

InvestHK

Quarterly Newsletter

April 2019



2019/2020 Budget Promotes Diversified Economic Development

Hong Kong's Financial Secretary Paul Chan unveiled the 2019-20 Budget on 27 February. On the economic front, the economy grew by 3 percent in 2018 and is forecast to grow by 2-3 percent in 2019. Headline inflation was 2.4 percent in 2018, with an underlying inflation rate of 2.6 percent. For 2019, headline inflation and underlying inflation are both estimated at 2.5 percent.

This Issue 3 Sector Focus: Dispute Resolution
4-5 Special Feature: New Business Opportunities in the Greater Bay Area
6-7 International Forward Calendar 8-15 Case Studies

Apart from strengthening the industries currently enjoying competitive edges, Hong Kong has identified new areas of growth by vigorously developing emerging industries. Here are the highlights:

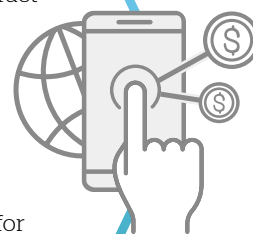
Innovation and Technology

- Set aside **\$5.5 billion** for the development of Cyberport 5 to accommodate more technology companies and startups
- Set aside **\$16 billion** for universities to enhance or refurbish campus facilities, in particular those for R&D
- Inject **\$20 billion** into the Research Endowment Fund for more research projects
- Allocate **\$800 million** to support R&D by universities, key laboratories and engineering research centres
- Launch the **\$2 billion** Re-industrialisation Funding Scheme in 2019
- Expand the Corporate Venture Fund of the Science Park to **\$200 million**
- Establish two innovative clusters in the Science Park focusing on "A.I. and robotic technologies" and "healthcare technologies"



Financial Services

- Issue the first batch of government green bonds
- Tax concessions for Marine Insurance and underwriting of specialty risks
- Provide a **50 percent** profits tax concession to marine insurance businesses
- Consider limited partnership regime/tax arrangements to attract private equity funds to HK
- Provide a **\$400 million** seed capital for Financial Reporting Council
- Establish Academy of Finance for financial leadership development



Others

- Allocate **\$353 million** for the continued implementation of the Development Blueprint for Hong Kong's tourism industry
- Inject **\$1 billion** into the Film Development Fund
- Allocate **\$150 million** to support the development of an online international dispute resolution platform by NGOs



Hong Kong – the Leading Dispute Resolution Hub

Hong Kong has a robust legal services sector with more than 9,800 practising solicitors (including registered foreign lawyers from 33 jurisdictions) and about 1,500 practising barristers, of which 100 are Senior Counsels in the city. Many major international law firms have offices in Hong Kong and provide a wealth of legal expertise in areas such as banking and finance, shipping, maritime, construction, intellectual property and information technology. They also bring international perspective and experience in handling international transactions so that commercial disputes can be dealt with fairly and effectively.

Worldwide Recognition and Enforcement of Arbitral Awards

Since 2015, Hong Kong has been among the top five preferred seats for arbitration globally according to the International Arbitration Surveys conducted by Queen Mary University of London.

Hong Kong arbitral awards are enforceable in over 150 Contracting States to the New York Convention. This is complemented by respective arrangements for reciprocal enforcement with Mainland China and Macao SAR.

The Hong Kong International Arbitration Centre (HKIAC) is a home-grown arbitral institution. HKIAC ranked first for location, perceived value for money, helpfulness of staff and IT services by the Global Arbitration Review Hearing Centres Surveys 2016, 2017 and 2018.

A number of well-respected international institutions have chosen Hong Kong as their first global location outside their home jurisdictions. This melding of local and international arbitral institutions has strengthened Hong Kong's development as the leading international legal and dispute resolution services hub in the Asia-Pacific region and beyond.

Opportunities from the Belt and Road Initiative

The Belt and Road (B&R) Initiative is expected to increase activities in trading, investment, financing as well as infrastructure and construction projects amongst enterprises in the Mainland and the Belt and Road countries. Inevitably, there will be a possibility of disputes in these activities and transactions.

Under the "one country two systems" principle, the Hong Kong Special Administrative Region (HKSAR) maintains

its common law system which is familiar to the international community and it is the only common law jurisdiction with China.

Hong Kong's special reciprocal arrangement with Mainland China makes it an ideal location for the resolution of B&R-related disputes. Under the arrangement, if a party refuses to comply with an arbitral award decided upon in Hong Kong, the other party can apply to the Intermediate People's Court of the Mainland China in order to seek enforcement of the award.

