



URBAN
TECH
IMPACT



GreaterX

PROUDLY PRESENTS



Insight Report

2020 & beyond



PRIVATE & CONFIDENTIAL



Foreword

As I contemplated on the short and long term consequences of the Covid-19 crisis, it was clear to see the complexity of the situation, but I struggled to comprehend it. It is a mental crisis with people losing their jobs, losing their freedom of movement, their sense of security and human connections. It is a societal crisis with structural weaknesses exposed, tens of millions losing their livelihoods, getting to the brink of bankruptcy overnight and weakening trust in governments globally. It is an economic crisis like no other, with demand and supply side shocks, entire sectors coming to a halt, supply chains disrupted, industries going digital in the matter of days.

After a couple of days of mental modelling, losing a friend in LA and a friend announcing that he was closing his fashion company with 50+ employees, I realized that I had to step out of my bubble of news and analysis. I had to get a real feel about the situation. I wanted to hear first hand updates from people I trust. I wanted to hear whether the ones I care for were in good health. Most interestingly for you perhaps, I wanted to understand the fears, expectations and vision of people that are smarter than me.

Whatever we think the future is about to become will ultimately drive our actions; and our actions will create the reality of the future. It is my absolute privilege to share with you the insights I've gained throughout my conversations with an extremely diverse group of people from Chile to Japan, about life and business in 2020 and beyond. Enjoy!

Tony Á. Verb





"Just do the
next right thing!"

TONY Á. VERB
CO-FOUNDER
GREATERX



Methodology

100% subjective

80 people around the world

Do not expect the kind of report that you are used to from management consultants or investment banks. This process started simply as a personal outreach and turned into a more deliberate, but still random list of phone calls with people I trust, respect and care for. As I received requests for sharing what others were telling me, I promised everyone to write this report. I also promised that the sources of various insights would remain hidden and anonymous. I made only a couple of exceptions with permission. A couple of quotes have been taken from interviews I watched and found relevant.

Since this is collection of thoughts of personal connections, I will keep writing in first person singular, as Tony A. Verb. I take full responsibility for the words written, along with the grammatical errors and typos.

Inspired by my personal video series "*80 seconds around the world*", I followed the cue and aimed to have minimum 30 minute phone conversations with at least 80 people from around the world, covering all continents (ex. Antarctica), age groups and various wealth levels from a front line healthcare worker to a billionaire. I was aiming to include 50-50% male and female conversation partners.

Nota Bene: this is a biased survey. All respondents are either friends, partners or advisors with similar values, including curiosity and sharing. Thank you for that!





Executive Summary

Fear, optimism and everything in between...

Fear

Most of our shared anxiety is around geopolitics, specifically with regards to the US-China relations. In line with that, there is a universal expectation of de-globalization and many people are concerned of nationalistic, populist and xenophobic currents to strengthen.

Whilst these alone have enormous societal and economic impact, the growth of poverty, joblessness and widening opportunity and wealth gaps seem to be concerning most. Changes in consumption and decreasing spending is expected, along with a couple of tough years ahead.

Optimism

Some people I talk to believe that "this was meant to happen" and hope that Covid-19 is a turning point making people, companies and governments realize the importance of sustainability. My friends in the tech, innovation and digitalization space believe that the things we have been preaching, investing and pushing for years are simply accelerating and it is great for everyone.

Everything in between...

Everyone acknowledges that these are unique times in history, but opinions differ what this really means. Let's explore some insights now...



Main Takeaways

01

This is only the beginning, we may have 5 very tough years ahead of us

02

The US - China relations will influence much of what is about to unfold this decade

03

De-globalization will accelerate and everything localized will gain support

04

Resilience will be a major focus for companies & governments around the world

05

Emerging markets will be suffering deeply and for a sustained amount of time

06

Health & wellbeing will gain more attention and funding over the coming years

07

The future of work might not be fully home-based, but definitely more flexible

08

Much of what is happening these days is simply the acceleration of existing trends

09

Data privacy will be a concern and most likely suffering in the coming years

10

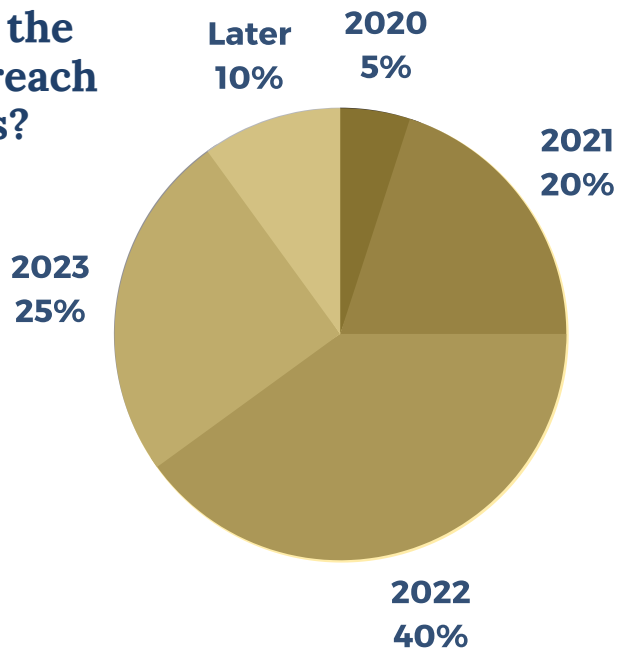
The wealth and opportunity gap is expected to further widen due to the current crisis





Main Takeaways

When will the economy reach 2019 levels?



Whilst people seem to agree that we won't get back to the economic performance and output of 2019 for a while, opinions are divided when that will happen. In other areas that are critical for our shared, global future, the difference of positions is even more contrasted.

