

InvestHK

Quarterly Newsletter

October 2020



New Initiatives to Promote Hong Kong as an Asset and Wealth Management Hub

The recent introduction of the Limited Partnership Fund and Wealth Management Connect Scheme, together with some upcoming private equity initiatives will bolster Hong Kong as a premier international asset and wealth management centre.

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Aiming at enhancing the competitiveness of Hong Kong in becoming a preferred centre for international asset and wealth management in Asia, the Government has launched several initiatives to create new economic opportunities, synergies and demand for financial services.

Limited Partnership Fund

The Limited Partnership Fund (LPF) Ordinance establishes a new limited partnership fund regime to enable private funds to be registered in the form of limited partnerships in Hong Kong came into operation on 31 August 2020. 11 applications were received on the first day, with many applicant funds focusing on the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) as an investment theme.

The new regime provides a modernised, user-friendly legal framework for private investment funds including private equity (PE), venture capital, infrastructure funds, etc. to domicile and operate in Hong Kong.

An LPF is a fund that is structured in the form of a limited partnership which will be used for the purpose of managing investments for the benefit of its investors. A fund qualifying for registration under the LPF regime must be constituted by one general partner who has unlimited liability in respect of the debts and liabilities of the fund, and at least one limited partner with limited liability. The fund must register with the Registrar of Companies as an LPF and maintain a registered office in Hong Kong. The Fund is not required to be authorised by the Securities and Futures Commission (SFC) unless it is offered to the public. The procedure could be completed in a few days as long as eligibility requirements are met.

For more details on the registration scheme, please visit Company Registry website:



Carried Interest Tax Concession

Another related and exciting development is the Government's endeavor to enhance the competitiveness of Hong Kong's PE platform on the tax front. As announced by the Financial Secretary Paul Chan in his budget this year, the Government is working to introduce a highly competitive tax concession for carried interest, which will take retrospective effect from financial year 2020-21.

Enhanced Initiatives by SFC

The Securities and Futures Commission (SFC) announced in September 2020 that amendments to the Code on Open-ended Fund Companies (OFC Code) have taken effect. Among other changes, private open-ended fund companies (OFCs) in Hong Kong are no longer subject to investment restrictions and the eligibility requirements for OFC custodians have been expanded.

In addition, SFC also provided additional guidance on the implications of the licensing regime under the Securities and Futures Ordinance to single family offices and multi-family offices.

For more details, please visit:



Wealth Management Connect

Over the past few years, the development of Stock Connect, Bond Connect have facilitated the flow of capital between Mainland China and Hong Kong. The growing wealth of Mainland Chinese is leading to increasing demand for investment diversification to offshore assets. To further enhance cross-border investment in wealth management products of the GBA, the People's Bank of China, the Hong Kong Monetary Authority (HKMA) and the Monetary Authority of Macau have jointly made an announcement on 29 June, 2020 to launch the "Cross Border Wealth Management Pilot Scheme" in the GBA. Through this mechanism, Mainland investors in the GBA can invest in wealth management products offered in Hong Kong and Macao, and vice versa. The HKMA is now working closely with the relevant regulators and the industry to thrash out implementation details of the scheme.

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OCT

6-8	South Summit This virtual event connects some of the most disruptive startups with investors and corporations worldwide. InvestHK is a corporate partner and will have a speaking slot with a booth collaborated with HKETO and HKTDC. Organiser: Spain Startup in collaboration with the City of Madrid www.southsummit.co
7	International Forum The forum provides solutions to business executives wishing to develop internationally, to improve or explore new destinations for their products and know-how. Location: CCI Lyon Métropole Saint-Etienne Roanne Palais du Commerce Organiser: CCI Lyon Métropole www.forum-cci-international.com
12-23	ISHKA World Tour: Virtual Aviation Finance Networking Series This virtual event is a networking and idea hub for the aviation finance industry which aims to bring the global community together. Organiser: ISHKA www.ishkaglobal.com/Events/Event/89/Ishka-World-Tour
13-14	HighTech Venture Days 2020 Europe's leading match-making and funding programme for European high-tech companies and international investors. Location: Die Glaeserne Manufaktur Organiser: HighTech Startbahn GmbH www.hightech-venture-days.com
14-16	Connecticut Maritime Association (CMA) Shipping 2020 This three-day virtual event draws attendees from shipping hubs around the world. As a sponsor, InvestHK will have a speaking slot. Organiser: Informa Connect informaconnect.com/cma-shipping
15	NEW Tax Regime for Ship Leasing in Hong Kong This webinar will present the benefits of the new Hong Kong tax regime for ship leasing companies. Experts from PwC and InvestHK will share their insights. Organisers: PwC and InvestHK (by invitation only)
19-21	Canadian Innovation Exchange (CIX) 2020 Digital Summit This online interactive platform will connect with some of the most promising startups in Canada. Organiser: CIX www.cixsummit.com/2020/
28-29	Digital Insurance Agenda (DIA) Conference An InsurTech festivals to connect insurance pioneers worldwide. InvestHK is a corporate partner with a speaking slot, and will host a workshop for InsurTechs who are keen on expanding to Asia. Location: Amsterdam, The Netherlands Organiser: DIA next.digitalinsuranceagenda.com/dia-amsterdam-2020/want-to-attend