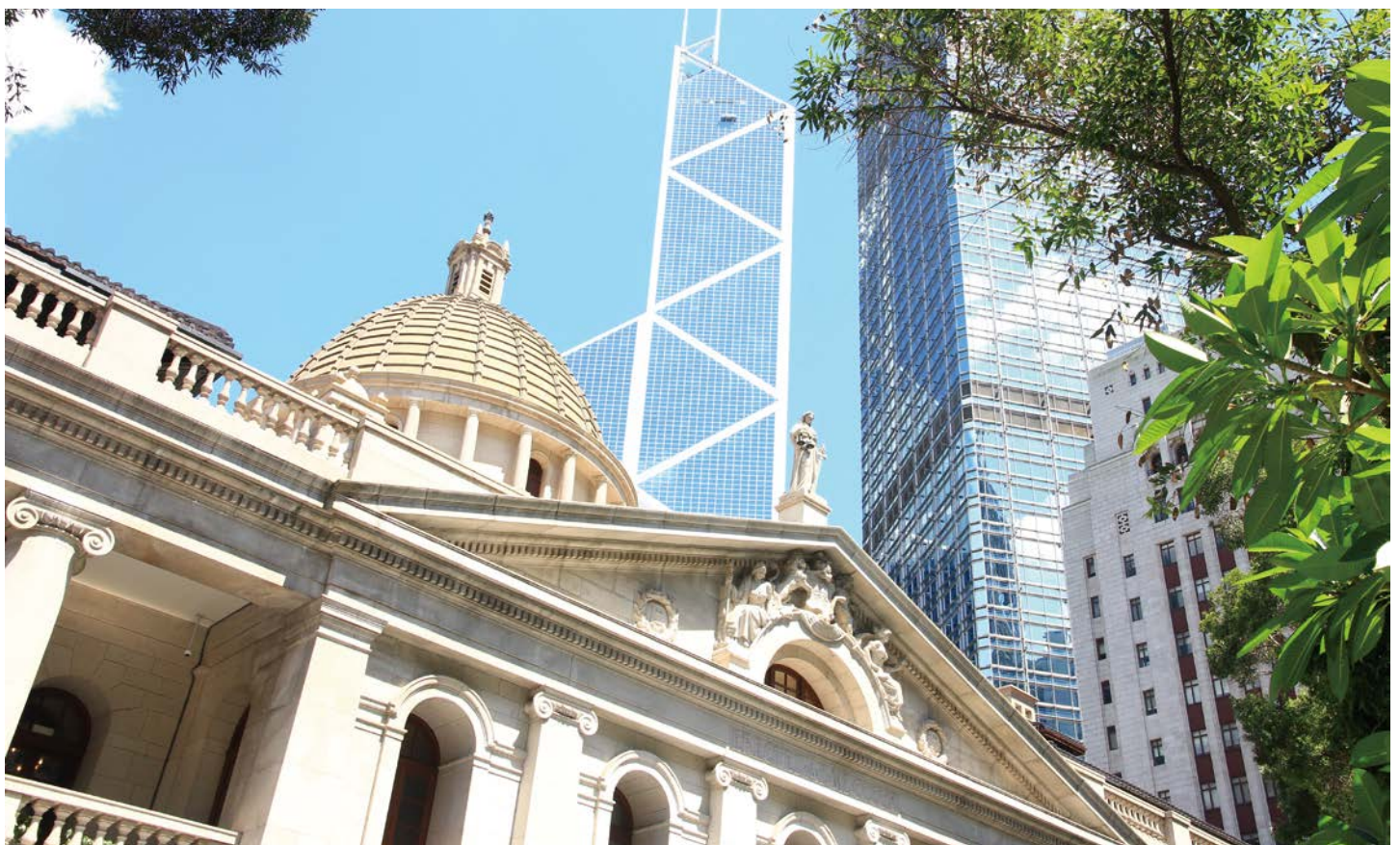
All of these advantages enable Hong Kong to become a prime venue for international legal and dispute resolution services through arbitration and mediation.

To explore the opportunities of setting up or expanding your dispute resolution related business services in Hong Kong, please contact:

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Head of Business & Professional Services

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New Business Opportunities under the Outline Development Plan of the Greater Bay Area

The Outline Development Plan (the Plan) of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) was promulgated by the Central Government on 18 February 2019 and is an important document guiding the development of the GBA. In addition to the background of the Plan and the overall requirements such as the basic principles and objectives of development, it covers the spatial layout, namely building on the four core cities of Hong Kong, Macao, Guangzhou and Shenzhen as core engines for regional development, continuing leveraging their comparative advantages, and strengthening the radiating effect in leading the development of nearby regions. It includes policy measures for developing an international innovation and technology hub, expediting infrastructural connectivity, building a globally competitive modern industrial system, taking forward ecological conservation, developing a quality living

circle for living, working and travelling, strengthening cooperation and jointly participating in the Belt and Road Initiative, jointly developing Guangdong-Hong Kong-Macao cooperation platforms, as well as the implementation of the Plan.

The Plan supports Hong Kong in consolidating and enhancing its status as international financial, transportation and trade centres as well as an international aviation hub, strengthening Hong Kong's status as a global offshore Renminbi (RMB) business hub and its role as an international asset management centre and a risk management centre, promoting the development of high-end and high value-added financial, commercial and trading, logistics and professional services, and so forth, making great efforts to develop the innovation and technology industries, nurturing emerging industries, and

establishing Hong Kong as the centre for international legal and dispute resolution services in the Asia Pacific region.

Some of the many business opportunities for overseas companies to take advantages of the GBA via Hong Kong include:

Innovation and R&D

- Foreign investors could set up research and development (R&D) institutes and innovation platforms in the GBA. Taking advantage of Hong Kong's super tax deduction of 300 percent for qualified R&D expenditure and other supporting policies, higher education institutions, R&D institutes and enterprises from other regions are encouraged to participate in events on innovation and technology in the GBA. They can leverage the strengths in innovation and R&D as well as high concentration of headquarters



of enterprises in Hong Kong, together with the advantages of having complete industry chains in rest of the GBA.

- Moreover, the Plan calls for Hong Kong, Macao, Guangzhou and Shenzhen to leverage their rich scientific research resources and solid foundations in new and hi-tech industries to jointly develop strategic emerging industry clusters which are well-supported by a comprehensive production chain, highly radiative for driving the development of other areas and globally competitive. In other words, R&D institutes and enterprises in Hong Kong can benefit from more collaboration with other cities in the GBA as well.

