LEAP@HK “Leading Enterprises Acceleration Programme” Information Session – S2020

Acceleration Programs
Corporation Development Division
HK Science & Technology Parks Corporation

Mar 2020
LEAP
Leading Enterprises Acceleration Programme – Growth Management

ELITE | Anchor
Support on Demand: corporate development (case by case, per request and need)

LEAP
Primary Focus: business and corporate development
In-depth Assistance on growth management, financing, team development, governance

Incubation
Primary Focus: product | service development
General Support: office and facilities, marketing and angel financing

STEP
Primary Focus: commercialization idea
Basic Training: startup 101 and business plan coaching

Mature Stage
Capital structuring and management
Scale-up in R&D and Business

Mid - Later Stage
Grow & Expansion
Market validation and expansion
Revenue growth and profitability
Value building and growth financing
Series A financing and beyond

Start-up Stage
Product | Service Development
Proof of concept and first product
Survive the valley of death
Little | no revenue
Seed to pre-A financing

Concept Stage
Idea Generation & Planning
Business plan development
Market research
Understanding of startup management

Concept Stage
Idea Generation & Planning
Program Offering – Resources, People & Network

Giving high-potential start-ups wings to fly and accelerate their growth on the world stage of business.

+ Target startups: Growth Stage, High-potential startups looking for expansion, Series A / Post-A stage

+ Duration: 2 year
We Create Value Beyond Money *through*...

- Account Management
- Networking
- Domain Expert / EIR (entrepreneur in résidence)
- Professional Panel
- Financial Support
- Executive Training
Value Creation – Work with Right People

LEAP Account Management
- Identify Gap
- Advisory
- Make right connection
- Trust building
- Understand “the startup” and speak “professional language”

LEAP Company
- Wide range of technologies
- Various industry focus and business models
- Early to later stages
- Dynamic and fast pace

Domain Expert | EIR
- Experienced veterans help startups on project-based deliverables
- Business Development, Marketing, Branding, Corporate Finance, Channel Strategy, etc..

Professional Panel
- Top-tier professional service firms, e.g. law firms, CPA, Investment, IP, Marketing, Certification body, etc.

Channel Partners | Industry Leaders
- Insights
- Potential business engagement

Investors | Financiers
- Venture capital investment
- Debt financing
Team Achievements

Raised
$317M+

Max. US150M Valuation
20x the highest

Value Appreciation

Global
US, England, Russia, Australia, Taiwan, PRC, SEA, etc..

Doubled Revenue
>50%
And some grow even more.

As of Mar 2019
Real Case Example – RV Automation

2017/04

Established anchor customer with DHL Supply Chain

2018/08

Demonstrated robot technology, facial recognition and big-data analysis at the first **unmanned** warehouse at Science Park

Ongoing

Media exposure as **Industry 4.0 showcase**
“LEAP is an amazing platform that has successfully and accurately matched our smart city solutions to targeted users like the government, public organisations and international corporations. The team members of LEAP are so professional and they give us inspiration and advice about the direction for our company growth.”

— Mr. Wisdom Chan, Founder & CTO, Chain Technology Development Co. Limited

“If you are a startup in HK then you should aim to join LEAP as it provides an all-round support to help the company to accelerate the growth. The subsidy and reimbursement totalled to be over 4 million HKD. Besides monetary support, the LEAP team consists of different experts that can advise on wide scope of issues. Highly recommended”

— Mr Antonio Wong, Founder and CEO, GreenSafety Technology Limited

“LEAP is a no ordinary acceleration programme for startups. We benefited a lot from LEAP’s professional support on business strategies and operations, connected us to top tier corporates in Hong Kong that expanded our business beyond our original domain. I would like to take a moment to personally thank my LEAP account manager and domain experts for their mentorship. I’d highly recommend startups to join LEAP. LEAP brings us value beyond money!”

— Mr. Terence Tseng, CEO & CTO, Motive Force Technology Limited
Option Scheme Overview

At the Company’s Choice:

- **MARKET VALUATION BASED TERM**
  - Starting at 5% and to be adjusted in next qualified round of fund raising during programme period

- **FLAT TERM**
  - 5% on fully-diluted basis upon admission and to be diluted as normal in later financing rounds

OR

Major Terms:

- 10 year
- Nominal strike price ($0.0001)
- If no IPO or M&A after 7 years, STP has the right to ask for buyback, at highest of:
  1. Latest valuation;
  2. PE 15x (3-yr average E);
  3. Total subsidies + 5% interest (annual compound)
Eligibility

- **What we are looking for**

  We are looking for growth stage startups with:
  
  - Innovative technology
  - Scalable business model
  - High potential to grow regional/global
  - Viable products ready for market
  - Competent, passionate and open-minded mentality

- **Requirements**

  - Must have its headquarters, executive functions and corporate CEO based in HK
  - Have less than 100 employees
  - At least 50% of full time staff based in Hong Kong engaging in technology related work
  - Off campus applicant shall obtain qualification approval for moving into Science Park premise as a regular office/laboratory tenant within 6 months since the day of admission and comply to HKSTP tenancy/safety requirements.
## Documents for Submission

<table>
<thead>
<tr>
<th>Incubation graduate</th>
<th>Copy of graduation certificate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incubatee</td>
<td>Copy of executed Incubation License Agreement</td>
</tr>
<tr>
<td>Tenant</td>
<td>Copy of Lease Agreement</td>
</tr>
</tbody>
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### Mandatory

- Application form
- Teaser
- Business Plan
- Hong Kong Business Registration Certificate
- Certificate of Incorporation
- Incorporation Form (NC1 or NC1G, if the Applicant is a company formed under the Companies Ordinance)
- Memorandum & Articles of Association

### Optional

- CV of all founders
- Proof of patent
- Proof of tech transfer
Application Time Line

Mar 2020
Open for Application

Apr - May 2020
Pre Due Diligence and Review

Jun 2020
Agreement Signing

Jul 1, 2020
Programme Starts

2 Information Sessions:

• **Mar 20 (Fri)**
  15:00 – 17:00
  via Zoom Meeting (online)

• **Mar 27 (Fri)**
  15:00 – 17:00
  via Zoom Meeting (online)

Application Deadline:

• **Apr 14 (Tues)**

Admission Panel Meetings:

• **May 26 (Tues)**
  Presentation by Shortlisted Applicants
Admission Process

**Application Collection and Eligibility Check**
Check each applicant against mandatory criteria and completeness of submission

**Eligible Applicants**
- Current incubatees/graduates / tenants
- Have its headquarters based in HK
- Have <100 employees
- Have >50% of full time staff in tech

**APM A**
Reviews and discuss the submissions of the eligible applicants
Selects a shortlist of applicants to be invited to present at the APM B

**Shortlisted Candidates**
- Innovation in product or solution
- Potential to scale and expand
- Product readiness
- Competent team

**APM B**
Shortlisted candidates present to the Admission Panel
Vote by the Panel on whether admit each candidate or not

**Admitted Companies**
- Strong core team
- Good dynamics
- Credibility of claims
- Expectation on LEAP
We LEAPfrog your Growth and Expansion. We Create Value Beyond Money. We Grow Stars.
Thank You

For Enquiries please email to leap@hkstp.org