NOV

2-6	Hong Kong FinTech Week 2020 The virtual week-long event that features multi-track conferences, the FinTechHK Global Final, the Global Fast Track Programme, exhibitions, deal floors, networking events, demo shows and more. Organiser: InvestHK www.FinTechweek.hk
3-4	Cyberport Venture Capital Forum (CVCF) 2020 This virtual forum will discuss the latest tech venturing trends and outlook, and what drives the next smart deal opportunity. Organiser: Hong Kong Cyberport cvcf.cyberport.hk
5-10	China International Import Expo (CIIE) CIIE facilitates countries and regions all over the world to strengthen economic cooperation and global trade for economic growth. Location: National Exhibition and Convention Centre, Shanghai Organisers: Ministry of Commerce of the People's Republic of China, Shanghai Municipal People's Government www.ciie.org/zbh/en/
6	FinTech Webinar for Japanese companies The webinar is to introduce the latest Hong Kong FinTech market, including case study by virtual banks, the tips for Japanese FinTech companies to do fundraising in Hong Kong. Time: 2-3pm (HKT) Organisers: InvestHK, FinTech Association of Japan

9-13	Digital Week First online event presented by Cosmoprof Asia that offers international companies to participate and present to worldwide trade professionals. Organisers: Cosmoprof Asia Ltd, BolognaFiere Group, Informa Markets Asia Ltd. www.cosmoprof-asia.com/en-us/
11-13	Restaurant and Bar Hong Kong (RBHK) x Gourmet Asia Featuring exclusive food and drinks as well as gourmet products, the event will attract culinary experts, beverage masters and restaurant owners. Location: Hong Kong Convention and Exhibition Centre Organiser: Informa Markets www.rbhk-ga.com
17	DxPx Diagnostic Partnering Conference The international Diagnostics and Research Tools Partnering Conference adapts the well-established pharma partnering concept to fit the specific needs of the diagnostics (Dx) and research tools industry. Location: Maritim Hotel Düsseldorf Organiser: SLS Partnering GmbH dxpx-conference.com
17-18	Asian Logistics, Maritime and Aviation Conference (ALMAC) 2020 Taking place online this year, the annual event will discuss the latest trends and business opportunities in Asia's logistics, air cargo, supply-chain management and maritime industries. Organisers: The Government of the Hong Kong SAR, HKTDC www.hktdc.com/ncs/almac2020/en/main/index.html
24	"The Business of Sports and Leisure in Hong Kong and the GBA" Event Experts from a range of companies and organisations will share the opportunities in the sectors of sports and leisure including live sports, eSports, and all kinds of events in Hong Kong and the Greater Bay Area. Location: Utrecht, The Netherlands Organisers: InvestHK and Netherlands Hong Kong Business Association (by invitation only)
26-27	FIN Portugal 2020 A global networking event that aims to establish a strong network of cooperation with events in Europe, Asia and America. InvestHK will have a booth and a speaking slot. Location: OCC-Portuguese Professional Accountancy Organisation's Building, Porto Organiser: Association of Young Entrepreneurs Portugal-China www.finportugal.com
30 Nov 1 Dec	Belt and Road Summit 2020 The summit gathers senior government officials and business leaders from countries along and beyond the Belt and Road to exchange insights on multilateral cooperation and explore concrete business opportunities. Location: Hong Kong Convention and Exhibition Centre Organisers: The Government of the Hong Kong SAR, HKTDC www.beltandroadsummit.hk

DEC

1-3	Web Summit Conference This virtual conference will focus on internet technology, emerging technologies, and venture capitalism. Organiser: Web Summit www.websummit.com
8-9	Family Office Forum The Zurich edition of the forum is the annual international meeting place for Swiss-based and international private family offices and ultra-high net worth individuals (UHNWIs) from all over the world. Location: Dolder Grand Hotel Organiser: Prestel&Partner prestelandpartner.com/familyofficeforumzurich.html

See more events at



Organised by InvestHK

Visit investhk.gov.hk for details

Realise your Belt and Road Expansions through Hong Kong

The Belt and Road Initiative is a far-sighted vision for inclusive international cooperation in the 21st Century unveiled by President Xi Jinping in 2013. It comprises the land-based Silk Road Economic Belt and the ocean-going 21st Century Maritime Silk Road, spanning countries across different continents.

As a key link for the initiative, Hong Kong's strengths as a highly connected, global financial centre and professional services hub with robust government-to-government, business-to-business and people-to-people links all along the Belt and Road routes from Asia to Europe and beyond will create unprecedented opportunities.

Invest Hong Kong will publish a booklet later this year to demonstrate how businesses can use Hong Kong to realise their Belt and Road ambitions. It will include key facts and figures as well as case studies and useful links. We see four key areas of opportunities: financial services, research and development (R&D), legal and arbitration and the digital Belt and Road.



Financial Services

Hong Kong is a leading global financial centre with liquid capital markets, a fully convertible currency and the free flows of goods, information and people. It is consistently ranked among the world's leaders in terms of stock market capitalisation, Initial Public Offering fund-raising, asset management, banking and insurance. Located at the heart of Asia, Hong Kong is fully plugged into the round-the-clock global financial trading cycle, providing sure and seamless connectivity with major financial hubs in Europe and North America as well as countries along the Belt and Road. As China's global financial hub, Hong Kong is well-established as the largest offshore Renminbi business centre and a vanguard for the ongoing internationalisation of the Renminbi and cross-boundary financial connectivity through various Stock Connect and Bond Connect schemes.





Research and Development

Hong Kong's capacity to innovate is supported by excellent connectivity with Mainland China and the rest of the world, strong R&D capability, world-class universities, and a robust intellectual property protection. The Government strives to create a vibrant ecosystem with excellent software and hardware support for industry players to collaborate on research, development and innovation. Hong Kong is fast becoming a startup hub for technology firms. The Government helps nurture a conducive environment for technology startups in collaboration with local R&D institutions and universities. Government initiatives include targeted funding programmes, (e.g. a dedicated venture fund programme to attract venture capital investment), tax relief to encourage R&D investment, research clusters in key technology area, and collaboration with the neighbouring Shenzhen Municipal People's Government to develop the Hong Kong-Shenzhen Innovation and Technology Park.