New Pillar Industries

- The GBA will pursue the development and growth of new pillar industries including new-generation information

technology; biotechnology; high-end equipment manufacturing and new materials; 5G and mobile internet; intelligent robots; 3D printing; applications of BeiDou satellite navigation system; new energy vehicles; energy conservation and; environmental protection technologies, just to name a few.

- As innovation and creativity is not restricted to hardware development, the GBA focuses in digital and creative industries such as animation, comics and games, internet culture, digital culture and devices, digital art and display, film and television industries and promote the application of digital creativity in areas such as convention and exhibition, e-Commerce, medical and healthcare, education services, tourism and leisure.


World-Class Business and Professional Services

- Providing world-class business and professional services has long been Hong Kong's core strengths. The Plan supports Hong Kong's development of high-end maritime services; maritime law and dispute resolution services; aviation management training centre and high value-added freight, aircraft leasing and aviation financing services as well as other professional services such as accounting and auditing, legal and dispute resolution services, management consultancy, testing and certification, intellectual property, construction and related engineering works. Global companies can help satisfy the increasing business service needs of the GBA from Hong Kong.
- The GBA consists of a consumer base of 70 million people, who are relatively and increasingly wealthy, and are within just an hour or so travelling from Hong Kong.

Last but not least, Hong Kong's status as an international financial centre enables it to further expand into a platform for investment and financing serving the Belt and Road Initiative, a green finance centre, develop more offshore RMB, commodity and other risk management tools and steadily expand the channels for Mainland and Hong Kong residents to invest in financial products in each other's market.

InvestHK will continue to help enterprises from around the world to understand and take advantage of development opportunities brought about by the development of the GBA.

Full text of the Outline Development Plan:

 www.bayarea.gov.hk/filemanager/en/share/pdf/Outline_Development_Plan.pdf



APR

1	Capital Link International Shipping Forum Organised in partnership with Citi and in cooperation with NASDAQ and the New York Stock Exchange, the forum is a meeting place for C-level executives, investors, ship owners and financiers. <i>Location: Metropolitan Club, New York City</i> <i>Organiser: Capital Link</i> ■ forums.capitallink.com/shipping/2019newyork/index.html
2	Marine Money Hong Kong Ship Finance Forum Annual get-together for international shipping and finance professionals in Hong Kong, one of the major maritime hubs in the world. <i>Location: Renaissance Hong Kong Harbour View Hotel</i> <i>Organiser: Marine Money</i> ■ marinemoney.com/forum/HK19
2-4	Connecticut Maritime Association Shipping North America's largest Maritime conference where the annual Commodore Award will be presented to those who have significantly contributed to the development of the maritime industry. <i>Location: Hilton Stamford Hotel, Connecticut</i> <i>Organiser: Connecticut Maritime Association</i> ■ cmaconnect.com
3	Celebration of Chinese New Year Hong Kong business seminar organised on the occasion of CNY celebration. <i>Location: Vicenza Chamber of Commerce</i> <i>Organisers: InvestHK, HKTDC, HKETO in Brussels</i> ■ vi.camcom.it/it
8	Capital Link Singapore Maritime Forum As part of the Singapore Maritime Week, the forum will highlight the competitive positioning and advantages of Singapore as a maritime hub and also regional business and trading opportunities in Asia. <i>Location: Westin Hotel Singapore</i> <i>Organiser: Capital Link</i> ■ forums.capitallink.com/shipping/2019singapore/index.html
9	Marine Money Singapore Offshore Finance Forum As part of the Singapore Maritime Week, the forum will gather ship owners, banks, leasing companies and marine insurance companies to deliberate on the future of shipping in Asia. <i>Location: St. Regis Hotel, Singapore</i> <i>Organiser: Marine Money</i> ■ marinemoney.com/forum/SINOFF19
9	Symposium on the Guangdong-Hong Kong-Macao Greater Bay Area With prominent government and business leaders from Hong Kong, Guangdong, Macao, and Japan as speakers, the Symposium will provide in-depth understanding of the Greater Bay Area, and the business opportunities there. <i>Location: Imperial Hotel Tokyo</i> <i>Organisers: The People's Government of Guangdong Province, the Government of the Hong Kong Special Administrative Region, the Government of the Macao Special Administrative Region, InvestHK</i> <i>Registration: form.gooker.jp/Q/auto/en/greaterbayarea/sympojp</i>

10	Lloyd's List Singapore Business Forum As part of the Singapore Maritime Week, the forum is a knowledge based platform for audience to obtain the latest news and trend in shipping. <i>Location: Singapore</i> <i>Organiser: Lloyd's List</i> ■ lloydslist.maritimeintelligence.informa.com
15-16	Internet Economy Summit The region's flagship event on digital economy that aims to examine how businesses can leverage data-driven innovations to capitalise on opportunities in the connected world. Themed "Digital Economy • Redefines our Future", the two-day summit brings together prominent industry icons, top business executives and entrepreneurs from around the world offering a vision into the digital future with disruptive influence in the hottest topics at the forefront of global technology development. <i>Location: Hong Kong Convention and Exhibition Centre</i> <i>Organisers: HKSAR Government, Hong Kong Cyberport</i> ■ ieconomysummit.hk
17	International Dispute Resolution Conference 2019 The Conference aims to foster discussion on emerging trends in dispute resolution and the impact of the "Convention on International Settlement Agreements Resulting from Mediation" on international business environment. <i>Location: Hong Kong Convention and Exhibition Centre</i> <i>Organisers: United Nations Commission on International Trade Law, Hong Kong Mediation Centre and International Dispute Resolution & Risk Management Institute</i> ■ mediationcentre.org.hk
	Silicon Dragon Hong Kong 2019 Panel discussions and tech chats with leading Mainland China and Silicon Valley venture capitalists, tech entrepreneurs and their investors. Focus on China's leading advances in AI, robotics, FinTech, biotech and more. <i>Location: Cyberport, Hong Kong</i> <i>Organiser: Silicon Dragon</i> ■ silicondragonhk2019.eventbrite.com

