced operations on 1 April 2018. According to Shunichiro Mizukami, ONE East Asia's Managing Director and Region Head of East Asia, there are a number of factors that contribute to this decision.

Necessity is the mother of invention

"At the time of the October 2016 announcement regarding the integration of container shipping business of "K" Line, MOL and NYK, the decision to merge came on the heels of a challenging business environment, sluggish cargo demand, and over-supply of trade capacity. Container shipping companies suffered losses in the volatile business environment. We have made efforts to cut cost and restructure their business, but there were limits to what can be accomplished individually."

"In order to maintain membership of a global alliance, it would be necessary to have a certain business scale. Under such circumstances, the three companies decided to integrate our container shipping business so that we could continue to deliver stable, high quality and customer

focused products to the marketplace," Mizukami added, "In 2018, we at ONE are to ensure a smooth and stable operation to our customers globally."

Hong Kong plays a crucial role in the global plan

As a global city and an international maritime centre, Hong Kong offers unlimited opportunities and possibilities arising from the Belt and Road initiative and Guangdong-Hong Kong-Macao Bay Area development plan.



Hong Kong is where ONE East Asia can leverage the competitive advantages the territory offers and make use of every opportunity to shine. ”

**Shunichiro Mizukami
Managing Director and
Region Head of East Asia
ONE East Asia Limited**

Being the regional headquarters of the East Asia region, the Hong Kong office acts as the "extended arms" of the global headquarters, plays an important role in handling global key accounts and boasts a robust Hong Kong project cargo team.

From the outset ONE chose Hong Kong as its East Asia headquarters for a number of strategic reasons, most notably its reputation for being a well-established maritime hub, a

key port of call for global cargo carriers, with world-class infrastructure and proximity to Mainland China.

ONE offers more than 85 service loops, calling at over 200 ports in 100 countries. It makes over 25 direct call services the Port of Hong Kong.

Mizukami sees Hong Kong as the shining gem in East Asia, "Hong Kong is where ONE East Asia can leverage the competitive advantages the territory offers and make use of every opportunity to shine."

Mizukami appreciates the assistance provided by InvestHK including helping to secure employment visas for key personnel.

A new paradigm for container shipping

ONE aims to make a difference as a new hybrid class of lines, which can deliver services for customers that are different to those offered by the mega carriers or niche players.

"We are not interested in mega carrier status, our future is not just a matter of being big; however, we are "big enough to survive, small enough to care," Mizukami concluded.

ONE East Asia Limited

- Ocean Network Express (ONE) that comprises resources of Kawasaki Kisen Kaisha, Ltd. ("K" Line), Mitsui O.S.K Lines, Ltd. (MOL) and Nippon Kabushiki Kaisha (NYK), have joined together to create a new joint company, Ocean Network Express and commenced the operation on 1 April 2018.
- Its East Asia regional headquarters in Hong Kong was established in July 2017.

 one-line.com



Next Level Up

After 20 years since it landed in Hong Kong, US-listed securities firm continues to use the city as its Asia's headquarters and plans to level up its electronic financial services across the region.

Founded in 1978, Interactive Brokers (IBKR) is an electronic brokerage firm headquartered in Greenwich, Connecticut. Over the last 40 years, it has grown to become a US\$6 billion company with more than 1,200 employees conducting broker/dealer business in over 120 markets worldwide and manages close to US\$140 billion client assets globally.

IBKR believes technology is the key to enhance the efficiency of securities markets by enabling people to trade quickly and visually at low cost. With its automated trading algorithm, the company offers direct-access trade and clearing services to institutions and individuals for a wide variety of electronically traded products such as stocks, futures, and funds. Its extensive and advanced services have earned the company a range of internationally recognised ratings, including the first place in 2018 Barron's best online brokers.

IBKR opened an office in Hong Kong in 1995 after the introduction of the Hong Kong's electronised stock market. To date, the company is one of the largest stock traders in Hong Kong with over 100 staff. Being the headquarters for the Asia Pacific region, the Hong Kong office focuses on providing best-in-class customer service and technical support, and assisting neighbouring markets including Mainland China, Japan and Australia.

With a local presence for more than 20 years, the company recognises the vitality of Hong Kong's securities market. "The stock market in Hong Kong is characterised by vibrant activities and exciting share companies," said David Friedland, Asia Pacific Managing Director, "it is an amazing city with lots of opportunities which certainly should not be overlooked."