The Government is promoting innovation and technology development along eight major areas: increasing resources for R&D, pooling technology talent, providing investment funding and I&T infrastructure, reviewing existing legislation and regulations, opening up government data, leading changes to procurement arrangements, and popularising science education. So far, we have committed over \$100 billion for different initiatives in these eight areas.



Legal and Arbitration Hub

Home to a wide variety of legal services professionals and eminent international and regional organisations specialising in legal and dispute resolution services, Hong Kong's deep and broad pool of local and international legal talent contributes to the city's status as a location of choice for deal making and dispute resolution. The city's mature legal infrastructure, key to

the robust protection of private property rights (including intellectual property rights), is integral to Hong Kong's success as a business and financial hub in Asia. Hong Kong ranks No.2 in Asia for judicial independence according to the World Economic Forum's Global Competitiveness Report 2019; ranks No.2 in Asia and No. 11 globally in respect of the rule of law in the Worldwide Governance Indicators project of the World Bank Group and; ranks No.1 in Asia and No.3 Globally in the Human Freedom Index 2019 (Cato Institute) by scoring 8.81 (out of 10), with the scores on Judicial Independence at 8.6 and Integrity of the Legal System at 8.3.

Hong Kong is a prime venue for dispute resolution through arbitration and mediation. Hong Kong arbitral awards are enforceable in over 160 Contracting States to the New York Convention. This is complemented by respective arrangements for reciprocal enforcement with Mainland China and Macao. Since 2015, Hong Kong has been among the top 5 preferred seats for arbitration globally according to the International Arbitration Surveys conducted by Queen Mary University of London.



Digital Belt and Road

Digital technology is a new driver for future economic development and is increasingly becoming a key to the cooperation among Belt and Road countries. Hong Kong's commitments on digital infrastructure and smart city development makes it an important player in the development of the Digital Silk Road. Hong Kong is a leading digital economy, consistently achieving top rankings in digital readiness and internet access capabilities. Hong Kong has 11 submarine cable systems and operates 11 satellites for external communications. Several submarine cable systems will be ready in the coming two to three years, enhancing the city's connectivity with other parts of the world. Major telecom operators already launched 5G services in Hong Kong in Q2 2020.

The above are just some of the many reasons why companies choose Hong Kong to expand along the Belt and Road. If you are interested to receive more information of the booklet, please contact:

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Smart Government Innovation Lab - Facilitating Adoption of Innovative Technology Solutions in Government Departments



The HKSAR Government has long been fostering the development of innovation and technology (I&T) in Hong Kong. It has formally implemented a new pro-innovation procurement policy in April 2019 to encourage government departments, among other things, to give weight to innovative suggestions submitted by bidders for assessing tender proposals, and departments should in general not include bidders' experience as a mandatory requirement for participating in procurement. The Office of the Government Chief Information Officer also established the Smart Government Innovation Lab (Smart Lab) in April 2019 to encourage and facilitate wider adoption of I&T in government departments, and promote active participation of industry players to assist departments in adopting various information technology solutions to improve public services. Coupling with the new pro-innovation government procurement policy, the Smart Lab creates more business opportunities for the local industry.

Connect government departments and industry players

The Smart Lab has set up a thematic website (www.smartlab.gov.hk) setting out the challenges faced by different public services and inviting industry players to submit technology solutions and product suggestions.

The Smart Lab has also set up an industry liaison office at Cyberport, Hong Kong to showcase and display some technologies that are being or have been successfully tested by government departments, with a view to inspiring application by more departments.

To connect and facilitate industry involvement, the Smart Lab organises regular technology forums which not only invite industry players to introduce their technical solutions to government departments, but also help them better understand the needs of the Government and submit proposals on suitable areas to the Smart Lab. As of September 2020, the Smart Lab has organised five technology forums, including two online forums,

in collaboration with Cyberport, the Hong Kong Science Park and the Hong Kong Productivity Council. Over 1,760 participants joined the forums.

Inspire and co-create

To address business needs of various government departments, the Smart Lab actively sources suitable technology solutions through exchanges with the I&T industry. It also arranges thematic workshops and proof-of-concept testing on suitable solutions to enhance relevant departments' understanding of solutions and products that address their needs, thus facilitating them to draw up procurement requirements more effectively. Feedback will also be provided to solution providers to facilitate further development of the products to better cope with user requirements and market needs. So far, the Smart Lab has matched a total of 34 business needs with solutions, and in the process, 44 thematic workshops and proof-of-concept testing on 19 solutions have been arranged for relevant departments, and a total of 8 projects are being planned for or in the progress of pilot implementation.

Riding on the progress made, the Smart Lab will continue to strengthen collaboration with government departments and industry players, facilitating government departments to adopt innovative technologies to provide more convenient and people-oriented public services.



Engagement

Solution
Matching

Proof-of-
Concept

Adoption

Smart Government Innovation Lab



<https://www.smartlab.gov.hk/en/index.xhtml>



Fortnum & Mason Makes its Overseas Debut in Hong Kong

From Piccadilly to Hong Kong, Fortnum & Mason brings centuries of food and drink expertise to Asia with its first standalone store in Asia.

Fortnum & Mason (Fortnum's) has been an icon of British luxury for over three hundred years. Founded in 1707 in Piccadilly of London, the brand is known for its heritage of selling tea, artisan foods and extraordinary gifts such as the hamper and for having served 12 monarchs. For the first time in 312 years, Fortnum's made its debut and opened its first international flagship in Hong Kong in November 2019.