MAY

7-10	HOFEX Asia's leading food and hospitality tradeshow will bring the most comprehensive selection of food and drinks, hospitality equipment and supplies products to Asia. <i>Location: Hong Kong Convention and Exhibition Centre</i> <i>Organiser: UBM Asia Ltd</i> ■ hofex.com
8-9	Finovate Spring Being one of the largest FinTech events, Finovate Spring aims at bringing cutting-edge banking and financial technology, through a series of fast-paced demos. <i>Location: Hilton Union Square, San Francisco, California</i> <i>Organiser: Knect365</i> ■ finance.knect365.com/finovatespring
9-10	The Next Web Conference (TNW) TNW Conference is a two-day technology festival that brings together international technology executives, top-tier investors and promising startups for two days of business, knowledge sharing. InvestHK will have a booth at the event. <i>Location: NDSM (Nederlandsche Dok en Scheepsbouw Maatschappij), Noord-Amsterdam</i> <i>Organiser: theNextweb</i> ■ thenextweb.com

10	Capital Link International Shipping Forum, China Held in partnership with Columbia Shipmanagement and Singhai Marine Services and supported by the Pudong Government, the forum will explore how international and Chinese ship owners, leasing firms, shipyards, and industry players can benefit from the latest trends in global financing, capital markets, private equity, and alternative financing. <i>Location: Grand Kempinski Hotel, Shanghai</i> <i>Organiser: Capital Link</i> ■ forums.capitallink.com/shipping/2019china/
13-15	Consensus 2019 InvestHK will exhibit at the largest blockchain-focused event in North America. This year the event is expected to bring over 8,800 attendees and 254 speakers from 119 countries. <i>Location: New York Hilton Midtown</i> <i>Organiser: Coindesk</i> ■ coindesk.com/events/consensus-2019
23	Nordic Community Networking Reception This networking reception is to thank Nordic companies for their contribution to Hong Kong. <i>Location: Hong Kong</i> <i>Organiser: InvestHK (by invitation only)</i>
24	RICS Hong Kong Annual Conference 2019 This conference will frame the regional and global dilemma, examine sensible city planning for professionals and policymakers, and explore how Hong Kong can place itself at the heart of the green revolution. <i>Location: Grand Hyatt Hong Kong</i> <i>Organiser: Royal Institution of Chartered Surveyors (RICS)</i> ■ rics.org/en-hk/events/conferences-seminars/hkconf19
30	HKVCA China Private Equity Summit 2019 This flagship event will attract over 600 venture capital and private equity practitioners, leading corporates, and other industry professionals and participants from across the region. <i>Location: Hong Kong Convention and Exhibition Centre</i> <i>Organiser: Hong Kong Venture Capital and Private Equity Association</i> ■ cpes.hkvca.com.hk

JUN

3-5	Money 20/20 The world's largest marketplace for ideas, connections and deals in payments, FinTech and financial services, the event is where industry leaders come to seize new business opportunities, strengthen partnerships and discover the latest disruptions. InvestHK will have a booth at the event. <i>Location: RAI Amsterdam</i> <i>Organiser: Money 20/20 Europe</i> ■ europe.money2020.com/amsterdam
6-7	FIN Portugal 2019 Aiming to be a networking and interacting space for participants, the event includes a forum, exhibition and lounge area for product showcasing and workshop. InvestHK will have a booth in conjunction with HKTDC. <i>Location: Exponor, Matosinhos, Porto</i> <i>Organiser: Association of Young Entrepreneurs Portugal-China</i> ■ finportugal.com

10-12	Moneyconf An event focused on FinTech and the revolution in money, payments and finance. <i>Location: RDS Arena, Dublin</i> <i>Organiser: CiLabs (by invitation only)</i> ■ moneyconf.com
13	Reception for New Foreign and Mainland Companies in Hong Kong This networking reception is to welcome the foreign and Mainland companies newly established in Hong Kong. <i>Location: Hong Kong</i> <i>Organiser: InvestHK (by invitation only)</i>
13-14	Airfinance Journal China 2019 The two-day aviation finance conference will bring together over 700 senior executives from airlines, leasing companies, financial institutions and investment houses to examine the most pressing issues and opportunities of the aviation finance landscape. ■ events.airfinancejournal.com/china-airfinance/details
16-17	Inspirefest Silicon Republic's international event connecting sci-tech professionals with fresh perspectives on leadership, innovation and diversity. <i>Location: Bord Gais Energy Theatre, Dublin</i> <i>Organiser: siliconrepublic</i> ■ inspirefest.com
17-19	32nd Annual Marine Money Week An annual event in the US, the Marine Money Week will bring along a mid-year review of the global shipping industry. <i>Location: The Pierre Hotel, New York City</i> <i>Organiser: Marine Money</i> ■ marinemoney.com/forum/MMWeek19
25	TradeWinds Shipowners Forum An interactive discussion led by a panel of experts and designed to reflect TradeWinds readers priorities and concerns. <i>Location: Athens</i> <i>Organiser: TradeWinds</i> ■ i0times.com/shipowners-forum
26-27	Aviation Financial Festival The premier annual gathering for senior aviation finance professionals to connect and address emerging trends and risks facing the global aviation finance market. InvestHK will have a speaking slot. <i>Location: Dublin, Ireland</i> <i>Organiser: ISHKA</i> ■ ishka.com

See more events at



Gearing Up for Global Expansion

Surging demand for smartphones and IoT products spurs Xiaomi to add brick and mortar in Hong Kong and push forward its global strategy.



