A Briefing Session for the application of TSSSU@HKU 2020/21
TSSSU@HKU 2020/21

• Technology Startup Support Scheme for Universities at HKU
  - HK$8 million per year from ITC
• Purpose – to encourage technology start-up, especially among young people
• Based on “ITC Guidelines on Technology Start-up Support Scheme for Universities”
HKU Start up Community (~150 @ June 2019)

TTO TSSSU Companies: ~48 companies

Incubation Partners: ~70 companies

iDendron seed program: ~50 companies

Pipeline

Funding

TSSSU: $8m/yr
DreamCatcher: $1m/yr

HKUSTP

Cyberport
Success Case: Snapask

• 2014/15 and 2015/16 awardee
• Snapask is a e-learning and virtual tutorial platform
• Founded by Mr Timothy Yu, BSc (Risk Management & Finance) 2012 Graduate and Mr Philip Hong, MSc (Statistics) 2012 Graduate
• Already raised over US$ 8 million and its business expanded to Australia, New Zealand, Taiwan, Singapore, Malaysia, Indonesia, Thailand, Japan and Korea
• More than 350,000 Asian students as users as of Sep 2017
Success Case:

- 2014/15 and 2015/16 awardee
- A stem-cell company to develop bio-artificial human heart prototypes for drug development
- Founded by Professor Ronald Li, he was the Founding Director of the Stem Cell & Regenerative Medicine Consortium (SCRMC) at HKU
- In September 2017, Novoheart was listed in Toronto Stock Exchange Venture Exchange (Symbol: NVH)
- Market Cap: CAD$ ~42 million (HK$ 251 million) as of July 2019

Prof Ronald Li, recipient of the 2015 The Spirit of HK Award

Our Revolutionary Approach

Drug Discovery
- MyHeart™ Platform
  - Prescreen Cardiotoxicity Better Prediction

Development
- Clinical Trials
  - Phase I
  - Phase II
  - Phase III

Our Revolutionary Approach

Cardiotoxicity
FAIL
- Poor Success Rate
- > 10 years and US$2-3 bn wasted

FDA Approved
- More Approved Drugs
- Reduced Time
- Lower Cost

Courtesy: novoherat.com
Success Case:

- 2015/16, 2016/17 and 2017/18 awardee
- An AI startup specializing in speech and natural language processing (NLP) technologies
- Founded by Dr Miles Wen and Prof Victor Li of the Department of Electrical and Electronic Engineering, HKU
- Horizon Ventures, the VC firm founded by HK’s richest man Mr Li Ka Shing, is one of the investors
- Grand Award winner at HK ICT Awards 2018
- Grand Award winner at the 18th Asia Pacific ICT Alliance (APICTA) Awards 2018
Success Case:

- 2017/18, 2018/19 and 2019/20 awardee
- A medical device company that develops innovative orthopedic implants
- Founded by Dr Sloan Kupler and Prof William Lu of the Department of Orthopedics and Traumatology, HKU
- Already raised multi-million dollars of investment funding
- Grand Prize winner at the Hello Tomorrow ASEAN Final in December 2018
- On Target to file its US FDA 510(k) in 2019

The Fang-Kupler Anti-Migration Tip designed to help elderly people to recover from broken hips, shoulders and spinal fractures quicker and safer.

Grand Prize Winner at Hello Tomorrow ASEAN Regional Final 2018

Silver Medal Winner at Inventions Geneva 2018
TSSSU@HKU
Technology Startup Support Scheme for Universities at HKU

Up to $1,500,000 per year
Focus and Priorities

(a) Start-up using **inventions and technologies** developed by **HKU**.

(b) Start-up using inventions and technologies developed **jointly** between **HKU** and **its collaborators**.

(c) Start-up based on **technology developed by students or alumni (within 3 years of graduation)** during their course of study at the University as part of their curriculum (e.g. Final Year projects, research projects). The application team **must have the right** to commercialize the relevant technology.

(d) **Technology innovations** by staff or students resulting from employment or studies at HKU, with a significant ‘knowledge’ and ‘technology’ component.
Intellectual Property Rights

• The awardee company shall own all the intellectual property rights it creates using the TSSSU@HKU funding unless otherwise specified by alternative agreements.

• Use of any inventions or technologies of HKU should be governed by pre-agreed licenses with HKU.

• If you do NOT use any background intellectual property of HKU, you must declare that in your application.

• Consult TTO if in doubt.
Funding Scope & Duration (1)

1. Essential items for setting up and operating the technology start-ups (e.g. furniture and equipment, legal and accounting services, rental of necessary and suitable premises, manpower etc.).

2. R&D expenditure (e.g. manpower, equipment, other direct costs, etc.).

3. Promotion of the technology start-ups and marketing of their project deliverables.

4. 50% can be spent outside Hong Kong
Funding Scope & Duration (2)

6. HKU **will not** take any equity unless otherwise agreed.

7. Awardee **must be a start-up** (within 2 years) company by *Eligible Applicant*

8. Manpower remuneration limits (max):
   - HK$12,000/month – non-degree
   - HK$18,000/month – Bachelor
   - HK$24,000/month – Master or above

9. Award **MUST be spent** within each financial year

10. Continued funding for the 2\(^{nd}\) or the 3\(^{rd}\) year requires application again each year (3\(^{rd}\) year will fall into the next triennium)
Eligibility

An *Eligible Applicant* must be from one of the following:

a) current full-time professoriate staff of HKU;
b) current full-time or part-time students of HKU;
c) graduate of HKU for no more than 3 years as of the announced *Cut-off Date* of each application year (1 February 2020).