Fortnum's products have been sold in Hong Kong through partnering with high-end department store. Ewan Venters, Chief Executive Officer of Fortnum & Mason, said that the encouraging performance was a deciding factor for the brand to come to Hong Kong, "we have traded in Asia for nearly 40 years, and we realise the demand for our products was so strong that we felt it was time to open a new destination flagship shop and restaurant in Hong Kong."



Hong Kong has a strong base of sophisticated local consumers who are familiar with international brands and welcome cosmopolitan dining culture, coupled with visitors coming to the city from all over the world. Venters remarked, "we are thrilled to be able to offer customers in Hong Kong and from all parts of the world an opportunity to see Fortnum & Mason at its absolute best."

An important showcase for Asian market

Located at Victoria Dockside, along with the stunning Tsim Sha Tsui's harbourfront, Fortnum's flagship store spans across two floors with a total of 7,000 square feet. On the ground floor is a dedicated retail space featuring a wide arrange of products as well as a tea-station for customers to learn and experience its tea products. Upstairs hosts Fortnum's very own restaurant 181, named after its flagship's address in Piccadilly, serving modern cuisine including Fortnum's famous afternoon tea with the breathtaking view of Victoria Harbour setting as the backdrop.

To Venters, Hong Kong is an excellent place for the brand to strengthen its exposure in the Asian market. "We are very passionate about the

role that Hong Kong plays as a dining hub in Asia. It's a fabulous showcase for Asian customers to better understand the brand, as we then start to consider where else within Asia that we might want to expand," he said.

Carmen Chiu, Regional Managing Director, Asia Pacific, said that a lot of dedication has been put into this very first store of Fortnum's in Asia. "We want to make sure that we are creating different experiences at every corner of the store," she said. "Our shop in Hong Kong will become the ultimate destination for local customers and tourists, so we have to ensure that we are delivering a successful story in Hong Kong, and start exploring other opportunities within the region."

She added that InvestHK has been one of the key advisors throughout their journey of launching its Hong Kong store. "There has been a lot of support and advice from InvestHK, including government regulations, the importations that we need to go through as well as some detailed market intelligence," she remarked. "Now we have opened the store, this partnership still continues."

Fortnum & Mason

- First founded in London's Piccadilly in 1707, Fortnum's opens its first overseas standalone store in Hong Kong in November 2019 with around 70 staff members

 fortnumandmason.com/hong-kong

“ We are very passionate about the role that Hong Kong plays as a dining hub in Asia. It's a fabulous showcase for Asian customers to better understand the brand, as we then start consider where else within Asia that we might want to expand. ”

Ewan Venters
Chief Executive Officer, Fortnum & Mason

Watch the video:



Sustaining Family Wealth for Future Generations

With Asia becoming the new centre for global wealth creation, Raffles Family Office accelerates expansion into Mainland China and Asia with its headquarters in Hong Kong.



While Chinese proverb says “wealth never lasts over three generations”, sustaining family wealth and asset across generations has been one of the many challenges for tycoons. Some high-net-worth individuals and members of elite family turn to professional help to ensure a sustainable transition of family legacy. Founded in 2016, Raffles Family Office (RFO) aims to create values for clients by offering purpose-driven asset and wealth management services to address their long-term legacy planning needs across generations.

Burgeoning family office market in Asia

Kwan Chi Man, Founder and CEO of RFO, sees rapid regional growth of family office market. “Asia is now home to the world’s fastest-growing high-net-worth individuals (HNWIs) population with 40 percent of billionaires from Mainland China,” he said. “Hong Kong serves as a dominant gateway to connect investors from Asia and global markets. It is an ideal place for us to engage prospects and clients on dialogues of their succession plans.”

Headquartered in Hong Kong with a presence in four markets in Asia, RFO provides a full-suite of family office solutions, including residency planning, investments, property sale and financing in addition to tax and legal advice. The Hong Kong office orchestrates the company’s corporate-level strategies as well as its regional and global development.

A resilient global financial hub

According to Kwan, Hong Kong is an ideal place for setting up family offices thanks to the government’s supportive policies. “The city’s transparent regulatory framework and its well-established legal system have earned trust from international communities,” he said, “its low tax rate and resilient banking sector are particularly attractive to investors.”

He added, “The abundant supply of highly-skilled talent in the financial industry is also a crucial aspect. Corporates can easily look for experienced employees with good track record. Their experiences and global exposure are essential for businesses to grow and flourish.”

Kwan also considers Hong Kong’s proximity to Mainland China a key advantage. He stated, “Hong Kong is well-situated as a major conduit between Mainland China and the world, offering channels for foreign investors to explore opportunities in the Chinese market. At the same time, the city benefits from an increasing amount of Chinese HNWIs looking to diversify their investments beyond Renminbi assets.” Kwan added that close to half of their client portfolio is from Mainland China.

In light of promising market growth, RFO has been putting effort in growing the business and aims to triple their team size in Hong Kong. He regards InvestHK as a resourceful partner alongside their growth. “InvestHK has been offering us policy updates and industry insights, as well as helping to promote our business abroad. Their support and assistance is essential for Hong Kong to become the leading family office hub in Asia.”

“**Hong Kong serves as a dominant gateway to connect investors from Asia and global markets. It is an ideal place for us to engage prospects and clients on dialogues of their succession plans.**”

Kwan Chi Man
Founder and CEO
Raffles Family Office

Raffles Family Office

- Headquartered in Hong Kong with around 60 staff members with solid experiences in operations, investment, compliance and front line
- Plans to set up offices in Shanghai, Beijing and Chengdu to serve the Chinese market of HNWIs

 rafflesgroup.co

Shopee's Localisation Strategy for Driving eCommerce Success

Seeing growth spurts in Asia's eCommerce, Shopee adopts a unique market approach for targeted markets in Southeast Asia and Taiwan.