Established in 2010 in Mainland China, Xiaomi is an internet company with smartphones and smart hardware connected by an IoT platform at its core. The company first tapped on Hong Kong market in 2016 through its eCommerce website mi.com. While its wide-range of smart products gaining popularity in Hong Kong, Xiaomi opened two Mi Home Stores in the city in 2017, located in Mong Kok and Causeway Bay, offering their products at affordable price for the local market.

Two years later since the Hong Kong stores opened, the company is already planning its third store in Hong Kong which will situate in the New Territories and is expected to open soon in 2019.

Janine Luo, Hong Kong Operation Director, saw a 60 percent sales surge in Hong Kong in 2018. "The achievement and experience that we gained in Hong Kong is extremely beneficial to Xiaomi's goal to 'go global'," said Luo, "with a high-quality and broad consumer market, Hong Kong is definitely the place for us to invest in."

In 2018, Xiaomi launched an initial public offering (IPO) on the Hong Kong Stock

Exchange. According to Luo, listing in Hong Kong helps the company build an international and open ecosystem. "Hong Kong's legal environment provides a strong foundation for the city's free and stable market," Luo remarked.

"With the internationalisation of RMB, Xiaomi will continue to leverage on the city's status as one of the largest offshore RMB business hubs to manage our corporate financing, which will be favourable for us to build an international and open ecosystem."

Thanks to the city's abundant supply of international and multilingual talent, Luo said, the company currently hires over 100 local employees covering sales, marketing and partnership liaison, all of which are essential roles as the company gradually emerges as one of the global players in the technology arena.

"We will continue to strengthen our multi-brand strategy for smartphone market, and plan to expand globally including Europe and Latin America," Luo added. "With ample opportunities under the Belt and Road Initiative, Hong Kong as an international financial centre

can strengthen the connection between Mainland China and the global market."

Xiaomi's core objective in the next five to ten years will remain in its dual-core strategy of AI and IoT, while at the same time put emphasis on 5G technology development, which the company believes will greatly boost its product demand in both Mainland and overseas market.

Luo concluded, "we are grateful for InvestHK's support and professional advice along our set up and expansion. The market insights that they provide has been very helpful for us to understand the commercial environment in Hong Kong and make the right decision."

Xiaomi

- Xiaomi Corporation (stock code: 1810) was listed on Hong Kong Stock Exchange on 9 July 2018
- The world's fifth biggest seller of smartphones, the company has presence in over 80 overseas markets
- As of 2018 Q3, overseas market sales accounted for 44 percent of the group's revenue

 [mi.com](https://www.mi.com)



The achievement and experience that we gained in Hong Kong is extremely beneficial to Xiaomi's goal to 'go global'.



Janine Luo
Global Operations Director
Xiaomi

Watch the video:



Charting New Waters in the Greater Bay Area

UK-based water leisure specialist uses the city as the springboard for its progressive growth plan in Mainland China and Asia Pacific.

“

All these projects wouldn't come to fruition if we hadn't opened an office here in Hong Kong. ”

Derek Barton
Managing Director
Barr + Wray (HK) Ltd



Barr+Wray (B+W) is UK's leading provider of commercial pool and spa facilities. Founded in 1959 in Glasgow as a pump and filter supplier, the company developed into a filtration supplier for pools and water facilities in the mid-60s, and gradually evolved into a global spa engineering and construction solution provider today with projects spanning across Europe, Middle East and Asia.

When the company opened its Hong Kong office in 2011, they saw a huge opportunity in the region, especially in Mainland China and Macao where the hotel market was thriving. According to Derek Barton, Managing Director, Hong Kong is the best location for them to reach out to the Asia market. "Since we came here, we have already completed more than 60 projects in all sizes across the region," said Barton, "all these projects wouldn't come to fruition if we hadn't opened an office here in Hong Kong."

B+W recently completed a project for MGM Cotai in Macao, where it designed and built the spa facilities of the five-star hotel with VIP feature pools and an array of thermal experience including saunas,

steam rooms and spa treatment rooms. Barton said the project is an excellent addition to their expansive portfolio in Asia, and can best demonstrate the strength and comprehensive specialties of B+W.

Under the vast development of Guangdong-Hong Kong-Macao Greater Bay Area, there are even more new opportunities for B+W. "We expect there will be a lot of upcoming five-star hotel projects in the area, which provide enormous opportunities for us," Barton remarked, "although there will also be lots of local competition for sure, we have to stay focused and set ourselves apart from others in our industry."

B+W's next step is to enhance the company's exposure in the industry by various marketing strategies, such as worldwide advertising and participating in global industry conferences. While the Hong Kong office looks after projects in Asia including Mainland China, the team is also looking to open new markets, especially in Australia and New Zealand where tourism and hospitality industry is booming.

