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Wealth managers support HK's family office incentives

Recent measures should strengthen Hong Kong's competitive edge and encourage new and existing family offices to expand their presence.

BY **NITHYA SUBRAMANIAN**



Top wealth managers have lauded the initiatives taken by Hong Kong to attract more family offices to its shores.

Recently, Singapore has emerged as a strong competitor to attract wealthy individuals to the region. However, to remain a dominant financial

hub, Hong Kong's recent budget provided HK\$100m (\$12.75m) to InvestHK.

This is in addition to providing profits tax exemption for qualifying transactions of family-owned investment holding vehicles managed by single family offices.

In a further move, Hong Kong will host an 'invitation only' gathering for some of the world's richest family offices in the Middle East and China next month

Welcoming these initiatives, Aik Ping Ng, head of family office advisory, Asia Pacific at HSBC Global Private Banking, said that these family office incentives were integral to the city's ambition to become a leading international family office hub.

The rapid growth of Asian wealth, coupled with ultra-high-net-worth families' intention to institutionalise and professionalise the management of their wealth in recent years, has spurred the development of Hong Kong's family office ecosystem.

'Incentives like these will help strengthen Hong Kong's competitive edge and encourage new and existing family offices to expand their presence on the ground,' he said.

Chi-man Kwan, group chief executive officer and co-founder of Raffles Family Office, said: 'These initiatives are particularly important to our global citizen clients, who require a forward-thinking jurisdiction with a sophisticated financial ecosystem to manage their assets and investments.'

While welcoming the measures, Hong Kong-based single-family office Tsangs Group's chairman Patrick Tsang felt that the minimum asset threshold of \$30m is 'slightly too high'.

'We believe that a more inclusive policy would enable a greater number of family offices to benefit from the new measures,' he said.

However, he was confident that the HK\$100m budget to InvestHK would definitely help to promote Hong Kong as a hub for family offices.

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