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HONG KONG BUSINESS REPORT

BUSINESS OF CULTURE

ART PAINTS A ROSY PICTURE OF THE CITY'S CULTURAL ECONOMY

With auction houses clocking record sales, art week events back in full force, and large-scale installations popping up around the city, the cultural landscape is looking increasingly colourful, writes **Amanda Sheppard**

After a long and drawn-out pandemic period, talk of Hong Kong's resurgence has ballooned into a full-fledged choral celebration, with upbeat voices echoing across several of the city's business sectors.

And they could not come soon enough: the city's economy contracted by 6.1 per cent in 2020, according to a report by the Hong Kong Monetary Authority.

But better forecasts are finally on the horizon, and the International Monetary Foundation predicts GDP growth

of up to 3.5 per cent for 2023-24. In few industries has this bounce back been more evident than in the art world.

In 2022, Sotheby's Hong Kong sold US\$1.1 billion of art and luxury across all categories – matching a surprise pandemic-era record set a year earlier.

“So that gives you a pretty clear record of the market overall,” said Alex Branczik, the auction house's senior director and chairman of modern and contemporary art for Asia. “Despite Covid – and maybe

even in some ways because of the pandemic – 2022 was a record year for the company. Given that the first half of that year the borders were closed, and the first quarter in particular was very difficult, I think it shows a real resilience in our market.”

This year marks Sotheby's 50th in operation in Asia, and with it a pivot to a more global landscape.

“If you look back 10 years to 2013 at the make-up of our 40th anniversary sale, there wasn't a single Western artist. It was all Asian modern and Asian contemporary – both Chinese modern and the big name Chinese contemporary artists of the 20th century,” added Branczik.

“We sold Zeng Fanzhi's *Last Supper* for over US\$20 million.”

But there has been a shift in the last decade, he continued, pointing towards an increasing number of Asian collectors following more global trends.

At Art Basel Hong Kong, the works are primarily going to Asian collectors and Asian institutions, according to fair director Angelle Siyang-Le.

“That is what we would like to see for our international galleries – what they want to do in Asia is to really find great collectors and collections and to place their artworks and artists in our region,” she added.

“That's part of my way of measuring success.”

Hosted this March – in full for the first time in four years – the 2023 fair surpassed her expectations, Siyang-Le admitted. Art Basel 2023 featured 177 galleries from 31 countries and territories, an impressive feat considering that a seven-day quarantine period was still in place while applications were being submitted. With an attendance of around 86,000



Japan's multisensory TeamLab Future Park is set to open at MegaBox in Kowloon Bay next month. Photo: Handout

“Art week was ... less about competing with one another and all [about showing] Hong Kong at its best

ALEX BRANCZIK, SOTHEBY'S

across the five days, the 2023 edition of Art Basel showed that Hong Kong's vitality is back in full force, she said.

Sales from this year's fair also add weight to Siyang-Le's sentiments. Galleries across the board reported strong takings, including LGDR which sold a

kinetic sculpture, *S.2122*, by digital artist Beeple at an asking price of US\$9 million. And at Kwai Fung Hin Art Gallery an ink painting by Li Huayi and an oil on canvas work from Lalan each sold for between US\$5 million and US\$6 million.

But sales are not the only factor driving the resurgence of Hong Kong's cultural climate. After so many years of disruption, the on-the-ground response to the other events that make up the fringe Hong Kong art week was palpable.

“[Art week] was an example of where it was in everybody's best interests to put their best foot forward,” said Branczik. “It was less about competing with one another and all [about showing] Hong Kong at its best.”

Away from that crucial week in late March, a reignition in public interest in art has been seen across the city. The recent return of Florentijn Hofman's large scale public art installation is one of many examples. Ten years after one of the Dutch artist's Insta-spiring giant yellow ducks first landed in the city, two more swam in Victoria Harbour



In 2023, Art Basel Hong Kong returned in full force following years of pandemic disruption. Photos: Art Basel

earlier this month – as the work *Double Ducks* – floating 18 metres tall and towering over the city's iconic Star Ferry vessels.

Meanwhile, the long-awaited opening of TeamLab Future Park – slated for early July – is another key example. The digital arts collective specialises in immersive experiences that allow visitors to interact with spaces as they are transformed through digital technologies.

Hong Kong will join the Japanese collective's international roster of exhibitions, with a 10,000 sq ft space at MegaBox in Kowloon Bay transformed into a multisensory journey – a crowd-pleasing addition to Hong Kong's increasingly collective cultural landscape.

“Future Park is an educational project based on the concept of collaborative creation,” said founder Toshiyuki Inoko.

“We believe that TeamLab's art has the power to transform the relationships between people in the same space into something more positive. This power can transform creative

activities, which tend to be individual, into co-creative activities with others.”

Digital art also played a prominent role in Art Basel 2023 Hong Kong, too – a trend that is apparently here to stay.

“This isn't going to be a Covid phenomenon,” added Siyang-Le. “Digital elements are going to grow. Moving forward [they] will be our focus, especially in Asia.”

As to whether Hong Kong's status as the region's cultural powerhouse has been maintained – or perhaps returned post-pandemic – Siyang-Le believes this is no longer in question. “The key collectors, art patrons, curators and artists returned to the city in a heartbeat. This is a great indicator of how many people had been waiting to see what Hong Kong [would be] like after the pandemic,” she said.