Barton was connected to InvestHK via Scottish Development International when they were planning to open an office in Asia. The department assisted the setup of B+W in Hong Kong by providing local market insights and networking opportunities. Barton recalled, "Not only did InvestHK help with our business setup, on a personal level, they also assisted my family to settle in Hong Kong. For companies planning to come to this city, I highly recommend them to contact InvestHK for assistance."

Barr + Wray (HK) Ltd

- Headquartered in Glasgow with offices in Hong Kong and Dubai
- The Hong Kong office has a full team of administrative staff, project managers, draftsmen and site managers looking after clients in the Asia Pacific region

 barrandwray.com



Hong Kong - Connecting the Nordic Business Community and Greater Bay Area

Nordic Innovation House has opened in Hong Kong to lead businesses to explore the new opportunities in the city and the Greater Bay Area.

With the objective to give Nordic companies a head start in one of the most vibrant global innovation hubs in the world, Nordic Innovation House (NIH) is a collaboration among Nordic Innovation, Nordic Council of Ministers, and the national business organisations from Finland, Iceland, Norway, Sweden and Denmark. NIH establishes offices in leading business hubs of the world where members can access NIH's resources and its worldwide network.

NIH Hong Kong was opened in November 2018 as its fourth destination worldwide after Silicon Valley, New York and Singapore. The rapidly growing interest in Asia market among Nordic companies has drawn NIH to set up in Hong Kong, according to Christian Bergenstråhle, Community Director. "Although the easiest way for the Nordic companies to expand to overseas is to 'think west', as it is closer to their culture and market, we see a much bigger potential in Asia, especially in Hong Kong and the Greater Bay Area."

"Our mission is to educate these interested Nordic companies about these opportunities in Asia, to inform and also to inspire them the possibilities," he added.

The Perfect Gateway

As one of the core cities in the Greater Bay Area, Hong Kong is an excellent springboard for foreign companies and startups, Bergenstråhle said. "Lots of Nordic companies have a vision to expand their business to Mainland China, and they see Hong Kong as a perfect gateway."

"The Hong Kong government has so many initiatives and they make it very easy for expats to get visas and funding," he remarked, "I am amazed by such willingness of a city to attract foreign companies."

NIH's member companies can use the resources of the house, including meeting

space and lounge for members to connect, and access NIH's local network and join the Nordic community in the city. The house also tailor-makes a "mentorship programme" where members can meet experts in the field to offer advice from legal, to finance and recruiting aspects.

Seeing great demand from companies who are curious in exploring the Greater Bay Area, a new NIH has also been planned in Shenzhen which will open in the coming year, providing an additional space and resources for members.

"It is important for companies to come here and the region to experience the vibrancy and energy. Once they have decided to set up here, they can also be an ambassador in their home market," he concluded.

“The Hong Kong government has so many initiatives and they make it very easy for expats to get visas and funding. I am amazed by such willingness to attract foreign companies.”

**Christian Bergenstråhle
Community Director
Nordic Innovation House
Hong Kong**

Nordic Innovation House Hong Kong

- Situated in Central PMQ, Nordic Innovation House Hong Kong was inaugurated on 28 November 2018
- Offers different membership packages for startups, SMEs and corporates from the Nordic region

 nordicinnovationhouse.com/hongkong

NANOS, Spanish Leading Kids Clothing Brand Implements Omnichannel Strategy for Asia Expansion

50-year-old Spanish children's fashion brand plans to open more boutiques in the city with launch of eCommerce site to prepare for regional expansion.



“

Hong Kong is definitely the best place for us to start in Asia, we are highly impressed with the efficiency of setting up a business, and we have everything we need right at our fingertips. ”

Sergio Crespo
Managing Director, Goods from Spain

Originated from Spain, children's fashion brand NANOS is well-known for its exquisite collections with timeless design, luxurious soft fabrics and impeccable finishing in the garments. Royal families in Europe, as well as children of celebrities have been seen wearing the brand.

With over 70 stores worldwide located in Europe, US and Middle East, NANOS launched its first permanent boutique in Hong Kong in November 2018. Situated in Lee Garden Two in the bustling Causeway Bay, the new permanent boutique marks the 50-year-old-brand's debut in Asia.

“When we saw the great opportunity to bring NANOS to Hong Kong, we immediately had to jump at it,” said Sergio Crespo, Managing Director of Goods from Spain. Inspired by Crespo's wife Gigi, who is a big fan of Spanish brands, in particular NANOS, Crespo decided to set up the company in 2017 with a focus to import high quality Spanish goods to Hong Kong. “With its wide product range and high quality clothing, we are convinced that NANOS' strength and uniqueness will succeed in the Asia market.”

In preparation for the opening of a permanent shop for NANOS, a series of marketing and branding strategies had been lined up to introduce the brand. In May 2018, NANOS first appeared in the city as a pop up store in a popular shopping mall in Tsim Sha Tsui. Coupled with a strong key opinion leader (KOL) engagement and public relations strategy, the pop up store

has greatly boosted the brand's exposure within a short period of time. According to the brand, they have already amassed over 100,000 followers on their social media platforms.



Shortly after, NANOS launched its eCommerce website focusing on the Asia market. According to Crespo, the website has been going strong since the launch, and is already receiving orders from across the region. With the brand's ongoing digital efforts, the eCommerce site is especially instrumental for expanding to existing markets across Asia

“Hong Kong is definitely the best place for us to start in Asia,” Crespo remarked, “we are highly impressed with the efficiency of setting up a business, and we have everything we need right at our fingertips, such as service companies in public relations, eCommerce as well as logistic partners. The city's geographical proximity to other Asian cities also makes

it a perfect location for us to plan our regional expansion.”