“ Hong Kong has sophisticated logistic infrastructure that supports our supply chain operation, allowing us to build better services for our cross-border eCommerce. ”

Jianghong Liu
Head of Cross Border
Shopee

With accelerated adoption of internet and technologies, eCommerce business is poised to expand in an unprecedented scale. A major eCommerce platform in Southeast Asia, Shopee sees tremendous growth since its establishment in 2015, and is planning to further scale up its global operation, with Hong Kong and Mainland China as one of its priorities serving sellers with distribution channels in Southeast Asia.

Shopee is an online marketplace where sellers can set up an online shop and list their products on its platform, helping them to explore new markets. It supports sellers with one-stop solution including promotion, logistic and payment for local and cross-border transactions. Seeing a high demand for Hong Kong based brands and products from its consumers, the company started recruiting Hong Kong sellers in 2018, including well-known brands and shops, which helped generate good traction and confidence for Hong Kong sellers for their expansions into Southeast Asian market.

Logistics and location are the key for eCommerce

According to Jianghong Liu, Head of Cross Border at Shopee, Hong Kong is a strategic location for Shopee for its status as Asia's eCommerce hub. Shopee has established an operation to provide consultant support to sellers, such as Southeast Asian market analysis and business development advice. They are also planning to organise events such as seller workshop for idea and strategy exchange.

In addition, Shopee has also built its own logistic centre, Shopee Logistics Services (SLS) in the city. “Logistics is crucial for eCommerce business,” Liu said, “Hong Kong has sophisticated logistic infrastructure that supports our supply chain operation, allowing us to build better services for our cross-border eCommerce. Also, the city's proximity to Taiwan and Southeast Asia gives us advantages to reach our customers within short flight time. The city also offers wide range of payment options with high internet penetration rate to facilitate eCommerce business.”

He added, “Moreover, Hong Kong is geographically close to Southeast Asia and Taiwan and operates in the similar time zone, all these advantages have been instrumental for Shopee's operation in Hong Kong.”

Localisation: the formula for success

Liu shared that localisation is Shopee's key to success. Besides setting up a local team to serve its seller partners in different markets, the company also develops customised standalone mobile app for different markets. “With our local teams in place, we formulate localisation strategies at different levels, such as launching customised product selection, service portals and marketing campaigns in different regions,” Liu explained, adding that they are planning to double the size of the Hong Kong team to support its operation.

Liu expressed great appreciation for InvestHK's effort in accelerating their growth. “InvestHK has been a good partner offering us networking opportunities and PR support. They introduced us to relevant government departments and funding schemes and are working together with us to promote eCommerce ecosystems through webinars and other activities. There are a lot of synergies between us and we are looking forward to more collaborations.”

Shopee

- Shopee is one of the main eCommerce portals in Southeast Asia and Taiwan
- Its business covers Singapore, Malaysia, Philippines, Taiwan, Indonesia, Thailand and Vietnam
- It has offices in Shenzhen, Shanghai and Hong Kong providing cross border eCommerce services

 shopee.com

Stepping up in the Asian Gaming Market via Hong Kong

Italian gaming company Digital Bros relocates RHQ to Hong Kong with a goal to maximise its market share in APAC.



“The city is a strategic location for us to connect the gaming industry players in the East and the West, helping independent developers from both regions to go global while introducing our own IPs into Mainland China and Asia.”

Thomas Rosenthal
General Manager of Asia Pacific
Digital Bros

The gaming industry is seeing tremendous growth in revenue in recent years. Digital Bros is one of the many that flourishes in this rising trend. Founded in 1989 and headquartered in Milan, the digital entertainment company strives for delivering unique experiences to gamers across the globe.

Digital Bros is one of the few in the industry that engages along the whole value chain of gaming industry from developing and publishing to distributing games through digital and retail channel. It forms partnerships with potential developers and provide them with all sorts of support such as funding and marketing.

In July 2020, the company's subsidiary 505 Games announced its partnership with X.D. Network Inc., a Hong Kong-listed top-tier Chinese game developer, to publish the mobile version of sandbox hit Terraria in Mainland China, Hong Kong, Macao and Taiwan. With its ongoing effort and investment in the region, 505 Games has been awarded as the No. 1 Publisher of the Year in 2019 by Metacritic, as well as the Publisher of the Year in China by Baidu App.

Prominent market for pay-to-play games

Digital Bros relocated its regional headquarters (RHQ) from Shenzhen to Hong Kong in 2019 for a number of reasons. “The gaming market in Hong Kong is a hybrid between console and mobile supported by local gamers with high purchasing power,

in particular, for console games. Pay-to-play PC and console games account for 40 percent of overall gaming consumption,” said Thomas Rosenthal, General Manager of Asia Pacific at Digital Bros, “the local market already fits perfectly with our core strength in PC and console games.”

Apart from the local market, the opportunities arising from the Guangdong-Hong Kong-Macao Greater Bay Area is also a determining factor for choosing Hong Kong as its RHQ location. According to Rosenthal, while two-third of the gaming revenues in Mainland China is generated from the Guangdong Province, Hong Kong being an integral part of this region is the perfect location for Digital Bros to tackle both Chinese and overseas businesses. “Setting foot in Hong Kong enables us to build on our knowledge of the Chinese market with a global perspective,” Rosenthal remarked, “it allows us to manage our business activities and partnerships across the border more easily.”

He added, “The city offers a lot as a business hub in areas like the rule of law, market stability, human resources quality, logistic efficiency and easy data transfer. It is a strategic location for us to connect the gaming industry players in the East and the West, helping independent developers from both regions to go global while introducing our own IPs into Mainland China and Asia.”