66%

of the people I talked to think that China is coming out of Covid-19 stronger, considering its geopolitical position

50%

of my conversation partners think that "no one will care about sustainability for a while", whilst the other half think exactly the opposite





"This is the true end of the
20th and the beginning of
the 21st century."

ROBBIE STAMP
CEO
BIOSS INTERNATIONAL

*DURING OUR USUAL
PHONE CALL
IN APRIL 2020
LONDON*



The Big Picture

Welcome to the 21st Century!

**Accelerating into the future.
There is no looking back.**

Whilst a lot of people and the media tend to claim that “nothing will ever be the same again”, this is just partially true. There is a shared understanding that

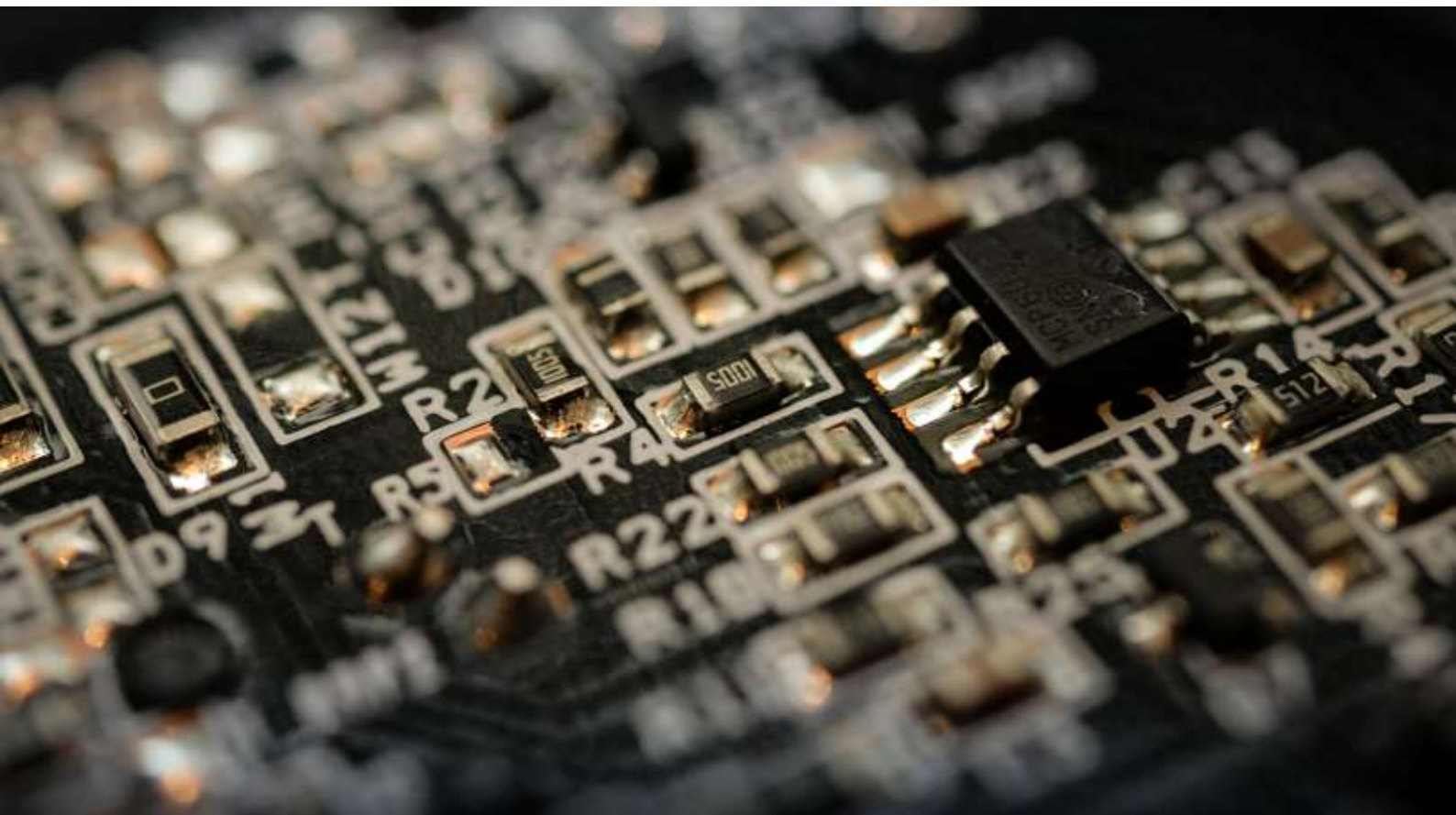
a) human nature prevails and there is a reason why we ended up living the way we've lived for the past couple of decades...

b) as a consequence, we will return to most “norms” of the pre-Covid19 world

c) the reality that we create after this period, the way we live or work and the tools we will use have already been on their way.

The current process is a dramatic acceleration of trends and dynamics that were already in motion.

Remote work, widening wealth gap, digitalisation of industries, the relative demise of the US and the rise of China (more on that later), sustainable consumption (more on that later too...).





Geopolitics Tension? For sure...

It is all about the US & China

As I am building and running a company that is committed to connecting Asia and the Western world, the relationship between the two are of significant interest. This is a dynamic however that will shape the world in the 21st century and ultimately will influence every single person on the planet.

The two leading powers are the US in the West, China in the East and the question is not whether there will be confrontation, but how ugly it will be. This sounds obvious after my calls.

With the US presidential election heating up, there is a shared fear of “crazy things to happen”. Security experts point to the fragility of the Iran and North Korean relations that can easily turn into a disaster if not managed with care internally and externally.

The threats of law suits, investigation and retaliation against China are just the first signs of what is about to come. In the meantime China dramatically stepped up its aid-diplomacy activities around the world, especially in Africa and its assertion in the South China Sea region.





The United States Of America Divided and exposed

Where to go from here?