To sustain the business momentum, NANOS' next step is to open its second outlet in Kowloon, and plans to expand the team to manage the physical stores and the website.

Crespo concluded, “InvestHK has been giving us a lot of support since the beginning, and helped us to set up and learn about the business environment in Hong Kong. Their expansive network has been very useful for us to create more opportunities for the company.”

Goods from Spain

- Founded in 2017, Goods from Spain currently has around 5 employees to manage NANOS stores in Hong Kong as well as the Asia eCommerce site
- NANOS is the first brand imported by Goods from Spain to Hong Kong, but the company is already bringing more Spanish apparel brands to the city

nanos.hk

Local Talent Holds Key to Business Success



With a strong pipeline of strategic plans in Asia, global financial technology firm, Enfusion, has great ambition to further expand in APAC via their Hong Kong office.

Enfusion was founded in 1997 as a financial technology consulting company primarily focused on hedge funds. Today the firm boasts over 400 top-tier clients and is the leading provider of cloud-based investment management software, outsourced middle and back office services as well as data analytics.

Enfusion launched an all-in-one solution Integrata, a bespoke cloud-based, fully integrated platform in the market that provides clients a full front-to-back investment management solution through a single data set. They also offer middle and back office fund services used by investment managers to streamline operations and reduce overhead expenses.

With its soaring development in the US and Europe market, Enfusion came to Hong Kong in 2015 and set up its APAC headquarters in the city. "We saw a good market opportunity in Asia which we could not ignore," said Fiona Ren, Head of APAC - Product Consulting, E-Trading, Fund Services, "Hong Kong is one of the most active, well-established financial markets around the globe, so we decided to come here and start our Asia business."

"We believe that Asia is a good market for us to expand, it also fills the gap of our global support. The APAC headquarters will better serve our international clients."

According to Bob Feng, Director of APAC Business, Hong Kong is very welcoming to foreign investors. "It has been very smooth for us to enter the market," he said, "The local talent pool is a key in our development. Most employees have an

international education background and their knowledge is highly transferable to our industry."

With its Hong Kong office set up for more than three years, Enfusion is already planning for expansion. "Our overall goal in APAC is to expand into other regions with satellite offices, such as in Singapore,

Mainland China and Australia," said Feng, adding that Hong Kong office as the regional headquarters will be a fully functional and self-sufficient office that supports the region.

"We are also planning to have more locations in Hong Kong in order to better support our clients," he added, "Hong Kong has to be the regional hub, and we are happy to see more growth in the local market."



Hong Kong has put a great effort in welcoming global firms to come in, and the support from the government makes it really easy for everyone to set up a business here. ”

Bob Feng
Director of APAC Business
Enfusion

Enfusion

- Headquartered in Chicago, Enfusion has offices in New York, London, Dublin, Mumbai and Hong Kong
- Functional team in Hong Kong office from sales, marketing, product & customer support to fund services incorporate their efforts into Enfusion's overall enablement strategy and services delivery
- Plan to expand its workforce by at least 20 percent in the coming months to serve the APAC market

 enfusionsystems.com

Building Asia's Media Entertainment Hub in Hong Kong

Millennial-targeted WebTVAsia sets up its office in Hong Kong to leverage the city's thriving media entertainment industry and easy access to potential partners and investors.



Established in 2013 in Kuala Lumpur, WebTVAsia is a media entertainment group with multiple core businesses. Not only does the company manage a multi-platform network that helps content creators to distribute and monetise content, it also produces original content, as well as offering brand solutions for brands and advertisers.

In 2018, the company launched LUVE, a millennial-focused video streaming platform, which has become one of the most popular mobile entertainment apps in Taiwan and Thailand. WebTVAsia is also planning to expand the platform to more countries in Asia this year.

"By 2025, millennials will form one billion of Asia's population, and will become the biggest and most influential consumer groups that every corporate wants to target," said Fred Chong, Group CEO.

Reaching out to Millennials

WebTVAsia targets millennial audience through its video networks which reach 330 million millennial viewers across Asia who watch over five billion

times of its video content every month. Two of its most popular represented content creators, Jason and Emi Wong, both from Hong Kong, have more than 700,000 subscribers on their YouTube channels, representing a large base of audience for Hong Kong market.

With a mission of being "Asian Media Entertainment Hub", the company practices "ABC" approach - Audience, Brands, and Creators - to build a strong, healthy media entertainment ecosystem in Asia. Audiences follow the most popular creators who are then funded by brands as advertisers, who seek to reach out to millennials.



Hong Kong is an important Asian commercial and media hub that gives us better access to potential partners and investors.

Fred Chong
CEO
WebTVAsia

Covering 11 markets in Asia Pacific, WebTVAsia set up a permanent office in Hong Kong in 2017 to better serve its clients and partners in the region. To date, the office has ten employees with functions including business development, sales, marketing and production.

"Hong Kong is an important Asian

commercial and media hub that gives us better access to potential partners and investors," Chong said, adding that one of its earliest creator partners signed are from Hong Kong when they started out in 2013.

"The city has always got a vibrant media entertainment industry including film, TV, music and digital media," Chong remarked, "we see many global and regional companies setting up their APAC hub here, hence we wish to have a closer and more productive relationship with them by having a local office."

He added that the talent in Hong Kong are highly educated, multilingual and have strong work. "We look forward to hiring committed and passionate talent who can truly contribute to the growth of not just our Hong Kong entity, but also the WebTVAsia group in Asia," Chong concluded.