“The landscape has really grown, and grown healthily. [Hong Kong] is growing towards a world-class, comprehensive, healthy art ecosystem. And that is the base – a very solid foundation for us – to operate our business in Asia.”



Digital artist Beeple's S.2122 kinetic sculpture, accompanied by an NFT, was sold for US\$9 million at Art Basel this year. Photo: LGDR

INNOVATING FOR THE FUTURE

Setting a global example with the Northern Metropolis master plan

John Cremer

Hong Kong's plans to develop a large swathe of its territory as a Northern Metropolis are nothing if not bold. In broad outline, they call for the transformation of roughly 30,000 hectares of land into a new economic hub focused on innovation and technology (I&T), intended to drive further integration with Shenzhen and the Greater Bay Area (GBA).

The initiative is expected to span today's Yuen Long, Tin Shui Wai and Sheung Shui, as well as neighbouring rural areas and current “new development areas” (NDAs) such as Fanling North and Ping Che, Ta Kwu Ling.



Vic Yau Cheuk-hang, director of the Northern Metropolis Coordination Office. Photo: Handout

Change, though, is writ large, with the holistic concept for the mega-project also aiming to upgrade infrastructure, attract other industries, enhance community facilities, and boost housing supply with the construction of up to 900,000 new homes over the next 20 years or so.

It is a lot to digest and may seem a long way ahead.

However, the recent appointment of government official Vic Yau Cheuk-hang to lead the newly-established Northern Metropolis Coordination Office (NMCO) is the clearest sign yet that wheels are starting to turn.

The basic task set for the NMCO is to oversee planning and draw up a road map for development within the year. Its initial statement admits that it is a “mammoth undertaking”, which will require close liaison with bureaux and departments responsible for everything from housing supply and industry, to transport and ecological conservation.

The office also accepts the need to come up with innovative plans and land policies, and to engage with residents and mainland authorities.

Of course, with the NMCO set to swing into action, it sends a signal to all the other stakeholders – and there are many – to for what lies ahead.

Companies, whatever their size and sector, will be turning thoughts to the potential business and investment opportunities. Other groups will be raising valid questions about costs, funding and who gets a slice of the cake. Academic experts and the Hong Kong public will also want to know how all this proposed development can realise promises to limit environmental impact, support a greener economy, and activate low-carbon lifestyles.

Whether spurred by enthusiasm, concern or other imperatives, some organisations have wasted no time in stepping forward with advice and recommendations. For instance, in the latest of a series of reports, Colliers Hong Kong took a closer look in mid-June at the early plans for the San Tin Technopole, a 627-hectare area within the Northern Metropolis.

The Development Bureau has previously suggested the government could earmark 300 hectares near the mainland border for I&T enterprises and would consider adopting direct land grant methods, rather than open tendering in providing sites for interested organisations.

Given the massive scale of the project and the fast-changing nature of the tech industry, Colliers says flexibility is the key.

In this case, it means having mixed land disposal mechanisms

for the various phases of the development cycle. There could be direct land grants or private treaty grants in the initial phase, succeeded by restricted tender, two-envelope (for proposal and pricing) public tender, or public-private partnership (PPP) later on.

“Through PPP, the Northern Metropolis project can leverage private sector capital and expertise from I&T enterprises, while reducing pressure on public finance for a better allocation of risk,” said Kathy Lee, head of research at Colliers Hong Kong.

The report also emphasised the need for a competitive land price policy. The priority should be to create “affordable I&T space” without compromising public interest. And suitable measures should be in place to monitor the proper use of land and ensure all-round fairness.

In deciding on strategies in the crucial early stages, it also pays to have an in-depth understanding of the unique spatial and service requirements of companies in the target sectors – most likely small-to-medium-scale manufacturing, R&D, biomedicine, AI and data science.

With that in mind, Colliers HK also suggests shortening the tenure term for Technopole land grants from 50 to 30 years, allowing flexibility in plot ratios and floor area arrangements,



The Lok Ma Chau check point in northern Hong Kong, earmarked for development. Photo: May Tse

and incorporating all the facilities necessary to create a “human-centred community”.

Missteps can then be avoided, in particular the most painful: selling a grand vision which has insufficient appeal for investors, developers and intended users.

Approaching from a different angle, academics at Hong Kong University of Science (HKUST) and Technology's Institute for the Environment have also been quick to share opinions on the way ahead for the Northern Metropolis.

In a joint paper, the chief concern for Lu Zhongming, associate professor at HKUST's Division of Environment and Sustainability, and Faith Chan, associate professor at the University of Nottingham Ningbo, is not to squander the opportunity to make the project carbon-neutral, climate-resilient,

resource-efficient, and truly “liveable”.

It all starts, the authors note, with good planning, and depends on a highly transparent and collaborative process. This should involve both public and private sectors, seek input from academics, business leaders and affected communities, and make appropriate use of green finance, digital technologies, and global platforms which offer nature-based solutions for people working on the design and construction of the built environment.

By committing from the outset, the way is open to achieving ambitious sustainability targets and being an exemplar for other cities in China and around the world.

Lu and Chan make the point that commercial buildings consume a very significant portion of the electricity used in

Hong Kong. However, proper planning and the correct measures can make buildings very energy-efficient, with an immediate knock-on effect on the wider urban scale.