Digital Bros is now looking to expand its network of licensees in the Asia Pacific region and increasingly focusing on direct releases on multiple platforms, and Hong

Kong will be an important base for offering operations, PR and digital marketing support. In the long run, the group hopes to increase production and publishing capabilities for supporting publishing and development activities in the region, particularly for games sourced in Asia.

Rosenthal regards InvestHK as an important partner for its expansion plan. “InvestHK has been providing support to us from the very beginning, opening doors for us to make new connections. The team offered us high-quality advisory with their experiences in the creative industry, which is not something you can typically expect in any FDI organisation,” he concluded.

Digital Bros

- Digital Bros is listed on the Milan Stock Exchange since 2000
- The company is active around the world through its own direct operations in Italy, the US, the UK, France, Spain, Germany, Mainland China, Hong Kong and Japan with approximately 200 employees

 digitalbros.com

Powering Up Businesses Communications with New Technologies

Leveraging Hong Kong's status as an ICT hub, DYXnet eyes expansion in Mainland China and Asia Pacific Region for its robust development in new technologies and IT infrastructure.



Businesses rely heavily on technology for communications in various means. From email, instant message to phone and video conference, a fast and reliable network connection is pivotal. Headquartered in Hong Kong, DYXnet is one of the leading-carrier-neutral network service providers in Greater China, specialising in enterprise network and IT solutions to support over 1,700 enterprises and global carriers in Asia.

DYXnet's enterprise network solutions include Multiprotocol Label Switching (MPLS), software-defined WAN (SD-WAN), internet access, data center services, and network security solutions. To help customers strengthen their operational backbone, DYXnet extended their service offerings to Cloud Solutions in 2020, and became the first authorised reseller of Zoom, the US-based video conferencing cloud platform, which dedicated to the Hong Kong market.

Tony Tsang, CEO of DYXnet Group, sees great opportunity in the market with the acceleration of digital adoption. "There has been a rising demand for data storage and transfer services within business organisations, especially when remote working has become a new trend. We have been continuously investing in network and cloud technologies to help clients come up with plans for business continuity."

A supportive government for I&T development

DYXnet has been delighted to see the support to IT industry from the government since setting up its headquarters in Hong Kong 20 years ago. "The government has put a lot of effort in propelling the innovation and technology (I&T) development in the city, rolling out a list of incubation and subsidiary programmes to encourage collaboration within the industry," Tsang said, "at the same time, we are actively exploring opportunities with local universities to work on the innovation of our products and service."

According to Tsang, DYXnet has also been benefitted from an increased interaction

with neighbouring Mainland Chinese cities. "The Guangdong-Hong Kong-Macao Greater Bay Area has grown into an ecosystem with an abundant supply of technological resources. The advent of new technologies such as 5G, AI and Big Data has led to a growing demand for more robust IT infrastructures which we can offer professional and reliable cross-border network solutions to those companies with our leading position in Greater China," he said. "Hong Kong's position as a communication hub facilitates our business operations within Asia, as well as serving as a good test bed for our products to enter the much bigger Mainland China and international markets."

A diverse multicultural talent pool

With its core management team based in Hong Kong, DYXnet also leverages the rich technology talent pool with a mix of local

and overseas expertise, as Tsang said, "they are hardworking and skillful, equipped with a good understanding of the development in Mainland China and other parts of the world. Their visions allow us to bridge the gap in serving our overseas customers in Mainland China."

Looking ahead, DYXnet plans to build a bigger team in Hong Kong to facilitate its international expansion. Tsang expresses his gratitude to InvestHK being a resourceful partner in their business development, "InvestHK has provided us with local industry analysis to gain more insight into the technological developments in Hong Kong. We are also invited to participate in different events to build connections with business partners and startup communities."

“Hong Kong's position as a communication hub facilitates our business operations within Asia, as well as serving as a good test bed for our products to enter the much bigger Mainland China and international markets.”

Tony Tsang
CEO
DYXnet Group

DYXnet Group

- DYXnet is operating a core network with nearly 50 points of presence in Asia, Europe and the U.S.
- The Hong Kong office houses over 80 staff covering different functions including CEO Office, Sales, Marketing, HR & Admin, finance, product development, quality management, network operation and information system, etc.
- DYXnet has partnered with Zoom as their first authorised reseller dedicated to the Hong Kong market since 2020

 dixnet.com



Professional Guidance on Asian Expansion

Tricor helps companies accelerate growth in Asia with an agile adoption of digital strategies.

With Asia becoming the powerhouse for global economic growth, many businesses hope for a presence in the region across emerging markets. A leading business expansion specialist in Asia, Tricor helps clients manoeuvre from startup to IPO and beyond with business expansion solutions, including integrated business management advisory, corporate administration and secretarial services, trust and fiduciary services, and human resource consultation.

Headquartered in Hong Kong with 47 offices across the world, Tricor strives to advance its services by adopting a digital-first approach, deploying cutting-edge technology to accommodate companies' business transformation. From corporate governance to human resources and recruitment, Tricor provides companies with all stages of digital solutions covering the entire business cycle.

With virtual meeting becoming more common, Tricor recently launched the city's first full-function eAGM platform named SPOT. SPOT allows listed companies, NGOs and other corporate bodies to conduct hybrid meetings securely, enabling functions including e-voting, e-proxy and live-streaming.

Hong Kong - a tech-friendly city bridging Chinese and international markets

According to Joe Wan, CEO of Tricor Hong Kong, Hong Kong plays a vital part in connecting overseas enterprises with Chinese businesses, as the government initiatives benefit Tricor to facilitate its business growth in the region. "The Guangdong-Hong Kong-Macao Greater Bay Area provides a robust opportunity for foreign enterprises to enter the Chinese market," he said. "Through engaging in strategic acquisitions and forward-thinking partnerships with market leaders, we lead our clients into the region while offering them the right tools to grow."