My conversations with people living in the US, regardless whether they were born there or not, validated the universal impression: "the country is a mess". About 9 out of 10 people I talked to highlighted the US as the biggest loser of the current situation and they say it with no bad intent. They also do not wish that to be the case necessarily.

People living in the country keep mentioning mismanagement, mishandling of the crisis, miscommunication. In the meantime distrust and division in the society has not been greater for generations. Six weeks into the crisis we have seen unemployment insurance claims rising to 30 million, with real unemployment expected to be much higher.

This has been tackled with a combined stimulus package and quantitative easing, worth trillions. More is expected to come.

The shared sentiment is that the weaknesses of the United States have now been exposed and there is an expectation from many that the country is going to implode in our lifetime, defaulting on its debt, the US dollar losing its global role, marking a real turn in history.

A trusted advisor and partner of mine said that "we've been all aware of the possibility of a major war in the process of the US losing power in the 21st century. As crazy as it sounds, that war might be now and the country is fighting it with itself."

...a unique and interesting perspective.





The People's Republic of China

At crossroads and in the crosshairs

I know a lot of people not liking and definitely not trusting China. I know many that would not like to see it “winning” in a zero sum game against the West, if there is such game.

At least two-thirds of the people I’ve talked to however definitely think China came out stronger of this current situation, with its global status as a superpower and respect from various countries and peoples increased.

The facts such as the outbreak starting in China with the well documented and publicized initial shortcomings, the silencing of Li Wenliang and the blockage of information-flow have been only mentioned by some as causes for concern.

Everyone seems to recognize ultimately that the country “stepped up”, dealt with the situation and stopped the virus from spreading internally, collaborating internationally.

There is also an expectation that China will become more aggressive in international business and politics. Whether related or not, there is a concern by some about China’s stability and how it can be maintained with slow or no growth.

On that note: China has not introduced stimulus packages of comparable scale to the US. There is a divided opinion whether it was a good or bad idea. Time will definitely tell.





Europe & Africa

Hard choices

Europe

The continent and the European Union have had a challenging decade. Starting with a financial and euro crisis, continuing with the migrant crisis, ending with Brexit, there were even further serious concerns from the emergence of ultra-right wing forces to the annexation of Crimea.

Whilst Europe realized it had to step up its international competitiveness, people say "it would need a couple of calmer years to get it properly going." Many are worried for Europe and expect very hard choices to make between engagement with the US and China.

Africa

In the context of the US-China tensions it was interesting to hear "that until now tech equaled America, now entrepreneurs are getting familiar with Chinese household names." China's mask-diplomacy has also seemed to have worked as so far the country has been viewed by many as "a power trying to buy Africa for cheap". This could be the first significant gesture that societies might truly appreciate.

I heard worrying stories of 80% unofficial unemployment, incompetent leadership and corruption, but also hope in how the communities have pulled together.



"Deep societal and structural change is on its way."

ANGIE LAU
FOUNDER
FORCAST.NEWS

DURING OUR
PHONE CALL
ON APRIL 21 2020
HONG KONG



De-globalization

Inevitable reality

The era of re-localization?

There is a universal agreement that in the wake of Covid-19 the big Western economies finally realized how reliant they have been on China and that they cannot keep it that way.

Whilst many multinationals that were once expanding globally and aggressively tried to gain market share in China have been retreating for years, the current shock is expected to lead to dramatic changes in supply chains, pushing towards vertical integration.

Given the enormous scale of joblessness, governments will have multiple incentives to promote re-localization of industrial production and self-reliance overall.

These processes seem to have two intriguing aspects:

- 1) the pandemic is expected to accelerate industrial automation, minimizing the potential positive impact on local employment of repatriated manufacturing capacity
- 2) establishing local manufacturing capacities in various markets might lead to redundancy. Whilst this might be inefficient, ultimately this extra capacity could lead to de-risking globalization and ultimately enable it.

China is expected to accelerate its own decoupling and decrease its reliance on the US in key areas like semiconductors.





Emerging Markets

"The most vulnerable will suffer the most"

I've talked to friends around the world, but no one sounded more concerned than friends in India, Thailand and The Philippines.

In Thailand 20% of GDP is related to tourism. There is no tourism. In The Philippines the same portion comes from remittances of overseas foreign workers, equaling to pretty much all local consumption. With economies stalling, overseas foreign workers lose their jobs, return home jobless, remittances stop, consumption shrinks, leading to a deadly spiral for millions of households.

This is only the tip of the iceberg. These countries tend to have weak governments, thin fiscal capacity for any kind of stimulus package and high degree of corruption, to the extent of stealing food or financial aid as it has been confidentially shared over multiple phone calls.

My friends and partners fear uprising and truly the very worst in some of these countries with a total breakdown of not only the economy, but also the society.

With the prospect of de-globalization, the opportunity to step up on the industrialization ladder by plugging into global supply chains seems to be fading rapidly. The bottom line is that emerging markets are a major concern for many. And so should they be.





Food

Scarcity, security, opportunity

Eating through Maslow's pyramid

Very much related to the vulnerability of emerging markets, there is an anticipation of food shortages and spikes in prices. Food security is expected to be a priority for the coming years from emerging markets to leading economies.

Food shortages emerge from hoarding, export-controls or simply the missing foreign agricultural labor-force in developed countries due to travel bans or because of social distancing rules elsewhere. In Afghanistan, 7.5 million people are on the brink of starvation.

On the other end of the spectrum, with lock-down imposed, apparently anyone that has either income or extensive savings started to pay more attention to what they eat.

Home-cooking has become a thing again from Bali through Nairobi to New York. There is an expectation that with the crises over, “food-consciousness” will remain, strengthening the position of companies that are already in the space.

Consider opportunities across the value chain from agriculture to lab-grown meat innovation.