WebTVAsia

- Established in 2013, the company has expanded to 11 markets including Mainland China, Korea, Japan, Hong Kong, Taiwan, Vietnam, Thailand, Malaysia, Indonesia and Australia
- WebTVAsia is the official Multi Channel Network (MCN) of over 20 video platforms, including Youtube, Tencent, Baidu, as well as Alibaba's Youku and Tudou
- Its six core businesses include multi-platform network, owned and operated platforms, production studios, brand solutions, artiste management and experiential events

 webtvasia.com

Welcome to the World's Food Mecca

Mainland China's famous hot pot chain Haidilao sees Hong Kong as the ideal base for promoting their brand.



Founded in Mainland China in 1994, Haidilao has grown into an internationally renowned restaurant group during the past twenty years. The company prides itself in excellent and good value for money services. Other than Chinese face mask changing performance, Haidilao also offers manicure and other personalised services for customers while they are waiting to be seated. Thanks to its innovative business model, the restaurant has grown rapidly in Mainland China and overseas. Today, the company operates over 400 directly operated restaurants in more than 100 cities across Asia, Europe, North America and Australia.

In October 2017, Haidilao opened its first Hong Kong outlet in Yau Ma Tei, Kowloon, followed by a second store in Causeway Bay a year later. The company is already planning to open more restaurants in other locations across the city in order to serve more customers. In September 2018, Haidilao was listed on the Hong Kong Stock Exchange, reaffirming its commitment to the city.

Ingredients for Success

According to Haidilao's chairman Zhang Yong, "Hong Kong is a food mecca with a mature market and people are very receptive to new ideas. All these make the city one of the ideal bases for restaurants to enhance their brand image."

In Hong Kong's competitive dining scene, Zhang believes Haidilao has many success factors. In addition to providing excellent customer service, Haidilao has adapted its menu to suit local tastes, for example by adjusting the spiciness of the broth and



Hong Kong is a food mecca with a mature market and people are very receptive to new ideas. All these make the city one of the ideal bases for restaurants to enhance their brand image.

**Zhang Yong
Chairman
Haidilao International
Holding Ltd**

providing a wider range of seafood, meat and condiments.

"We learn from other industry players and conduct in-depth research into the local food culture. We are also committed to improving the quality of our service

and food and welcome suggestions from customers."

To maintain excellent customer service, Haidilao also encourages its staff to be creative in utilising in-store resources to deliver an unforgettable experience for every customer.

Haidilao currently employs 250 staff in Hong Kong and plans to open more outlets to meet new demand, providing a broader range of job opportunities for local residents.

"Invest Hong Kong has facilitated our entry into the Hong Kong market and helped us with company registration and visa matters. Mainland Chinese restaurant operators looking to establish a base in Hong Kong can seek advice from professional organisations like Invest Hong Kong in order to facilitate their entry," Zhang concluded.

Haidilao International Holding Ltd

- Haidilao International Holding Ltd (6862.HK) was listed on the Hong Kong Stock Exchange on 26 September 2018
- Haidilao has restaurants in Mainland China, Hong Kong, Taiwan, Singapore, Japan, the US, South Korea, Canada and Australia

 haidilao.com

Your Virtual Asset Partner

One of the first SFC regulated hedge fund managers in digital asset, MaiCapital rides on Hong Kong's FinTech development and explores new markets in APAC.



“

Hong Kong has a great access to talents in both technology and financial service fields, making it a perfect place for us to start our hedge fund and blockchain business.”

Michael Wong
Managing Partner and COO
MaiCapital

Specialised in blockchain technology, cryptocurrency investment and asset management, MaiCapital helps investors to generate return with cryptocurrency, targeting family offices, financial institutions and high net worth individuals. Headquartered in Hong Kong, the company aims to be a full service investment bank in the digital asset space, providing product advisory, asset management and broker dealer services to clients around the world.

MaiCapital launched its flagship product Blockchain Opportunity Fund in March 2019, providing investors a one-stop solution to gain exposure to virtual assets, easing the trouble of maintaining multiple private keys, wallets, exchange accounts and complex tax filing.

“Our target is to generate attractive return for our investors with reduced volatility and minimise the draw down,” said Michael Wong, Managing Partner and COO, “we analyse a lot of different blockchain model and market data, and rank them on a metric system.”

In November 2018, Securities and Futures Commission (SFC) set out new regulatory approach for virtual assets, including crypto asset portfolio management companies and crypto-equity fund distributors. MaiCapital is one of the first SFC regulated hedge fund managers in blockchain technology and virtual assets investment in Hong Kong.

Wong not only sees a big potential for cryptocurrency market in Hong Kong as the international financial centre in the region. “Hong Kong has a great access to talents in both technology and financial service fields, making it a perfect place for us to start our hedge fund and blockchain business,” he said, adding that the city’s ease of doing business, sound regulatory system and abundance of financial talent are also the decisive factors to start the company in Hong Kong.

He added, “the city is highly competitive in terms of its bilingual legal system and simple tax regime, providing protection for investors with generous

tax allowance and deductions.”

MaiCapital currently hires six employees, including a research team with advanced degrees from engineering to physics, while its senior executives bring over a decade of asset management experience. As its development progresses, the company will look to hire more staff for its technology and operations team for continuous expansion, with a long term goal to boost presence in the rest of the APAC region.

MaiCapital

- Founded in August 2018 and headquartered in Hong Kong
- SFC-licensed hedge fund manager and fully regulated under SFC Type 4 (Advising on Securities) and Type 9 (Asset Management)

 maicapital.io



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