“With a vast tech development in areas such as FinTech and Smart City, Hong Kong is becoming a leading center of innovation.”

Joe Wan
CEO
Tricor Hong Kong

"At the same time, we have been putting effort in accelerating the outbound investment in Mainland China, assisting with the growth of Chinese firms in a national and global scale," he added.

Wan is also optimistic about the increased technology adoption in Hong Kong. "The use of technology provides a win-win situation to customers, businesses and the overall economic development of Hong Kong. With a vast tech development in areas such as FinTech and Smart City, Hong Kong is becoming a leading center of innovation," Wan said, adding that Tricor has partnered with Hong Kong Cyberport to provide incubation support to startups and SMEs.

He added, "The rich pool of talent available in Hong Kong are equipped with a wealth of industry expertise and global mindset. Their familiarity with both Chinese and Western cultures allows

us to play a bigger role in facilitating more interactions between Chinese and overseas businesses."

Having operated in Hong Kong for more than 20 years, Tricor now houses more than 700 staff members in the city, mainly responsible for overseeing the company's global operation. Moving forward, Tricor is looking to enhance the features and functions of its eAGM services to offer more flexibility in remote working.

Wan appreciates the support offered by InvestHK in facilitating their business development, as he concluded, "Tricor and InvestHK share a common vision to strengthen Hong Kong's status as the leading international business location in Asia. The team has provided us with publicity and networking support that made our expansion into the region much easier."

Tricor Hong Kong

- Backed by the U.K. global Investment Group Permira, Tricor serves over 10,000 clients across multiple industries globally
- Tricor acquired Richful Deyong in 2019 to support its provision of business services in Mainland China
- Tricor formed a strategic partnership with 3HK, City University of Hong Kong, Microsoft Hong Kong and TFI in 2020 on transforming investor relations digitally pioneering virtual general meeting system to drive a new chapter for smart city

tricorglobal.com

“

With a forward-thinking regulator that promotes innovation, Hong Kong is one of the most digitally progressive cities in the world. And it's exactly where Fenergo should and wants to be.

”

Stanley Yu
Sales Director
Fenergo



Powering Client Lifecycle Journey

Fenergo helps financial institutions manage clients through every stage of the client lifecycle with a single and efficient platform.

Founded in Ireland, Fenergo is a Client Lifecycle Management technology firm that digitally enables financial institutions around the world to optimise customer experiences. The company's software manages customer journey through every stage of the client lifecycle from client onboarding to account maintenance, to ongoing KYC compliance reviews, ensuring the entire journey is compliant throughout every stage.

Compliant solutions across the board

"Our clients are business and technology leaders in financial institutions all across the world," said Stanley Yu, Fenergo's sales director. "They want a better way to onboard customers and allow digital and remote account opening in a way that is completely compliant with all relevant anti-money laundering, 'know your customer' regulations, and other pertinent regulatory rules, such as data privacy and tax compliance. This empowers them to compete for market and wallet share based on being able to deliver a better customer experience—first time, every time."

Fenergo's global community is strengthened through forums, roundtables and client councils. These events bring together leaders to help identify opportunities and threats that can be developed into regulatory and product roadmap updates. Recently, Fenergo launched a "software as a service" (SaaS)

version of its Client Lifecycle Management platform named Fen-Xcelerate for smaller and mid-tier banks.

The new Hong Kong office will initially focus on sales and pre-sales expertise with ambitions to develop into a full-scale professional services and customer success hub. "Hong Kong is the home of digital transformation," stated Yu. "It continues to develop a strong and vibrant financial services ecosystem, which includes vendors from all across the customer lifecycle, offering an array of different propositions. With a forward-thinking regulator that promotes innovation, Hong Kong is one of the most digitally progressive cities in the world. And it's exactly where Fenergo should and wants to be."

Opportunities for Greater Bay Area growth

Fenergo aims to capitalise on the 2019 approval of eight virtual banks by the Hong Kong Monetary Authority (HKMA). "As for the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) initiative, HKMA's latest announcement on the Hong Kong China cross-boundary Wealth Management Connect offers Fenergo a massive opportunity," believed Yu. "The strategy allows Hong Kong banks to remotely onboard customers from the GBA for wealth investment products."

Yu feels that Hong Kong's universities produce a high calibre of graduates ideal for FinTech and RegTech companies.

"The FinTech Anti-epidemic Scheme for Talent Development (FAST) subsidy stimulus package recently launched by the government to hire FinTech professionals is a fantastic idea that will help stimulate employment in the field," he added. "We expect to see more companies to do business in Hong Kong in the near future. The city is resilient and has a strong track record in bouncing back after previous crises. We are confident that Hong Kong will remain as a critical economic and business hub for home grown and international companies that want to do business in Mainland China."

Fenergo

- Headquartered in Dublin, Fenergo is a global leader in Client Lifecycle Management that helps financial institutions to manage client and counterparty data through a single platform
- It operates in Asia Pacific, the Middle East, Europe and North America, with 13 offices around the world and a global team of 850 people

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

Cluster of Innovations is the Key to Expansion

In the past three years, Gleneagles Hospital Hong Kong has received recognition as a private healthcare leader with a number of firsts in innovative procedures and facilities.



is a pioneer in introducing fixed price packages, offering price transparency to Hong Kong's public. The package fee covers all costs related to the surgery or procedure, even in the situation if re-operation, intensive care, etc. is required due to complications related to the patient's condition. It was accredited by The Australian Council on Healthcare Standards in November 2019 – after a mere 33 months in operation. Earlier this year, it began implementing virtual consultation service, to address the needs of patients who

the Baby-Friendly Hospital Initiative, and more recently, opening the new Paediatric Intensive Care Unit to cater for babies and children with severe conditions. Meanwhile, the hospital is developing a patient app which will allow patients to access their medical records, make appointments, conduct wayfinding, etc easily and quickly.