Consumption

Becoming more conscious without intent

From over-consuming to zero

Every single person I talked to agreed that the way humans consume has been unsustainable.

Well, they are not consuming now at all. Only a few segments have grown such as groceries, basic food products, home fitness equipment, games, home décor products, streaming services, protective masks and other goodies that either relate to survival or make lock-down more bearable. The question that seems to divide at least the people I talk to is whether this will bounce back to normal or this will become the new normal?

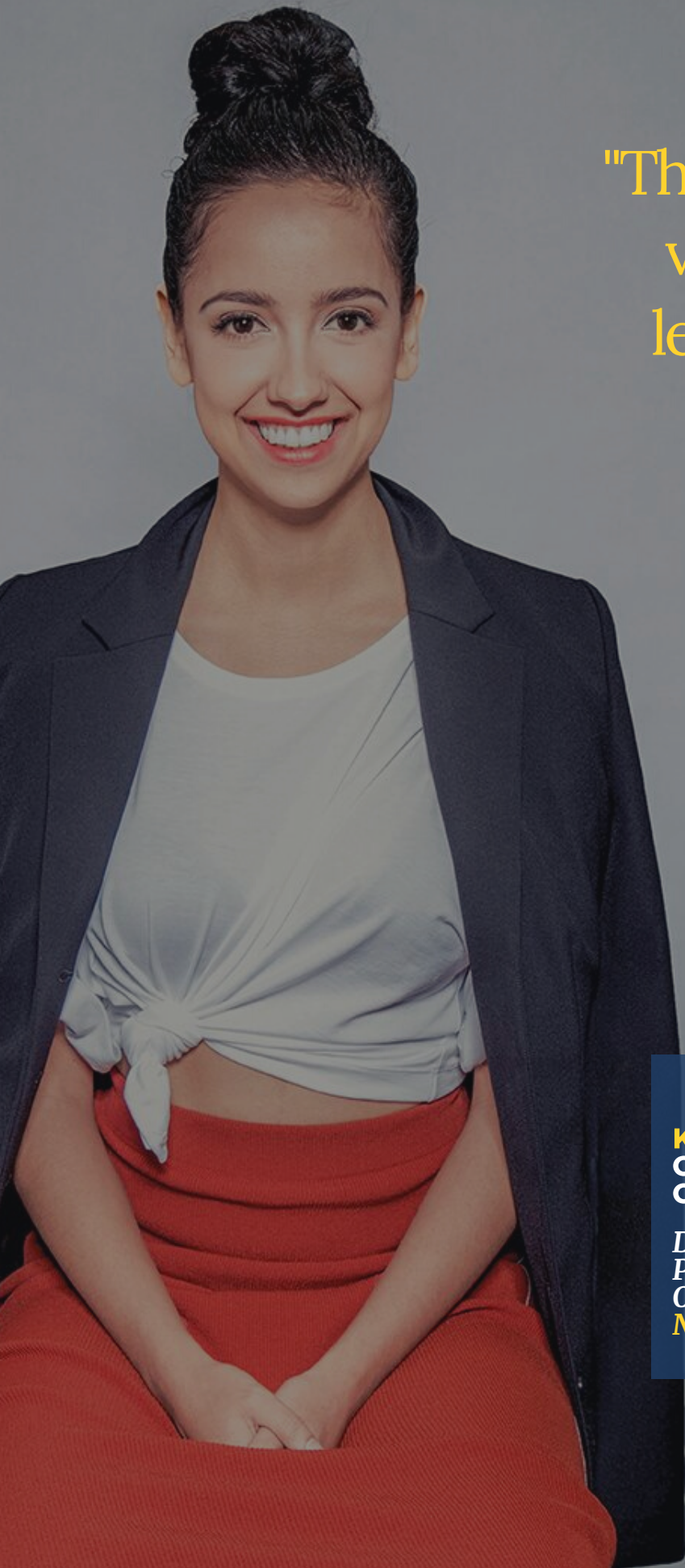
Some argue that due to human nature, we will sit on the first flight to Ibiza that we deem safe and can afford. Others think that people are now realizing how little is enough to be happy, recognizing

the value of close family ties, quality time spent at home, the value of slower lifestyle. Perhaps this is the tipping point towards elevating global consciousness?

What seems to be sure however is that everyone is expecting lower levels of consumption with serious consequences on saving patterns, economic structures and joblessness as less consumption means less jobs.

The counter argument seems to be the fact that with 70% of the US - and about 40% of China's - GDP based on consumption, there are simply too many forces from business to government that rely on consumption for revenues, taxes and employment. Thus it is a life or death question for too many not to try to revamp consumption where it was before.





"This is time for
vulnerable
leadership."

KESHIA HANNAM
CO-FOUNDER
CAMEL ASSEMBLY

*DURING OUR
PHONE CALL
ON APRIL 20 2020
NEW YORK*



Travel

An industry that died overnight

When will we fly again?

1 in 10 people in the world are directly or indirectly employed by the travel and tourism industry. By the sector coming to a virtual halt around the world, the consequences are as grave as this figure implies.

For many countries it is a matter of survival and public order whether they can receive tourists this year. Airlines are being bailed out already, but tens of thousands of staff having had to be let go regardless.

Airports report a drop of travelers up to 99% and that applies to hotels, airlines and all related sectors. The expectations are very low to getting back to the growth trajectory of the past decades. This is both a question of disposable income level, as well as health safety.

There is a consensus that until there is no vaccine or cure for Covid-19, there will be little tourism or any kind of international travel. Health passports, rapid testing at airports or personal testing kits at home might come faster as interim solution.



Conferences & Exhibitions

Screen-to-screen vs. face-to-face

In terms of business travel and conference tourism, it will take time to get back to previous years' norm. There is a growing sense of that a reevaluation is needed how necessary such trips are. It is expected that companies and individuals will think twice before committing to a trip instead of a zoom call.

