

CHINA FOCUS

Issue VI / 2015

Year in Review: 2015

In the Year of the Goat, Fiducia celebrated a number of important milestones: we increased our geographic reach with an office in Beijing, we grew our team to over 110 colleagues, we expanded our Tax Advisory service, and together with clients and partners, we participated in over 70 events on 3 continents. As 2015 comes to an end, we reflect on the achievements the Fiducia team accomplished, professionally and

personally, individually and as a company. Thank you to our clients, partners, colleagues, friends, and readers who have supported us throughout the last year. We look forward to 2016 and the Year of the Monkey and wish you and your loved ones happy holidays!



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Brainstorming for the Future

Fiducia Goes North II

Client Services Manager Paul Marty recalls his experience travelling to Northern China with the Fiducia team.

At Fiducia, travelling is an integral part of our work, as we cater to our clients' needs in China and abroad. This year alone I was lucky enough to represent Fiducia on three different continents, meeting a variety of interesting people along the way. One of the most memorable trips this year was undoubtedly our manager offsite to China's Dongbei region: in September, Fiducia colleagues from our four offices met in sunny Dalian and busy Shenyang. This was my first

company gathering with so many colleagues - a great experience for all.

The first day was about spending quality time with the team on a tour of the city followed by a delicious dinner at a Bavarian-like castle surprisingly located in the middle of Dalian. We rounded off the night with some fun and games to start off the trip in high spirits.

The second day's focus was on past results, and new strategic initiatives. As a consulting firm operating in Asia, we know how important it is to remain flexible and open to change in order to deliver best results for our clients. So it was essential to involve all of our senior team members to brainstorm what

we want to accomplish, and how we can get there together.

We spent our third day together in the city of Shenyang in a series of internal workshops focused on updating our core processes. We wrapped up with a 'best ideas' session to open the floor to all team members. To see how new joiners and Fiducia veterans were able to come up with innovative suggestions was inspirational. Since then, we have successfully implemented many of these ideas, including the establishment of our Beijing office and the launch of our Cross Border Solutions. Without any doubt, these will benefit our clients greatly in 2016 and elevate Fiducia to the next level. ❁



The Fiducia Manager team on the final day in Shenyang



Putting our heads together



Sharing is caring

Celebrating Our Team

Showing Appreciation



Fanny Chan and Jimmy Zhou

Fanny Chan • 20 Years

Fanny has been a valuable member of the Trade Solutions team for two decades, helping clients to optimise their trading structure.

What was Fiducia like when you first joined in 1995?

Back then, Fiducia was only a small company, with an office on Wyndham Street in Central Hong Kong. When I joined the Trade Solutions team, Pinky was the manager at the time. I remember we had an open-plan layout with two offices for Mr. and Mrs. Kracht. In 2000, we moved to a bigger area in Wanchai and have been here ever since.

How has the company grown in the years that you have been part of it?

In 2002, the Trade Solutions team first hired colleagues in Shanghai. Then in 2004, we started building our team in Shenzhen. By 2010, our service had grown so big that we had to split the team to serve our key accounts separately from smaller and new clients.

What has been your personal highlight of working at Fiducia?

I had the opportunity to help to set up our Shanghai team in 2002, providing training for our new colleagues. This required me to stay in Shanghai for 2 months, during which my colleagues supported me greatly and I was able to improve my Mandarin skills - I even picked up a little Shanghainese! Most importantly, I learned how to solve problems independently and how to work with people of different cultures and backgrounds. 🍀

Jimmy Zhou • 10 Years

Jimmy joined Fiducia a decade ago and is one of our longest-standing colleagues in Shanghai. He is a Senior Order Processing Officer for the Operations Solution team.

What was Fiducia like when you first joined in 2005?

I joined Fiducia 10 years ago because of its good corporate culture and reputation, which continues to be true today. While we had a smaller team and fewer services, I immediately felt the strong team spirit amongst my colleagues. The Trade Solutions team was expanding at the time - and it was exciting!

How has the company grown in the years that you have been part of it?

Fiducia has grown into a big team but still has the family feeling. For my work, a major change was the transition from starting in Trade Solutions and later helping manage when we split the team into key accounts and new clients. We were able to keep the entire team plus hire new members to take on this increased demand of our service.