For maximum benefit, though, the supplier must provide “clean” electricity generated by the least polluting methods, while the distribution system and the buildings themselves must be highly efficient. That might seem a tall order, with few if any truly zero-carbon high-rises to be found, but plenty of architects and developers know it is doable.

With regard to the Northern Metropolis, Lu and Chan have no doubt: “It is clear that Hong Kong has the talent to create such buildings. The incentives need to be there for them to flourish. Policymakers need to craft the right policies and incentives.”

■ HONG KONG BUSINESS REPORT ■

TOPPAN MERRILL HITS EVERY FINANCIAL REGULATORY DEADLINE WITH EXPERT, ROUND-THE-CLOCK SERVICE

Reports by Raffaele Grosso, Massimiliano Bo and Victor Lanza

Financial printing companies provide essential support services to the financial sector – including disclosing and distributing mission-critical content that result in more informed decisions – but their role is usually not highlighted as a significant contributor to market growth and economic development. Like gas, water and power companies that give life to cities and communities, financial printing and communication services companies lie at the back of bond, equity and capital markets sectors, working tirelessly behind the scenes to keep

financial markets functioning efficiently and effectively. Within Asia's World City, leading financial documentation specialist Toppan Merrill is a cut above other financial printing market players. Helping companies comply with regulatory requirements, and manage and distribute documents efficiently and securely to investors and stakeholders, Toppan Merrill delivers peace of mind to clients with its round-the-clock expert communications services. "Accuracy, efficiency and fast turnaround time are minimum requirements for a financial printer, and these are basic in all our offerings," said Christabel Lee, managing director. "What

differentiates us from competitors is the dedication and expertise of our staff. We have a strong service-centred and solution-driven culture. Our team is cohesive and collaborative. We also work as a family; all staff take pride in every deal the company wins. We support each other always even when we have disagreements, we quickly work together to find the best ways to overcome hurdles. We step up for each other to provide the best possible solutions that benefit the clients and the company. That's how good our staff is." Toppan Merrill APAC offers comprehensive financial printing and communications services such as typesetting, proofreading, translation, and

printing and design of audited and financial documents. These documents include prospectuses of initial public offerings (IPO) and global depository receipts, regulatory filings for stock exchanges and compliance reports. Its manpower size and experience are unmatched in Hong Kong, allowing it to cover more than 50 per cent of the market for IPO filings. With offices in Hong Kong, mainland China and Singapore, and sister companies in the US and Europe including Britain and Switzerland, the company always strives to go beyond clients' expectations as it provides strategic support worldwide. To sustain this excellent service, Toppan Merrill

APAC develops its own proprietary technology and systems, and explores initiatives to facilitate growth of the company. "Our multi-site operations help us juggle work seamlessly, especially during peak seasons or developments like the Covid-19 pandemic," said Maggie Ma, senior vice-president and chief sales officer of Toppan Merrill APAC. "We handle last-minute tasks all the time, so it helps that our team is large, flexible and efficient in managing all the changes."

Financial processes are also very tedious, so we invest heavily in automation and proprietary tools to ensure we handle client requests as fast as possible." Combining global resources, innovation, best practices and more than 50 years of industry experience to grow and deliver flexible, best-in-class solutions to clients, Toppan Merrill APAC also strives to be fair and transparent to all its stakeholders. "Clients, staff and shareholders are equally important to us," Ma said. "We don't hide difficulties, but we try hard to solve every issue. When it comes to partnerships, we know what we are good at. We know our expertise, so if something works well, where both parties

stand to benefit, then we are open to exploring partnerships." As Hong Kong continues to be a key player in the global financial landscape with its strategic location in Asia, well-developed infrastructure and favourable tax and regulatory environment, the demand for financial printing services will remain strong. Toppan Merrill APAC is committed to supporting the financial industry's goal of further spurring economic growth and development. "We strive for excellence through an inclusive culture for nurturing talents to drive constant growth, technology innovation and continuous process re-engineering," Lee said.



PUTTING CLIENTS' SUCCESS FIRST IS KEY FOR INTERNATIONAL ACCOUNTING FIRM WWC, P.C.

In an industry defined by crunching numbers and analysing data down to the smallest detail, international certified public accounting firm WWC, Professional Corp (WWC, P.C.) ensures that its people are trained to look beyond the books to respond to the specific needs of individual clients as they navigate a highly competitive global economy. "Our founder Samuel Wong said that for us to be successful, we need to help our clients to be successful. We need to be skilled, diligent and ethical," said partner Tony Wong. "This is why we put a lot of effort in nurturing the next generation of talent to see where we can still fill the gaps in terms of services." Established in 1981, WWC, P.C. specialises in auditing, tax, financial accounting advisory services, initial public offering and capital markets services. One of WWC, P.C.'s main strengths is helping

enterprises gain access to global capital markets, particularly in the US. With offices in the US, Hong Kong, mainland China, Singapore and Taipei,

WWC, P.C. bridges East and West – confidently navigating through different regulatory requirements and discerning social and cultural nuances.