As the conference industry is literally in the dust, it is virtually being reborn. Event organizers are trying their best to move online, but whilst there is engagement, monetization proves to be a problem.

There is an overall negative sentiment about the online conference experience. It doesn't generate the serendipitous encounters and doesn't allow meeting new people "properly", whilst this is what people appreciate the most in going to conferences.

There is also an agreement that trying to bring offline formats online simply doesn't work and many people complained about fatigue after hours or even minutes of online "listening" and conferencing.

According to a dear friend, "the future of online conferencing must be interactive and / or as powerful in its delivery as a successful youtuber is and not a boring stage presenter". We do share the sentiment.





Sports & Entertainment

The rise of online and the experiment with "hybrid"

The live sports and live entertainment sector, employing significant number of people with deep economic impact are in real deep trouble.

It is well understood by industry insiders that whilst there is no vaccine or cure to Covid-19, there won't be any action. Some football leagues are cancelled, some restart as usual, others finish the season behind closed doors. It's a real mess and almost impossible to plan.

The pattern is similar in Formula 1 with each Grand Prix having different set of challenges. Sporting and health are just part of the concern, given the complex and substantial legal implications from staff contracts, the broadcasting and sponsorship deals.

With all this and with lack of alternatives, online, esports, gaming and streaming services are gaining incredible momentum and breaking all previous records.

Offline entertainment brands and experts are all going online. Many consider this a very good opportunity to experiment and do expect "hybrid" models of online and offline to prevail in the future.

One thing is for sure, live festivals are irreplaceable and everyone is waiting for the next safe dance.



Healthcare

The new buzzword?

Covid-19 might be the long-awaited impetus for health

Most healthcare systems in the world have been underfunded, badly managed or unevenly distributed. Societies, communities and individuals have disregarded “health” as a priority overall. Covid-19 might change that for a long while.

There have been some shocking realizations from the vulnerability and limited preparedness of healthcare services in various countries, all the way to obesity and smoking proving to make people more likely to die from the coronavirus.

All this must lead to higher prioritization of health both in disease prevention, by promoting and leading a healthier lifestyle, as well as on systemic funding and capacity building.

Hopefully the appreciation and celebration of frontline healthcare workers and professionals will also lead to public support for such efforts and it is desirable that governments prepare themselves for the next such situation. Investment in health tech, biotech is expected to increase both by the public and private sector. Mental health will also hopefully receive more attention and funding.





Security & Privacy Give & Take?

As the world goes online, so does our data

I already mentioned food security and health security, but I must mention cybersecurity as well. As all industries that have been capable of going online and all the others digitizing soon over the years to come, cybersecurity will gain more attention and importance.

With cybercrime's calculated damage in the trillion(s) and the cybersecurity market reaching beyond USD 300 billion, this is an interesting space to watch.

The more intriguing consequences of Covid-19 are probably in the related area of privacy. My European friends have been by far the ones highlighting their concerns, which is an interesting, but not a surprising fact.

Others barely mentioned privacy as an issue and I think it is worthwhile to note that even in countries like Germany opinion polls showed that people were OK to give up their privacy for a more successful fight against the pandemic.

As Lord Sumption, former justice of the supreme court in the UK elaborately said in an interview: "When human societies lose their freedom, it is not usually because tyrants have taken it away. It is usually because people willingly surrender that freedom in return for protection against some external threat."

It is indeed a universal expectation that privacy protection will take a major, long lasting hit and many people I talked to said "what is happening in China is admirable in its efficacy, but scary".





Trust

Relationships are everything

Governments, families, businesses and more...

Our relationships seem to have changed dramatically over the past couple of months. Every single person I talk to report increased frequency of phone calls and interactions with their closest family members and oldest friends. When every single human being can be a threat, a “carrier”, our deepest instincts are triggered and connect only with people we trust.

It is easy to see why – against all logical and moral argument for the opposite – countries are closing their borders, prioritising their own supplies and discriminating against “foreigners”.

Despite Chinese Americans suffered from racial abuse in the beginning of the outbreak and African people have been singled out in Guangzhou for home quarantine and worse, this is not a Western thing against Chinese and not a Chinese thing against Africans.

My European friends in China said local people kept a visible and “discriminative” distance from them in public when imported cases first emerged from Europe.

This is the deepest depth of human nature and whether we disapprove it or simply note it, the consequences are expected to be enormous. Either way, “the value of old relationships” has increased dramatically, whilst the trust in governments and institutions have been tested all over the world.

There seems to be a consensus that trust in business and work processes cannot be built from scratch. They can also cannot be maintained on the long run purely online.

Until we are comfortable meeting each other again or shaking hands with people we never met, we seem to be bound to do more zoom calls and double down on existing relationships.





"Most shocking is
how much
companies are not
ready for such
a shock!"

KRISTEN DAVIS
FOUNDER, CEO
CINQC

DURING OUR
PHONE CALL
ON APRIL 16 2020
PARIS



Work (From Home)

Yay or Nay?

This is the topic everyone surely brought up and whilst there is an agreement that this process has given us the opportunity to experiment with a mass work from home structure, the opinions whether this is good or bad differ.

There is a pattern that CEOs of larger companies do NOT like work-from-home, whilst progressive entrepreneurs embrace it. Whether employees like it or not strongly depends on the quality of home and their family status. Single white collar workers seem to be suffering the most, but at least they have a job and they are indeed grateful.

There is a strong agreement across the board that some level and frequency of face-to-face interaction is necessary. At the same time, the experiment whether it is possible to run a company remotely resulted in a big YES.

Whether working from home is good or bad, liked or not, there is a consensus that flexibility in location and structure is definitely about to come. Some employer I know had to cut salaries by 20% across his company, but also cut the work week down to four days from five.