The application for TSSSU@HKU must be made by a team ("the Team") (i.e. more than one person), comprising at least one *Eligible Applicant*. The *Team* forming the technology start-up may have any mix of the following members of the University –

a) undergraduate / graduate / postgraduate students;
b) professor(s) to serve as consultant(s), providing technical expertise and direction of the R&D work; and/or
c) business savvy university alumni, giving business and management advice, etc.

The *Team* should **collectively hold more than 50%** of the shares in the company. For the avoidance of doubt, any person not associated with HKU cannot be part of the *Team* (but of course can be shareholders, investors or even founders of the company).
Person-in-Charge

The *Team* required a member as the *person-in-charge*

- who should preferably be an Eligible Applicant
- significantly engaged in the technology start-up’s business and be responsible for:
  a) overseeing the operations of the technology start-up;
  b) liaising with HKU on matters relating to the funding support under TSSSU@HKU.

Note: the appointed person-in-charge cannot concurrently join other active teams funded by TSSSU
Training Workshop on Financial Modeling and Venture Capital

To be delivered by Mr Douglas Abrams, CEO of Expara, a VC fund management and VC service company

For better preparing your business plan and financial documents for your the application

Certificate of Attendance will be issued

All applications are **required** to attend this Training Workshop prior to their application submissions

- Session 1: October 24, 2019
- Session 2, November 7, 2019

Financial Modelling and Business Strategy Workshop

**Speaker:** Mr. Douglas Keith Abrams
Founder and CEO of Expara and Expara IDM Ventures

**Date:** 15 – 18 April, 2019 (Monday – Thursday)
**Time:** 6:30 – 9:30 pm
**Venue:** CYPP4, LG1, Chong Yuet Ming Physics Building, HKU

**ABSTRACT:**
In order to successfully scale, most new ventures will need to seek outside funding from venture capitalists or angel investors. Raising money to fund a new venture involves entrepreneurs and investors in a challenging and critical process. Investors will evaluate startups on two dimensions: product/market fit and financial potential. Therefore it is critical for entrepreneurs to know how to: 1) develop a business strategy that optimizes product/market fit and 2) build a financial model that demonstrates the financial potential of the company.

Some of the specific skills developed in this workshop will include:
- How to identify and evaluate new business opportunities

**ABOUT THE SPEAKER:**
Douglas Abrams is the founder and CEO of Expara, an early-stage venture capital fund management and venture services company that has made 70 investments across Southeast Asia and East Asia and trained more than 6,000 entrepreneurs and 1,000 investors across the region. Expara has been involved in early-stage investments and entrepreneurship development in the region since 2000 and has launched six accelerator programs across Southeast Asia. Headquartered in Singapore, Expara has presence in the emerging markets of Southeast Asia – Malaysia, Thailand, and Vietnam and has recently established presence in Hong Kong and South Korea. Douglas has launched 6 funds since 2007. He is the former Chairman of the Business Angel Network of Southeast Asia (BANSEA) and has been a Director since 2007. He was
Application Procedures


2. Attend one of the Training Workshops to be held on October 24 or November 7

3. Make sure appropriate IP licenses are available (if not, negotiate quickly).

4. Make sure you have clear budget, and if additional funding available, this will be an advantage.

5. Submit proposal/application, together with your Certificate of Attendance to the Training Workshop, to TTO by November 25, 2019, 5:00 pm HKT.

6. Register the company before November 25, 2019.
Assessment and Selection

A Selection Panel from HKU will be set up to assess the applications using the following criteria:

a) the quality of the **business plan** (10%);
b) the innovation and **technology content** (20%);
c) the **commercial viability** of the business (25%);
d) the **capability** of the technology start-up and its **team** to undertake the R&D work and manage the company (20%);
e) the social and/or community **impact** of the technology start-up’s business and R&D work (10%);
f) the potential of **attracting additional investment** to develop the technology and the company (10%), and
g) **other** considerations on the overall application (5%).
Disbursement, Reimbursement and Audit

1. As TSSSU@HKU award is reimbursement by Government, the award is a “Cash Advancement” to Awardees.

2. The Advancement is considered fully paid by government once we obtain the reimbursement.

3. Awardees have to agree with the terms of the Government, provide the necessary interim and annual reports, and conduct the audit according to the requirements of the Government.
Monitoring and Review

1. The University is required to provide mentorship and monitoring of all TSSSU@HKU Awardees (we need to provide comments on the report).
2. Half-year progress report, and annual report would be needed.
3. The University is required to comment on whether the milestones are reached as part of the review.
Change in Business Plan

Substantial change in business plan or the financial plan:

❖ Key members
❖ Deliverables
❖ Milestones
❖ Budget spending ..., etc

require prior written approval (otherwise you would have problems during audit)
Important Timeline

Call for Applications TSSSU@HKU
September 2, 2019

Sharing with TSSSU Founders
September 27, 2019

Training Workshop (Session 1)
October 24, 2019

Training Workshop (Session 2)
November 7, 2019

Closing (internal – 5:00 pm)
November 25, 2019

Recommended List to ITC (cut-off date)
February 1, 2020

Announcement of Results
~ May 1, 2020

Spending Period
Date of announcement – March 31, 2021

Interim Report
October 15, 2020

Annual Report
May 31, 2021

Audit Report
June 30, 2021
Entrepreneurship Academy 2019

19 Sept – 28 Nov
(Every Thursday except 17 Oct)

5:30 – 6:30 pm
Room 223, 2/F, Knowles Building

Free 10-week workshop
to enhance your skills in building startup business for innovation

Q&A