WWC, P.C. team at a recent training, reinforcing the firm's commitment to helping clients become successful by being skilled, diligent and ethical

Underpinning its multi-jurisdictional expertise, WWC, P.C. and its affiliates is an approved registrant certified member of the US Public Company Accounting Oversight Board, Canadian Public Accountability Board and Hong Kong's Accounting and Financial Reporting Council. As more businesses in Asia expand their horizons, WWC, P.C. is further strengthening its capacity with the addition of a Tokyo office this year. WWC, P.C. is recruiting talents not just in Japan but also in the region. "Our workforce increased rapidly in the past three years, and we are still actively adding more people because market demand is strong. We invite talented and experienced partners from different countries to contribute to our professional works and to help us continue delivering quality services," said Tony Wong.

MAINFREIGHT BOLSTERS ASIAN FOOTPRINT WITH RELIABLE, PERSONALISED SUPPLY CHAIN LOGISTICS

Sustainability is more than a mere buzzword for dynamic international freight forwarder Mainfreight. It is a core principle that shapes every aspect of the business, from air and ocean, warehousing and transport, to customer and supplier relationships. According to Cary Chung, CEO of Mainfreight in Asia, the company's sustainable approach focuses on essential commodities, such as pharmaceutical, healthcare and food and beverage products that "make the city breathe". "By delivering self-sufficient freight, Mainfreight can grow organically and consistently while ensuring all its verticals contribute to sustainability," Chung said. "Consumables go through multiple warehouses and clearances worldwide, so we ensure our cost centres use our divisions to manage the freight process and technology efficiently and reliably."

We want customers to benefit from all our services." Mainfreight's success is built upon its nimble structure, non-hierarchical network, and investment in a young and local team with extensive capabilities in airfreight, ocean freight, transport and warehousing. The company strives to provide tailored and comprehensive solutions for its customers, leveraging its culture of quality, ownership, longevity and continuous learning. Despite the challenges posed by the Covid-19 pandemic, Mainfreight has demonstrated its commitment to airline and shipping partners and customers, maintaining continuity of operations throughout the crisis. With offices in 10 Asian countries, including China, Japan, South Korea, Singapore, Malaysia and Indonesia, and a 11th branch opening in India, Mainfreight is deepening its local knowledge and presence in the region.



Cary Chung, CEO. "At Mainfreight, hard work, humility, and care for people, partners and customers are deeply ingrained values," Chung said. "Like any organisation, we go through challenges and disagreements, but we nurture our team and develop our people from within, contributing to the growth of people, businesses and communities. By hiring local talent and stimulating infrastructure development, Mainfreight is making a positive impact in the areas and countries where it operates."

FERRANTE INTELLECTUAL PROPERTY EXPERTLY SAFEGUARDS CLIENTS FROM COUNTERFEITING

Creating a successful business and becoming a well-known brand, especially in the luxury goods market, requires more than hard work, innovation and creativity. The foundation for success is dependent upon the protection of a company's intellectual property (IP), which is the cornerstone of successful brands. When businesses seek comprehensive legal solutions to protect their assets, they entrust those solutions to Ferrante Intellectual Property (Ferrante IP) and its specialist lawyers who stand at the forefront of the IP industry. Ferrante IP has licences to operate as a law firm in Beijing and Shanghai, with an office in Hong Kong. It offers a wide range of legal solutions for clients seeking to protect and enhance their brands. For more than two decades, Ferrante IP has specialised in the representation of clients who operate in the luxury sectors – including fashion, perfume, watches and

accessories such as glasses and leather goods. The firm also has clients in multinational companies operating in the automotive, furniture, and food and beverage industries. The secret to Ferrante IP's success is its knowledge of the Chinese market dynamics and keeping pace with its continuously evolving legal system. This has not only involved complex IP litigation at international and local levels, but ancillary services such as the obtaining of injunctions, mediation, e-commerce legal issues, licencing and franchising, the unauthorised use of domain names on the internet, product liability claims, consumer protection issues and compliance with advertising laws. The firm's legal services extend to operating in administrative actions in addition to the traditional civil and criminal court systems. It also has an impressive team of experienced lawyers, which includes multilingual European and

Chinese IP practitioners. Michele Ferrante, founder and managing partner of the firm, acknowledges that its lawyers have an unparalleled mastery of Chinese laws and regulations in the IP field, which includes patents, designs, copyright and trademarks. "The evolution of IP laws and systems in China is very fast, so we invest a lot in keeping ourselves updated to create the best strategies depending on who our clients are and where they come from," said Ferrante. "It is important to have a tailor-made service for each client. At the end of each year, we consider the impact of these strategies on the market, on the protection of the business and their trademarks when we make modifications for improvement." Ferrante IP collaborates closely with Chinese authorities in addressing any infringements, actively monitoring the Chinese market to identify violations of clients' rights. This is followed by prompt instigation of the appropriate civil or criminal action to obtain compensation or criminal sanction for any infringements. The firm can create specific anti-counterfeiting programmes for its clientele that include conducting investigations and executing raid actions at the infringer's premises. Ferrante IP addresses all its clients' IP issues swiftly, successfully and professionally. Ferrante IP seeks to broaden its services to meet the demands of the mobile device and technology industries, recognising the growth potential in



Michele Ferrante, founder and managing partner. Southeast Asia, particularly in Vietnam, Indonesia and the Philippines. It combines manufacturing technology with in-depth knowledge of users to develop infection-prevention endoscopic devices that promote better experiences for healthcare professionals and patients. Established in 2008, GA Health has progressively built a reputation as one of the leading players in the endoscopy field, with an impressive global market network expansion. "Our goal at GA Health is to become the global leader in infection prevention for endoscopy, by using innovative solutions and working closely with healthcare professionals. We strive to exceed expectations and set a new standard for the industry by constantly researching and developing new products and services that keep us ahead of the curve," said CEO and co-founder Cindy Ye.