What has been your personal highlight of working at Fiducia?

The recent appreciation for my 10 years was my highlight, since the entire Shanghai team and the Kracht family recognised me at a special party - even Pinky, who hired me 10 years ago was there! And I am happy to say that even after ten years, I still have the opportunity to continue to learn and grow individually and together with my colleagues. 🍀

Business in the Year of the Monkey



According to Chinese beliefs, the monkey is very intelligent, inventive, strong-minded and highly competitive. After a steady year with little turbulence under the influence of the Goat, the Monkey puts everything into flux. 2016 will be an auspicious time for new ventures, innovations, and ideas. However, be aware that the business decisions you make this year should be based on fact, not emotion. The key for success lies in personal and individual efforts and the willingness to take on calculated risks.

Expanding to New Markets

Ni hao, Beijing!

Jessie Ji, Fiducia's Corporate & Accounting Consultant based in Beijing, shares her excitement about Fiducia's newest office expansion in North China.

On Nov 5th, Fiducia opened the doors to its new Beijing office, conveniently located in Zhongyu Plaza in Sanlitun, Chaoyang district, close to the German business community.

In previous years, we were able to support our clients in Northern China from our other offices. Together with a number of new clients in industries such as technical clothing, industrial technology, and services, as well as many opportunities in 2015, we are proud to be present in the nation's capital again.

For the past years, Fiducia's Beijing team, consisting of Chelsea and myself, has been supporting clients working from home. We have always wanted a real office where we



The Soft Opening of Fiducia's Beijing Office

can welcome our clients and work more closely together. Now our dream has finally come true! We are so proud to be the first employees of the Beijing office and are looking forward to the new opportunities and challenges that 2016

will bring. Fiducia will further grow the Beijing team in the coming year, offering corporate services, finance & accounting, executive search, and consulting services. 🍀

Fiducia Mittelstandstag 2015

Fiducia Founder Jürgen Kracht speaks about the company's annual flagship event, now already in its third year.

Since founding Fiducia in 1982, one of the cornerstones to our business has been sharing our expertise in order to bridge the gap to China. For this reason, we established the Fiducia Mittelstandstag (SME Day) as a special event during our 30th anniversary. 3 years later, the event has become one of our most important initiatives: a day where we can bring China closer to our foreign clients and contacts. Held in the Mövenpick Hotel in Stuttgart this year, we welcomed 70+ guests in February, just before Chinese New Year.

As in previous years, my son Stefan, who took over as Managing Director of the company in 2012, kicked off the event by speaking about the most important China trends in 2015. He covered key business and economic topics such as corruption and compliance, industry opportunities, and geographical foci, including Western China and ASEAN. The panel discussion on the topic "Will the China Dream Come True?", which I moderated, was a highlight, as guest speakers Dr. Thomas Hueck, Chief Economist of Robert Bosch GmbH and Bernhard Bartsch, Senior Project Manager of Bertelsmann Stiftung, engaged in a lively debate on the topic. We rounded off the event breaking up into workshops on a series of hot topics for 2015, including industry 4.0 and HR.

As a result of the success of this year's Mittelstandstag, we have decided to expand the event in 2016 by hosting it in two cities - Cologne and Munich. We look forward to welcoming you in the Year of the Monkey! 🐵



Growing in a Healthy Market

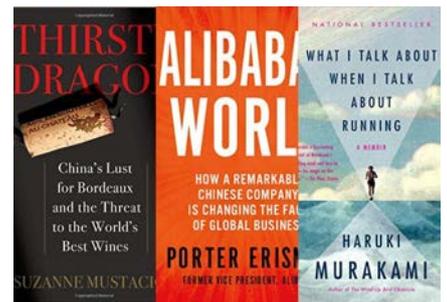
Business Development Executive Florian Braunsteiner talks about Fiducia's Medical Technology seminar in Stuttgart.