Is this going to be the new norm? For now, it is and as a dear friend also suggested, "we all have to adapt to a hybrid and more digital communication style, learning how to express ourselves and interact efficiently through the new means". It is a new skill indeed.





Education

Online education works. Does it work for everyone?

Primary and secondary school education were some of the first affected sectors with schools closing down and having to shift to online. With the significant investments into virtual conferencing tools and various edtech solutions over the past many years, the task has not proved to be impossible. Both parents and students reported appreciation and satisfaction with the quick adaptation of educators.

The longer the experiment has lasted, the more obvious it became how big a pressure home schooling puts on parents that were equally expected to work from home at the very same time. The parents I talked to without exception struggled and waited for schools to reopen as soon as possible.

From an equality perspective, it seems to be forgotten that many households do not have computers or appropriate internet access. It seems to be the case not only in developing countries, but also in places like the UK where – I've been given this figure in a conversation – "attendance of online classes is only 30%".

Kids also miss the only thing they enjoy in schools: friends. Considering the role schools play in children's social development, there is a consensus now that offline schools are desired.

As for tertiary education, the transition and the experience have been smoother. The main question mark is around tuition and whether pupils get the value they paid for.





Residential Property

Home, sweet home

Changing attitudes towards the place we live in

People spend more time at home and the desire to make it more cosy and functional has increased dramatically.

Some turned their living rooms into a large study, so they can be truly productive and have the right background for their zoom calls. For some this means investing more in furniture, decoration or home gardening tools for fresh herbs and vegetables.

Arguably, if people end up spending more time at home, they will reconsider where they live, what space design and functionalities they look for. If working from home is going to be a norm, every single newly built apartment might come with a work corner feature. It will definitely be a consideration for many.

This way or another, people now have a new perspective of their homes and will have new expectations towards the place they live in.





Commercial Real Estate

A breakdown to come?

Vacancy

According to an unofficial source, the “official expectation in the London market is a 20% vacancy for Grade A office space for the coming years”. Some say it is conservative.

The fact that big global banks had >90% of their workforce working remotely and when their operations heads saw no major disruption in business, they already started contemplating cutting their local office footprint by up to 50%.

If we consider even a slight shift in employment structure with only one day spent working from home on average, it already means a 20% cut on office space rental. That would already have enormous impact.

If there is less office hours per employee, there is less turnover for F&B operators and other service providers in business districts, creating further downward pressure on commercial real estate.

The implications on previously emerging sub-sectors, such as co-working and co-living are further compromised by the expectations that “people will want to share less and keep more distance”. Operators and investors in the space expect a real breakdown.





Cities

From economical to ecological?

As someone that dedicated his entire professional thesis to urbanization and cities, I've been looking at the current crisis very much through those lens as well.

If we consider 20% drop in commercial real estate utilization and a shift in residential property design with changes in attitude where and how people want to live, urban structures dramatically change.

Congestion, mass transportation utility and retail turnover in central areas decrease, whilst suburbanization, the importance of local community design and walkable districts are expected to increase.

Urbanization is not expected to retreat however as people in the lower segments of societies will always move to cities for more opportunities. Municipal governments will have to compete however to attract businesses and educated, high paid workforce for tax revenues.

With such people and companies recognizing their flexibility in work and life, a real competition between cities might increase. As a trusted friend of mine and recognized urban leader suggested "they will have to become more ecological and not only economical".

They will have to become a fun place to be as people might only go out to play and not necessarily to work in the future.





Impact

The big divide

Will people care more or less about impact?

It is impossible to define “positive impact”, but that is something that concerns me as I aim to create it through my work. For some it is climate change, for some ESG, for some sustainability and for others SDGs.

I wanted to know whether my conversation partners though all those will be more or less important to people around the world. The answers have been either “no bloody way” or “hell yeah”. It seems to me that people with previous concerns and interest in climate change, sustainability and similar topics feel encouraged.

In their summarized words, this process “gives the world a wake-up call” with governments and businesses now having to double down on sustainability.

The other camp believes that given the rough times now and ahead of us, “no one will care about sustainability, it is all about survival”.

I believe they are both right. There will be people, governments and businesses that will simply not have the bandwidth to consider anything along those lines, whilst others will double down on their fight against climate change and on sustainability-improving technologies.





"There are other evolutionary costs that will come in the form of climate change."

RAY DALIO
FOUNDER
BRIDGEWATER ASSOCIATES

IN HIS BLOOMBERG
INTERVIEW ON
APRIL 15 2020



Resilience

Time to get serious

The keyword for 2020 and beyond?

Attending a series of conferences, workshops, round table discussions from Davos to Bandung about cities and urbanisation over the past many years, resilience was always brought up. The word was usually used by NGOs and representatives of academia and usually as a side-topic and side discussion. I was watching government leaders, investors and corporate executives around the table and they couldn't care less. Given such sentiment is infectious, for the longest time I frankly didn't care either.

What are the chances for a once-in-a-century earthquake during political terms and expat assignments? Why to spend the precious treasure on prevention? Of a pandemic...?

2020 and Covid-19 will definitely change that thinking, at least on a short-to-medium term. Almost half the people I talked to mentioned the word resilience and that is not something we ever talked about in our lives between us. When I asked one of my conversation partners about the future of sustainability, he said "sustainability will be referred to as resilience".

However we frame it, it looks certain that leaders will now all understand the importance not only of the word, but also that they must act. They will have to allocate resources and invest in building more resilient systems, societies and businesses. Hopefully they will also get the necessary support to do that.





VCs

Waiting and seeing

On the sidelines

As we are in the process of raising our own investment fund, it is intriguing to study the scene. There is a universal scare and worry, with pockets of optimism and confidence.