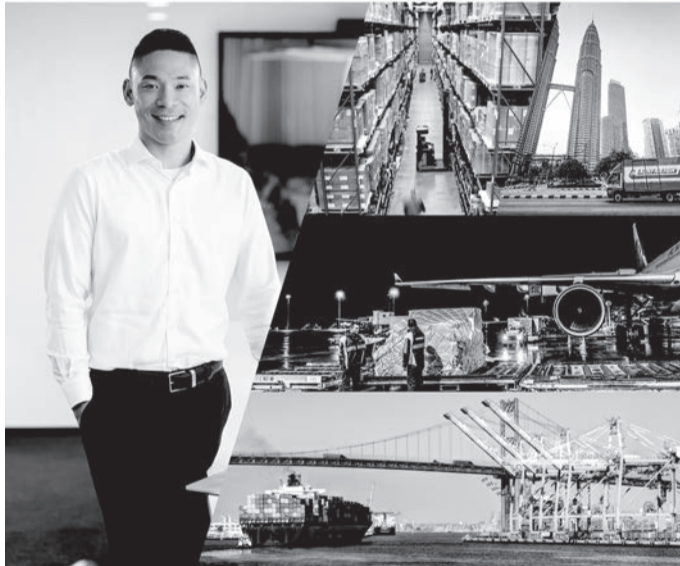
GA HEALTH GOES GLOBAL TO REACH MORE PATIENTS WITH CUTTING-EDGE ENDOSCOPY SOLUTIONS

Understanding the importance of early screening in improving the survival rate of gastrointestinal diseases, Global-Asia Health (GA Health) combines manufacturing technology with in-depth knowledge of users to develop infection-prevention endoscopic devices that promote better experiences for healthcare professionals and patients. Established in 2008, GA Health has progressively built a reputation as one of the leading players in the endoscopy field, with an impressive global market network expansion. "Our goal at GA Health is to become the global leader in infection prevention for endoscopy, by using innovative solutions and working closely with healthcare professionals. We strive to exceed expectations and set a new standard for the industry by constantly researching and developing new products and services that keep us ahead of the curve," said CEO and co-founder Cindy Ye.



Cindy Ye, CEO and co-founder. GA Health is the top-of-mind choice for procedure, cleaning, transport and storage of endoscopy products that are marketed under the Andorate brand – which features 12 prominent product families and more than 100 varieties. GA Health works with distributors to reach hospitals in Europe, the Americas and Australasia. During endoscopy procedures, gastroenterologists need visualisation to

examine inside a patient's digestive tract. Valves and tubing on an endoscope work together for such a critical function by managing air, water, suction and biopsy collection during endoscopy procedures. GA Health carefully designed and engineered Andorate valves and tubing to provide reliable and consistent performance for endoscopy procedures. Especially notable are the Andorate valves, designed with as tight a tolerance of 0.005mm to match ports on an endoscope – showcasing GA Health's technological finesse. The company is committed to using single-patient items to prevent cross-contamination. This approach protects patients, healthcare providers and the wider community. GA Health's primary markets are Europe and the United States, but it is also active in Hong Kong, Australia, New Zealand and Singapore. With the assistance of partners, GA Health is seeking to expand further in Asia-Pacific.



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MUSICAL GROUP HELPS ODM, OEM CLIENTS TUNE IN TO MARKET DEMANDS

Musical Group is giving its original design and equipment manufacturing (ODM/OEM) clients a distinct advantage in toys, consumer electronics and medical/healthcare devices. With its exceptional research and development (R&D) expertise, market knowledge and vertically integrated production facilities, the company is propelling clients to lead markets with innovative, top-quality and cost-efficient products. "We combine continuous R&D and market awareness with efficient production capabilities to develop among the most reliable, innovative and competitive items today," said Christopher Tse, CEO of Musical Group. "We always deliver the best services and products while protecting our clients' intellectual property rights to help them dominate their respective markets." Starting nearly half a century ago in Hong Kong, manufacturing portable audio and video devices and other consumer electronic items, Musical later on diversified into electronic toys and medical/healthcare devices such as electrocardiogram monitors and hygiene products. Its successful ODM/OEM business model is driven by nearly 100 seasoned electronic, mechanical and software engineers based in R&D centres in Hong Kong and mainland China. These are complemented by its vertically integrated production facility in



Musical Electronics' factory in Qingyuan, China. Qingyuan, China, which covers the whole production process from moulding, SMT (surface-mount technology) and die bonding, to assembly and packaging. Meanwhile, its 1.1 million-square-foot factories in China and northern Vietnam can produce about 15 million toys and consumer electronic products plus hundreds of thousands of medical/healthcare products annually. The factories comply with the international standards on quality management and quality assurance such as ISO9000 and ISO13485, and those of UL Standards, the Federal Communications Commission and Codes of Conduct for the respective products produced. "We realise the importance of R&D for our clients' future growth, and as such, actively explore new devices related to nanotechnology, new sensor applications and ageing populations," Tse said. "We will consistently develop value-added items that have mass-market appeal through continuous innovation. We are also helping our US customers market and launch their medical products in China and other Asian countries."