The stock market in Hong Kong is characterised by vibrant activities and exciting share companies. It is an amazing city with lots of opportunities which certainly should not be overlooked. ”

David Friedland
Managing Director,
Asia Pacific
Interactive Brokers
Hong Kong Limited

"Also, with the increase of Mainland Chinese companies being listed in Hong Kong and the launch of Stock Connect Schemes, we see plenty of room to grow our business here," he added.

Given the global trend of online banking services as consumers embrace technology, in long run, IBKR hopes to expand its business scope and develop

round-the-clock one-stop financial services in Asia and Europe. As a series of virtual banking initiatives were introduced by The Hong Kong Monetary Authority (HKMA), IBKR sees the city as a starting point for its ambition. "It would be a big leap for our business if we could successfully launch virtual financial services in Hong Kong. Riding on its world-class infrastructure and technology, Hong Kong is a great supportive base for our goal," he said.

Friedland finds InvestHK a perfect partner to get in touch with its clients and counterparts in the industry. "It is not easy for foreign companies to know about the local market. InvestHK has opened the doors for us to meet and know our customers and fellow businesses," he concluded.

Interactive Brokers Hong Kong Limited

- Listed in US in 2007 (Nasdaq: IBKR) with over 1,200 staff worldwide and offices in 12 cities
- Established Asia Pacific regional headquarters in Hong Kong in 1995
- First company to use fair value pricing sheets and handheld computers for stock trading

 [interactivebrokers.com.hk](https://www.interactivebrokers.com.hk)

More Healthy Eating Options for Hong Kong



“

With the ease of free trade policy and open business environment, Hong Kong has always been on the top of our list. ”

Philippa Kerr
General Manager
Eat the Kiwi

demonstrations and tasting events. With a significant growth in business, the company is now planning to expand its team and replicate its successful business model in other Asian cities.

“The InvestHK team has been guiding us on the setup procedure and recommending professional services like accountants and lawyers. We look forward to maintaining a long term relationship with them,” Kerr concluded.

A New Zealand-born food distributor uses Hong Kong as a base and aims to tap into Asian markets.

Eat the Kiwi is a Hong Kong-based food distributor under The Produce Co Ltd, an award-winning premium food service business in New Zealand. With a broad network of food suppliers in their home country, the company sources a range of fresh ingredients including vegetables, meat and seafood from the Pacific. They deliver to top restaurants, hotels, retailers and direct to homes in Hong Kong.

The Produce Company had been long awaiting the opportunity to expand beyond its own border. In 2015, the company opened its first overseas location in Hong Kong – Eat the Kiwi. “With a dense population in a small and urban area, Hong Kong relies on the importation of 95 percent of its food and beverages. The import-dependent market offers great opportunities for us,” said Philippa Kerr, General Manager, “with the ease of free trade policy and open business environment, Hong Kong has always been on the top of our list.”

In just three years’ time, the company has grown to now supply fresh ingredients imported from New Zealand to over 100 premium restaurants, hotels and retailers in the city. It didn’t

take long for the team to see additional opportunity in the consumer and eCommerce markets. Last year, Eat the Kiwi launched its online platform to offer home delivery service.

“We could see a growing demand for fresh, high quality food from a trusted source,” Rebekah Bradley, Marketing Director, said, “together with the rising popularity of online shopping, we believe there is room for our business to grow.”

Bradley also stressed the importance of building a long-lasting relationship with business partners. “The Hong Kong market is very relationship-driven. It was quite hard for us to get the first connection to local customers,” she added, “however, once the relationships are built, they will be very loyal, so we work to stay collaborative and seek to grow long-term partnerships with them.”

To stay ahead of the food supplying industry in Hong Kong, Kerr revealed that a lot of effort has been put into the marketing of its brands into the local market. They have taken advantage of social media promotions via influencers as well as organising chef

Eat the Kiwi

- Established in New Zealand and opened its first overseas location in Hong Kong in 2015
- Distribute a range of fresh ingredients from the Pacific to local top restaurants, hotels and retailers
- Currently with a team of nine and planned to expand to 12 by 2019.