Strength in numbers

"It has always been our vision to develop a system of healthcare centres – we never open a single hospital in a location," Schraven explained. "There are many benefits to a cluster of medical centres, including shared services and overhead. We intend to open more facilities in the Guangdong-Hong Kong-Macao Greater Bay Area, such as a medical centre with imaging capabilities in Zhuhai while Hong Kong will be the base. Eventually, we also intend to link up with Gleneagles hospitals in Chengdu and Shanghai as to build a network."

In the past three years that Schraven has been living and working in Hong Kong, he has worked closely with the city's medical professionals. "Hong Kong has high clinical standards. Working with HKU has been a big benefit. The city's pool of support professionals is also excellent," he concluded.

Gleneagles Hospital Hong Kong (Gleneagles) celebrated its third birthday in March 2020. Since it opened, the hospital has progressed from being a new brand to one with a loyal following of return patients. A joint venture between one of Asia's key integrated private healthcare groups Parkway Pantai and Hong Kong-listed NWS Holdings, Gleneagles' exclusive clinical partner is The University of Hong Kong (HKU). Today, the hospital provides a wide spectrum of medical services and innovative procedures, some of which are unique in Hong Kong.

Your peace of mind

From its outset, Gleneagles offered a transparent fee structure, with a current list of over 250 all-inclusive fixed price packages for patients seeking treatment in the 500-bed hospital. The hospital

may be particularly concerned about attending medical consultations during the pandemic. In March 2019, it opened a satellite medical clinic in Central, and plans to move to a more spacious location in the same district in September this year. Today, Gleneagles employs some 1,200 staff members.

"There is room for innovation in Hong Kong's private healthcare sector," Dirk Schraven, Chief Executive Officer, stated. "We want to be a leader in innovation." He cites a number of firsts in private hospitals in Hong Kong including launching inpatient Behavioural Health service, performing hyperthermic intraperitoneal chemotherapy – a therapy in which heated chemotherapy solution is delivered into patient's abdominal cavity after surgery – for ovarian cancer patients, participating in

“ There is room for innovation in Hong Kong's private healthcare sector and we want to be a leader in innovation. ”

Dirk Schraven

Chief Executive Officer

Gleneagles Hospital Hong Kong

Gleneagles

- In the past three years since opening, Gleneagles Hospital Hong Kong has been a pioneer introducing over 250 all-inclusive fixed-price and transparent medical packages and fee estimation for all patients before admission

 gleneagles.hk

Communications and Logistic Partner for Small Businesses

Mail Boxes Etc. helps SMEs by providing simple logistic solution with reliable and cost effective courier and print services.



“

SMEs constitute over 98 percent of the business establishments in the city and because of this strong customer base, we were able to reach breakeven after six months of opening our pilot shop in Sheung Wan.”

**Denis Makkaveev,
General Manager**

Creative Investment Group Limited (Master Franchisee of Mail Boxes Etc. in Hong Kong)

Every company understands that the path to success is great communication. If potential customers are unaware of them, then the business will be at risk. Mail Boxes Etc. (MBE) was established to help companies of all sizes communicate succinctly at reasonable costs and minimum shipping risk. It concentrates on the key components of communication including logistics through couriered documents and printing through effective designs for its customers.

Simple, hassle-free logistic process with worldwide network

Operating as a franchise model, MBE's core business in Hong Kong includes packing, shipping and fulfilment; design and printing; mailbox and virtual office; as well as relocation and apostille service. The company chose Sheung Wan to open its pilot shop in Hong Kong in 2018. Responding to increasing demand, it followed with its flagship store in Great Eagle Centre in Wanchai opened in June 2020.

“In Hong Kong, SMEs often struggles when dealing with big companies that provide international courier or mass printing,” explained Denis Makkaveev, General

Manager of Creative Investment Group Limited, Master Franchisee of Mail Boxes Etc. “SMEs constitute over 98 percent of the business establishments in the city and because of this strong customer base, we were able to reached breakeven after six months of opening our pilot shop in Sheung Wan. We focus on excellent service, compared to big service providers that opt for price competition.”

Capitalising on its initial success, Makkaveev opened MBE's flagship store adjacent to Hong Kong Convention and Exhibition Centre to facilitate potential opportunities with exhibition participants and attendees. “With our growing number of business clients, we are getting requests for multi-modal shipments to Europe via sea and rail,” he noted. “With our proven track record over the past couple of years, MBE's business model is ready for further development in the city. And as our medium term goal is franchising, we are now seeking local entrepreneurs to open more stores in more districts in Hong Kong.”

Home of entrepreneurs for franchise opportunities

Makkaveev feels that Hong Kong is home to many budding young entrepreneurs. “I believe there are enough to fulfill MBE's

quality service niche,” Makkaveev stated. “We have tripled the number of our team since our pilot store opened. All of our employees were trained by professionals from our overseas team. This year, our staff members will participate in a new franchisee's education programme.”

With assistance from InvestHK in areas including work visas applications, contacts provision and guidance for securing a premium flagship store location, “Hong Kong is such a special place with a unique cultural mix,” Makkaveev said.

Mail Boxes Etc.

- With its first retail store open in 1980 in the US, Mail Boxes Etc. today operates more than 1,600 stores in 44 countries
- Its Hong Kong flagship store offers shipping, courier, printing, mailbox, virtual office and apostille services, with plans to open 30 more outlets in the upcoming five years

 mbehk.com



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