PERUN CONSULTANTS OFFERS HONEST, PROACTIVE ADVICE AND SOLUTIONS TO RE-ENERGISE BUSINESSES

The pressure of keeping businesses afloat through the pandemic and through other challenges has left entrepreneurs and family offices worn out. As Covid-19 and economic woes continue to impact businesses in the region, companies must gain an accurate picture of their financial and operational health to survive and determine future directions. Working across the business recovery spectrum for decades, Perun Consultants restores businesses through its specialisations in forensic accounting, corporate advisory, restructuring, turnaround and liquidation appointments. "As a trusted advisor, we understand how to save and re-energise businesses to achieve goals such as improving performance, surviving pain situations, or collecting problematic debt," said Gwynn Hopkins, founder and managing director. "We rescue companies from these headaches as we help them solve problems. We are like corporate doctors." Perun Consultants seeks to make a difference by moving at early stages on complex issues – from insolvency to asset tracing and recovery. Providing expert, tailored advice and opinions on a consulting basis, it crafts strategies and leads mitigations that engage and connect clients with partners, stakeholders and the appropriate specialists worldwide. In Singapore, the boutique and

proactive advisory firm supports a flourishing management consulting division. One of its notable projects was eliminating inefficiencies and wastage within a food and beverage company. Founded and led by Hopkins, a veteran insolvency practitioner and forensic accountant who has directed teams in Hong Kong, Britain, the Cayman Islands and the British Virgin Islands for more than 20 years, Perun Consultants serves markets in mainland China, Hong Kong, Singapore and the rest of Southeast Asia. It will soon open an office in Malaysia. "Our network of partners or connections in various regions, particularly in the Cayman Islands and the British Virgin Islands, is extensive," Hopkins said. "We can easily partner or collaborate with specialised groups to give the best possible solutions to clients."



Gwynn Hopkins, founder and managing director

HONG KONG BUSINESS REPORT

CATHAY CARGO MOVES WORLD WITH GENUINE COMMITMENT TO CUSTOMERS

With 75 global destinations, more than 100 airline partners and a large fleet of 747 freighters, the complex operations of Cathay Cargo are dedicated to one goal – to provide the highest level of customer service. The leading Hong Kong-based air cargo carrier is able to realise this commitment by continuously investing in its people, quality, expertise and innovation. Customers can, however, expect more up ahead as Cathay Cargo broadens its reach and capabilities while serving growing market needs in areas such as e-commerce.

"We have spent most of our time evolving and innovating, trying to move

the company forward above and beyond the day-to-day business of air cargo," said Tom Owen, director of cargo at Cathay Pacific. "We have digitalised and automated our processes and products, invested in solutions tailored and differentiated to match customer requirements, and focused on operational excellence and service."

Accounting for about a quarter of the more than four million tonnes of air cargo that passes through Hong Kong every year, Cathay Cargo offers the complete range of air freight services from transporting general cargo to special items such as pharmaceuticals, fresh products and live animals. The customers can then choose various levels of priority

and access, thus customising the service across all product categories.

In 2019, the company embarked on a comprehensive transformation programme aimed at further intensifying service quality. A primary aspect of this initiative is the digitalisation and automation of processes, which made the organisation fully data-driven using digital dashboards and other similar platforms from operations to sales. Compliant to the Centre of Excellence for Independent Validators by the International Air Transport Association and other global industry standards, Cathay Cargo has also modified its systems to exhibit the highest level of operational superiority regardless of the size and type of cargo.

Another dimension of the transformation initiative pertains to innovations that allow the company to effectively handle sensitive products. For instance, Cathay Cargo can transport delicate items such as vaccines without any change in temperature across the whole freight process. In particular, the company has doubled its cold-handling facility in Hong Kong to become the biggest in the site. Meanwhile, customers have access to Ultra Track, a Bluetooth-enabled device that can provide the exact location, temperature, lighting, vibration level, pressure and other parameters of a package in near real time from anywhere around the globe.

All these offerings complement the

distinct strategic location of Cathay Cargo. One of the busiest cargo hubs in the world, the Hong Kong International Airport also features regulatory and structural attributes that make it a powerful and efficient site to move cargo in and out of China and all other destinations worldwide. Cathay Cargo is at the core of this expansive global network in collaboration with leading industry partners such as Lufthansa, LATAM and Avianca.

Moving forward, the air cargo specialist aims to serve more customers by upgrading its facilities and broadening its reach. The company welcomes partners as it extends its network in South America and Asia in countries such as



Tom Owen, director of cargo at Cathay Pacific

Cambodia, Vietnam, Indonesia and India. It is also building an upstream cargo terminal in Dongguan to expand operations in and out of China, especially for giant e-commerce companies.

"We are always looking for opportunities to work with other groups to grow our network in different ways,"

Owen said. "We essentially believe in our purpose of moving people forward in life by delivering cargo that really matters to them. Through our thoughtful, progressive and 'can-do' attitude, we will continue to delight our market and become the most customer-centric air cargo service brand in the world."