 eatthekiwi.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	
Golden Dragon Capital Limited	Investment Project Advisory	42Laboratory Limited	Education Technology and Biotechnology
Hyper Anna Hong Kong Limited	Artificial intelligence	Capital Match HK Limited	Invoice Financing
MJS Food HK Ltd.	Catering Services and Food Production	Spaceman HK Limited	Space Saving Furniture
Novotech Clinical Research (Hong Kong) Limited	Clinical Research	South Korea	
Belgium		NRG Taekwondo Korea Limited	Taekwondo Training
Royal Diam (HK) Limited	Loose Diamonds, Gem Stones and Fine Jewellery	Paygate Company Limited	Online Remittance and Payment
Canada		Xinapse HK	Artificial Intelligence & Big Data Analytics
ATELIER NUNO Limited	Interior Design Services	Spain	
Beyond Compare Limited	Co-working Kitchen	Los Ibericos Ltd.	Food and Beverage
LAMARRE Limited	Digital Marketing and Multimedia-Video Production	Sweden	
Chile		Abyss Limited	Tech & Design Studio
SCF Hong Kong Sourcing Limited	Pharmaceutical, Medical and Health, Beauty and Personal Care, Wellness	Switzerland	
France		SingularDTV Hong Kong	Blockchain-based Entertainment Platform
Expertime Limited	Digital Agency	zkipester Asia Ltd.	Event Management Software
Weesper	HR Tech Talent Referral Platform	Taiwan	
Germany		Crazy Car Café HK	Food and Beverage
Solactive APAC Limited	Financial Services (Indexing)	Europa Tea Foundry Company Limited	Tea Store
India		First Mall Hong Kong Limited	Food and Beverage Trading
Purple Investments	Proprietary Investment	Mamaday	Café
Ireland		NIDO ASIA	Art
So Amazing Couture	Fashion Apparel	Quan Alley Co., Ltd.	Restaurant
Italy		The Netherlands	
Il Salotto	Tailoring	Bamboo Scenes Limited	Photography Art
Sabatino Hong Kong Limited	Import and Export of Food	LEAPS International Loyalty Limited	Product Sourcing, Loyalty Programme and Marketing Specialist
Japan		Olasso	eCommerce Logistics Technology
istyle Inc.	Beauty Media and Cosmetic Retail	Spaces	Co-working space
KOMPAS Hong Kong Limited	Architecture Design	United Kingdom	
ONE East Asia Limited	Shipping	Bailey Communications HK Limited	Exhibition Organiser
Mainland China		BSD Education	Technology Education
Bank of Communications Financial Leasing Co., Ltd.	Corporate Treasury Centre	Cognito Hong Kong Limited	Marketing and Communications
Belt and Road Outbound Corporation Limited	Non-securities Investment Advisory	Feelunique	Cosmetics eTailer
Biohop Health Technology (Hong Kong) Ltd.	R&D and Trading of Medical/Health Products, Medical Services	Gordon Dadds LLP	Legal
CreditEase Wealth Management (Hong Kong) Limited	Wealth and Asset Management	MET Studio Design (HK) Ltd.	Design for Museums, Expos, Visitor Centres, Exhibitions and Attractions
FinEX Asia	FinTech, Asset Management	Mezzo Labs (Hong Kong) Limited	Data Analytics
Hai Tao Base Commercial Co. Ltd.	Logistics, Customs Clearance/Declarations, Product Sales in Stores	Neat	Financial Technology
HKAI Lab	AI Incubator	Picked by Poppins	Online Store for Mummy, Baby and Toddler
Jasper Capital Hong Kong Limited	Investment Management	TruffleHunter	Food Manufacturing
Lianhe Ratings Global Limited	Credit Rating Agency	Write the Talk (Hong Kong)	Creative Agency
Mexico		United States	
SuKarne	Meat Production & Distribution	Arbin Instruments Hong Kong	Charge/discharge Test Equipment for Batteries, Supercaps and Electrochemistry
New Zealand		Bioposture (Asia) Limited	Mattress and Pillows Retail
Eat the Kiwi	Food Distributor	FOX Networks Group Asia	Broadcasting
Norway		Global Fund For Children	Non-Profit Organisation
Botzup Limited	Artificial Intelligence	IDT Telecom Asia Pacific Limited	Telecommunications
Russia		IFly APAC Limited	Operation and Management of Themed Facilities
Kate's Kids Education Limited	Education	Interactive Brokers Hong Kong Limited	Financial Services
		James Suckling Wine Central	Wine and Restaurant
		Kencko	Food and Beverage
		Phase Scientific International Limited	Biotechnology
		Press Start Hong Kong	Games Consultancy
		StubHub Corporate	Live Entertainment
		Unspun Inc	Fashion Tech



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The Government of the Hong Kong Special Administrative Region

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