The pandemic hit at a special moment, just when the Vision Fund experiment seems to have failed. Given that the Vision Fund is the greatest epitome of what the venture capital industry is about, there seems to be a conclusion now among fund managers that the structure and rules of engagement are broken. Whilst there is no clear universal alternative approach or vision, there is a desire for change.

Most managers are postponing fundraising or even investment decisions, waiting for valuations to come down during the crisis. Placement agents for fresh funds are holding off, family offices are herding cash and there is a flight to safety for capital across the board. At the same time, Chinese venture funds are reported to be aggressive and are expected to remain so.

I also believe that genuine and differentiated fund theses can still be attractive. A direction I see forward is what Chamath Palihapitiya and his Social Capital follow by focusing on socially relevant, meaningful businesses, with healthy annual growth of 20-30%.

I believe this can lead to more sustainable businesses and great investments. I am inspired by this approach for our future fund as well.

Top sectors to watch & not

(short-mid term)

01

Health & Biotech

02

Food & Agritech

03

Education

04

Home Lifestyle
& Smart Living

05

Software & SaaS

01

Travel & Lodging

02

Live Entertainment

03

Leisure & Hospitality

04

Commercial
Real Estate

05

Retail



Technology Irreversible

The world has become digital

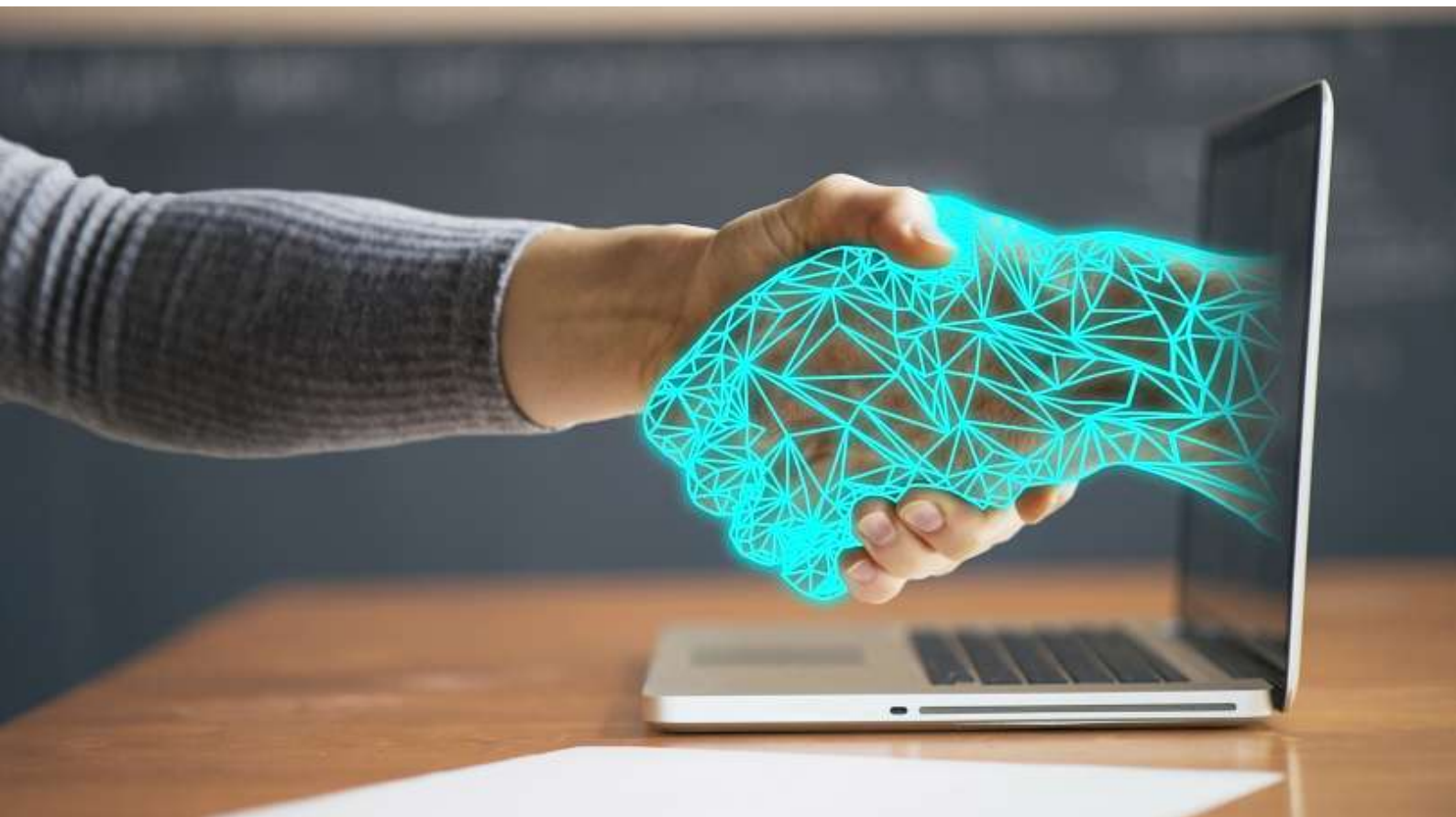
If there is a consensus on anything it is the role of technology: everything will be digitalized, everything will be connected and everything will be transformed.

If it has not yet happened already... From industry 4.0 with automated manufacturing to education, from telemedicine to smart city solutions, from entertainment to food, every single person on the planet now definitely understands that digitization of all aspects of life is inevitable. This is also probably an irreversible process.

Indeed, many of the people I talked to are indeed in the technology scene either as investors, founders or executives. Everyone sees the opportunities for “people like us” and for emerging tech some of us have championed for years.

There is an overall excitement about what we can now achieve, push forward and I hear stories of corporate processes that were unable to be digitalized or transformed towards greater logic and efficiency for years, changing overnight.