GBT SEEKS TO MODERNISE TRADITIONAL CHINESE MEDICINE FOR THE BENEFIT OF ALL HUMANITY

With a mission to research, develop and manufacture high-quality skincare and nutraceutical products, Gallant BioTechnology (GBT) is placing Hong Kong front and centre in biotechnology innovation. Possessing multiple patents on the application of various biomaterials for health and wellness, the company is well-positioned to bring traditional Chinese medicine into worldwide distribution.

"I want Hongkongers to know that there are scientists in Hong Kong," said molecular cloning expert Dr Gallant Chan, who is the CEO, founding director and principal scientist of GBT. "We can make

our own products. There's no need to just borrow other brands or just go do some trading. We can invent things. We can initiate something new – made in Hong Kong, designed in Hong Kong, invented in Hong Kong."

GBT is establishing itself as the network node for Hong Kong's biotech supply chain. It is beginning the journey in the nutraceuticals market with innovative products such as the Dr PIG skincare and Crowns OFF health drink collections. GBT adapted cutting-edge aerospace technology to develop an ultra-skin whitening formula using 147 small herbal molecules for its skincare collection.

Meanwhile, Crowns OFF contains bioactive ingredients that fight Covid-19 along different pathways. More recently, the company launched the CANTICLES natural essential oils collection, an ethnomedicine of Uygur origin for treating cardiovascular problems and insomnia.

With a research laboratory in Zhongshan city, GBT is at the heart of the Guangdong-Hong Kong-Macau Greater Bay Area. The laboratory is the engine and a cornerstone of its biotech development through contract manufacturing alongside consultancy, testing and educational services. The company's first stop will be Singapore, as a gateway to the entire



Dr Gallant Chan, CEO, founding director and principal scientist

Asia-Pacific, where it will pursue B2B collaborations and consignment schemes as part of long-term partnerships to grow global brands.

"The pharmacology is very clear and sharp at the molecular level, and we aim to unleash the beauty of scientific innovation to benefit all of humanity," Chan said.

AEC EMPOWERS ASIA-PACIFIC BUSINESSES ON JOURNEY TO SUSTAINABILITY

Sustainable built environments are transforming entire communities across Asia-Pacific, with sustainability pioneer Allied Environmental Consultants (AEC) certifying more than 13 million square metres of green buildings across Hong Kong, mainland China and Southeast Asia over the past three decades.

"Our services will become more diversified and comprehensive moving forward because of more stringent compliance requirements," said Grace Kwok, chairman and executive director of Allied Sustainability and Environmental Consultants Group (AEC Group).

AEC has managed green building certification for many prestigious projects in Hong Kong, including but not limited to internationally recognised certifications such as BEAM Plus, BREEAM and LEED. The 484-metre high International Commerce Centre by Sun Hung Kai Properties, Central's two International Finance Centres with Tower 2 soaring to 415 metres, and 12 commercial buildings by Hongkong Land were AEC undertakings.

The first and only environmental consulting firm listed on the Hong Kong stock exchange, AEC has earned international accolades. InnoCell, a pioneering modular integrated building technology structure, won the World Green Building Council's (WorldGBC) Asia Pacific Leadership in Sustainable Design and Performance 2022 award. Henderson Land also won last year's Business



(from left) Grace Kwok, chairman and executive director, and Dennis Wu, CEO and executive director, of AEC Group

Leadership in Sustainability award, making Hong Kong the first and only city to win two major WorldGBC awards. AEC served as the sustainability consultant for both.

"We're a one-stop green and wellness building and carbon neutrality solutions provider," said Dennis Wu, AEC Group's CEO and executive director. "As carbon neutrality is a global concern, we help organisations pave their decarbonisation road map and achieve carbon neutrality."

AEC has announced its presence in Malaysia and Hengqin, Zhuhai, signifying

its growing influence in Asia-Pacific's sustainability sphere. Such presence helps to capture the substantial business opportunities of green and low-carbon industries as AEC collaborates with clients, industry groups and academia to provide long-term environmental, social and governance, or ESG, solutions for property developments, new infrastructure, established building systems and corporations. Its green technology expertise will help many transform their businesses through innovation.

IP & HEATHFIELD BLENDS HEART AND EXPERIENCE TO DELIVER BEST OUTCOMES FOR DIVORCE CLIENTS

Jennifer Ip started her law firm in 2005. Today, the founding partner of Ip & Heathfield runs one of Hong Kong's top matrimonial law firms specialising in divorce and separation, financial matters, children arrangements, pre-nuptial and post-nuptial agreements, family trust arrangements, family probate disputes and financial dependent's claim under the Inheritance (Provision for Family and Dependents) Ordinance (Cap. 481). The firm's clientele involves high-net-worth individuals and wealthy families, and often deals with cases involving complex corporate structures such as listed and offshore companies.

In addition to its distinct legal acumen and strategic advice, Ip & Heathfield's phenomenal success has also been driven by its genuine concern for the welfare of its clients together with their children, helping them overcome emotional challenges as they start life anew. The firm shares this opportunity with potential clients from mainland China given its rising cross-border marriages and the new legal regime involving reciprocal recognition and enforcement of judgments in Hong Kong and mainland China.

"We understand that family disputes can be complex and emotionally challenging. Our role is to try and secure the right outcome for each client by providing tailored advice to avoid protracted litigation and make sure parties

agree on reasoned solutions, which recognise the interests of all family members with utmost priority on the children," Ip said.