China is one of the world's most attractive healthcare markets, and is by far the fastest growing among the emerging markets. In June 2015, Fiducia held a full-day seminar in Stuttgart, Germany, entitled "Medical Technology in China: Recipes for Success", sharing knowledge and solutions on how to enter and expand into the Chinese market. Together with three other medical devices experts, Fiducia Director Thaddäus Müller and I addressed topics such as the market environment and trends, governmental regulations and product registration, tender processes, and the ideal trade and distribution set-up. Guests listened attentively to an exclusive success story of one of the world's leading medical technology companies on how they expanded their business in China. The event closed with a thorough Q&A where guests could pose their questions to the panel of experts to find their individualised recipe for success! 🐵



Florian Braunsteiner and Thaddäus Müller at Fiducia's Medical Technology Seminar in Stuttgart

Holiday Book Recommendations



Reading, hiking and wine are among the favourite past times of the Fiducia team. Here we share some of our top book picks for the holidays:

Stefan Kracht • Managing Director

Suzanne Mustacich - *Thirsty Dragon: China's lust for Bordeaux and the threat to the world's best wines*

"Did you know that China is now the second largest wine growing area in the world after Spain? Mustacich discusses China's quest in becoming a global wine power. This is also the theme of our 2016 Fiducia calendar."

Jürgen Kracht • Chairman

Porter Erisman - *Alibaba's World: How a remarkable Chinese Company is changing the face of global business*

"The Alibaba story is truly exemplary of how fast China is changing and how Chinese companies are quickly overtaking the biggest global players. In this book you find out the mind-boggling background of this behemoth company."

Thaddäus Müller • Director

Haruki Murakami - *What I Talk About When I Talk About Running*

"If you are looking for a fun read and you love to run, then this book is a must. This book beautifully describes the emotions one might experience when running - whether you are training for a marathon or going for a jog."

“Show heart” is our motto at Fidu-Share. We strive to become better corporate citizens in our society.

5 Years Caring Company



With the support of our caring and dedicated staff, “Fidu-Share” was created in 2010 as a platform for the Fiducia team to get involved in CSR activities and other community events.

This year we celebrated an important milestone for Fidu-share: we obtained the “5 Years Plus Caring Company Logo Award”. We thank you for your continuous support, allowing us to give back to our community.

www.caringcompany.org.hk

Publisher: Fiducia Management Consultants
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Plastic Free Seas

Michelle Bumagat, a longstanding member of Fiducia's Corporate Services team, took part in a Fidu-share beach cleaning activity and shares how it influenced her life.

On a Friday in November, 18 colleagues from Fiducia Hong Kong headed to Shek O Beach for a beach clean up organized by Plastic Free Seas, a Hong Kong-based non-profit organization. The event was a great success: we collected 42 big bags of garbage and 16 bags of plastic bottles for recycling within an hour. The organisers shared tips and tricks with us on how to change the way we all view and use plastic packaging. I was hoping to collect small rocks for my Sunday school students to paint. While the rocks were a bit too large, I will be sharing something even more valuable with them: awareness in conserving the beauty of the earth. As Mother Teresa says, “I alone cannot change the world, but I can cast a stone across the waters to create many ripples.” ☘



Top: Michelle sorting through plastic bottles
Bottom: the Fiducia team

Heart to Heart

Song Lin is the General Manager of Fiducia's Shanghai office and talks about how the team gives back to the community.



Fiducia's Shanghai team helping out at Yodak Hospital

Fiducia Shanghai regularly and actively participates in Fidu-share initiatives to give back to the community. Every year we continue our tradition of visiting and donating to the Shanghai Children's Welfare Institute. We attended the opening ceremony of Taicang Sino-German Handicapped Technology Co., Ltd. – the very first industrial workshop with the mission to provide training, labour, and income

to mentally challenged members of our society. In September 2015, seven Fiducia volunteers made another contribution to society by volunteering to accompany sick children, donating toys and stationary, and sorting out donations at the Shanghai Yodak Cardio-thoracic Hospital, where the non-profit organisation Heart to Heart is located. ☘

The One Foundation

Kun Tong works in Fiducia Shenzhen's accounting team and frequently participates in Fidu-share activities.

Fiducia Shenzhen has continuously supported The One Foundation, a fully independent charity that focuses on disaster relief, children's welfare, and philanthropic development within the region. In June, the Fiducia Shenzhen team participated in the event “Walk For Love, 53KM hiking” organized by this charity, with the aim to raise funds for water purification in remote areas. It took our team 16 hours to accomplish this challenge, walking throughout the whole night. This is an unforgettable memory and I am proud that I was able to push myself to the limit while also giving back to the community at the same time. ☘



The Shenzhen team at the start of the race

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