My concern are the "people unlike us".





The Gap Between Haves & Have-nots

What happens now?

When I encountered the teachings of Singularity University around 2013 and read books like Exponential Organizations, I realized there were two realities:

- 1) One portion of humanity was leading, driving, benefiting from technology and digitalization. I've put these people on an exponential curve.
- 2) The other group was on a linear curve, not aware of or not applying the most recent technologies and innovative solutions.

The second group is much larger.

It doesn't require much imagination to see that the gap between the two curves is widening. We can call it a technology gap, but that overlays very well with the opportunity gap (as I highlighted earlier discussing education) and ultimately the wealth gap.

It is also easy to see I believe that this trajectory is unsustainable and the imbalance have to break at a certain point. The only other option is bringing those two lines closer to each other.

It will be up to "people like us" to figure out how, but it definitely starts with an intent.





"I think we have an
opportunity now to do
things differently."

ANTONIO GUTERRES
SECRETARY GENERAL
UNITED NATIONS

*IN HIS BBC
INTERVIEW ON
APRIL 30 2020*

Epilogue

Just do the next right thing

It is a cliché, but the times we are going through now prove that the only constant is change. We tend to relate to the pre-Covid19 world as the “norm”, but if I just think about the changes of my lifetime, the "norm" was always shifting.

I was born into a socialist Hungary to say the least, when I was six, the cold war was over, the Soviet Union collapsed, China continuously opened up, mobile phones and the internet proliferated. Hungary joined the European Union along with other former Eastern bloc countries. Budget airlines democratized international travel. Then came the smart phone changing virtually everything. Ask people in Iraq, Afghanistan or Syria about the “norm”.

What makes Covid-19 different however is that the entire world has been involved and affected, going through pretty much the same experience and fighting similar challenges wherever they are.

All this also unfolded in a matter of weeks and months with information flowing like never before about any crisis, let alone pandemic. It's process so far has been as epic as tragic and this is indeed just the beginning.

Whilst surviving must be the priority right now, everyone with the luxury of time, space and resources has the responsibility to step back and seriously consider the what the next right thing is to do for a better future. That process starts with defining that “better future” in societal and local, global and planetary terms.

Personally, I feel compelled to advocate “sustainability”, doubling down on climate change, build more sustainable businesses and be conscious of the wealth gap.

I will keep thinking and working on how the benefits of growth and technology can be better disseminated in the world. I would like to contribute to bridging the opportunity gap. I believe that is the benefit for all of us.

I am encouraged to see how many people around me think the same way.

Thank you.

18/5/2020, Hong Kong

Tony Á. Verb
Curator of the Report
Co-Founder of GreaterX

About us

GreaterX is an Urbantech investment, advisory and property platform focused on generating great investments with positive social impact. By focusing on technology, innovation and sustainability, we have the ambition to be a key driver of the emerging Urbantech market globally.

Problem



The current trajectory of urbanization is chaotic and unsustainable. In an era defined by climate change, pollution and pandemics a new approach to urbanization is required.

Opportunity

70%

By 2050 an additional 2.5 Billion people will be living in cities representing 70% of the global population. The Urbantech industry is forecast to represent a >USD\$3 trillion opportunity by 2025 growing at >20% per annum.

Our Solution

X

We bring together capital and technology to drive greater innovation and sustainability for the cities of the future. We bridge the East and the West through resources and best practices,



Our Thesis

Humanity is on an unsustainable trajectory. Climate change, pandemics and politics are reshaping our lives and priorities. New cities are being created as a matter of necessity, old ones have to be restructured to stay relevant in the 21st century. Our vision is to make these cities intelligent, sustainable and inclusive with a quality of life all communities desire around the world through innovation and technology.

Urbanization

With 3 million people being born or moving into cities each week, the process of urbanization doesn't stop accelerating. As challenges compound, hunger for new solutions grow and all this coincides with a skyrocketing global demand for resilient and sustainable solutions.

Innovation

Innovation and technology are not only key to address the major challenges of urbanization, but also essential in building future-proof urban societies. Beyond finding tech that can bring greater efficiency to cities, we also catalyze the local innovation economy.

Impact

Only sustainable businesses can scale sustainable solutions. For that reason we put equal emphasis on profitability and tangible and no-bullsh@t ESG impact. The first PPP of our thesis stands for "people, planet, profit". Decarbonization, social inclusion and returns are the highest on our agenda.

Cross-border

The arbitrage opportunities in connecting Europe, the Middle-East and Asia are enormous. That's where we specialize in cross-border investments, partnerships and deals, matching great solutions with great markets at favorable valuations.

PPP 2.0

Our multi-stakeholder framework brings together government entities, large enterprises, innovative businesses and capital. We do this to optimize resource-allocation and because cities are impossible to be built without bringing everyone to the table. For that reason, we believe there is a new dawn is coming for public, private partnerships and this is our second PPP.

URBANISATION

TECHNOLOGY &
INNOVATION

POSITIVE
IMPACT

X

Partners & Partners

Partnership as philosophy

Even though we have an advisory practice, we do not have clients. We don't work "for" anyone, but we work "with" people, companies and governments that share our philosophy, our values and our commitment to building better cities and creating positive impact through technology and innovation.

We are proud to have worked with some exceptional leaders and outstanding companies in our little more than two years of history.



Partnership as an alliance

What we are proudest of is the network and global ecosystem we have built over the years that helps us find talent, investment opportunities and information that are otherwise hard to access. This is a growing alliance of organizations and companies with a shared mission and where the help we receive is reciprocal.



MORE TO COME...

If you have any ideas with regards to cross-border innovation, urbantech and investments in Europe, Asia and beyond, let us know!

Otherwise, we will be in touch with new opportunities and initiatives very soon.

Thank you for your attention,

THE GREATER TEAM



X

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