Such calibre of service in Hong Kong is also accessible to clients from mainland China. Families who have homes or businesses in these places need to consider where divorce proceedings should be instigated, and a party can do so if it can establish a "substantial connection" to Hong Kong, for example, by having employment, assets or children who study in Hong Kong. Parties tend to prefer divorcing in Hong Kong because of the duty of full and frank disclosure of assets. In cases where divorce is finalised in China, as mainland courts do not usually deal with assets located outside their jurisdiction, the firm has become increasingly involved in applications involving the division of the remaining assets in accordance with Hong Kong law.

Ip & Heathfield is well-leveraged to handle clients from mainland China given its global affiliations. Ip has been travelling to mainland China to give talks to law societies in Beijing and Shanghai on Hong Kong divorce and cross-border divorce cases. She was also one of the select lawyers representing Hong Kong at the Family Law Symposium of China in Beijing, allowing her to build an extensive network where she continues to enjoy a close working relationship with family

lawyers across mainland China. In addition, Ip, being part of the International Academy of Family Lawyers, has access to a network of the most well-regarded family law practitioners in other jurisdictions.

Moving forward, the matrimonial law specialist is always on the lookout for business collaborations as long as potential partners share her values and passion for the development of family law. The firm is expanding its scope of tailor-made services to include wealth management, succession planning, trust advice and will preparation to better suit client needs. With an increasing number of families in Hong Kong, mainland China and the rest of Asia requiring the management and preservation of their assets, Ip understands the importance of preservation of family wealth and the need for its protection for the benefit of future generations. These can be done with tools such as setting up discretionary trusts in offshore jurisdictions (British Virgin Islands or BVI and Cayman Islands).

"Our aim is not to differentiate clients but to give our heart and best interests in solving complex family issues," said Ip, whose company has won the Global Law Experts Annual Awards 2022 and the Chambers Asia Pacific and Greater China Region Awards 2023. Moreover, both the firm and Ip were recognised as a leading matrimonial firm and leading family and



Jennifer Ip, founding partner

divorce lawyer in Doyle's Guides 2023. "We take great pride in acting as a beacon during our clients' troubled times."

EXPANDING PORTFOLIO IN PLASTIC INJECTION MOULDING KEY TO HAYCO'S GLOBAL EXPANSION

Establishing a successful business is not an easy feat, particularly in saturated markets where competition is at a cutthroat level. Innovation can be a key differentiator, but it is not the only factor that sets apart one company from the next. For plastic injection moulding specialist Hayco, the formula for success is simple: be a good corporate citizen whom employees, customers and suppliers find reliable.

"There is intense competition in manufacturing consumer products, so there cannot be any waste. There's no margin for it," said CEO Christopher Hay. "We're committed to continuously improving our manufacturing practices to deliver more value to and improve the competitiveness of our clients."

Providing a symphony of services including product development and assembly, Hayco traces its origins to a humble broom and brush company based in Adelaide, Australia. In 1892, William Hay established SA Brush, which later became industry leader SABCO. Leveraging the family's manufacturing expertise, William Hay's grandson Donald Hay set his eyes on Asia – recognising early on the region's pivotal role in the global economy.

Donald Hay founded Hayco in Hong Kong in 1983 as a brush specialist with injection moulding as its core expertise. It has expanded its portfolio over the years to cover oral care, water filtration and hydration, and baby care products. Offering end-to-end services from design to delivery, Hayco works closely with customers to create simple yet effective



Christopher Hay, CEO

solutions that are also durable and ecologically safe.

Hayco's brush-making legacy continues to play an important role in its growth. Combining high-speed bristling capabilities and high-output volumes with stringent product validation and testing, Hayco has carved a niche for itself as the top-of-mind household cleaning device supplier for many brands and retailers.

As the site of its first-ever brush and injection moulding factory in 1988, China is crucial in the company's technology development. Hayco's China facilities to date are purpose-built to offer end-to-end solutions.

Hayco continues to reinvest in its operations and technologies to expand the vertical integration of all aspects of its business, from product design and development, with in-house prototyping and mould making. This also includes all injection moulding, assembly and packaging. Hayco's dedication to continuous improvement has helped the company earn Smart Manufacturing Capability Maturity Level 3 for all the manufacturing process of its plastic

products in China.

Hayco is committed to reducing its environmental footprint by making durable plastic goods that last and by using recycled or environmentally friendly plastics in production.

Determined to provide clients with a more varied portfolio, Hayco acquired Portugal-based company CTR – a renowned developer and manufacturer of air care, pest control and pet care products. The acquisition paves the way for Hayco to enter new markets with diffusion products and consumables. "The CTR acquisition opens a new world of suppliers, customers and processes. We see the next few years as crucial in building the foundation of our European business, and we are focused on integrating our acquisition," Christopher Hay said.

The CTR acquisition adds facilities in Portugal, Zhongshan and India to Hayco's three manufacturing facilities in the Pearl River Delta and a new LEED Platinum facility in the Dominican Republic, positioning the company to expand its reach further and grow its customer base even more. With its headquarters in Hong Kong, a key city in the Pearl River Delta, Hayco is more than equipped to cater to global demand.

"We're transitioning from being a manufacturer in southern China to an international company. We're going global, but we're still upholding the values and principles of a family business as we establish our presence in Asia, the Americas and Europe," Christopher Hay said.

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