

Leading MFO CEO Highlights the Huge Family Office Growth Potential in Hong Kong and Across Asia

Hong Kong is now fighting back in terms of credibility and visibility on the regional and indeed global stage after the social unrest followed by a pandemic. It has much to focus the spotlight on – from a deep and mature financial sector, liquid capital markets, and a broad, well-established ecosystem of professional and fiduciary services. There is no doubt that Hong Kong is now regaining favour and regaining momentum, and by estimation is set to become the biggest booking centre globally by 2027. As an expert member of a high-profile panel in the opening discussion of the Hubbis Wealth Solutions Forum in Hong Kong on October 18, Chi-man Kwan, Group Chief Executive Officer and Co-founder of Raffles Family Office, offered valuable insights and guidance on the evolution of the wealth management market and the family office proposition. Interestingly, he explained that the surge of their business is attributed to the growing volume of single-family offices (SFOs), highlighting how this dynamic is robustly and inexorably influencing the market.

GET IN TOUCH

[View this Panel On Demand](#)

[View Chi-man Kwan's LinkedIn Profile](#)

[Find out more about Raffles Family Office](#)



CHI-MAN KWAN

Group Chief Executive Officer and Co-founder
Raffles Family Office

Chi-man introduced himself as the Group CEO and Co-founder of Raffles Family Office, which he noted has a dual HQ set-up in both Hong Kong and Singapore, as well as satellite offices in Beijing, Shanghai, Taipei,

a major element of that AUM and coming growth," he said, "And that all means intense and rising activity levels and a very dynamic wealth market in Hong Kong."

He said this also means a lot of changes ahead, for example with new ways to invest in and manage private equity, real estate, and digital assets, as well as interesting new opportunities to invest in the mainstream financial markets, and a rising focus on ESG and sustainability.

"That, in a nutshell, is why Hong Kong government is striving to introduce and promote policies to support this industry," he stated.

Chi-man then turned his attention to how all this impacts the way in which Raffles Family Office is strategising for the future and adapting its offering in Hong Kong

perspectives of cost, resource and time. And it is about future-proofing the proposition as the industry moves towards the family office of the future, which will be investing in a wide variety of diversified assets, and doing so in new ways and through the expertise of talent that is far more capable in niche and nuanced investments than the generalists of before.

"We need capabilities in digital assets, new approaches to real estate, and a much bigger remit in private equity," he told guests.

Looking at real estate, Chi-man observed that the new generation of significant family offices want to have greater control, fuller transparency, and potentially seats on the board of directors when they invest their funds in

« "We need capabilities in digital assets, new approaches to real estate, and a much bigger remit in private equity." »

and very probably soon Seoul and Bangkok as well. The firm currently has around 150 talents across the region, and Chi-man has ambitions to double in size within the next two years.

He remarked that Boston Consulting Group predicts that by 2027, Hong Kong will be the biggest booking centre in the world, with AUM of more than USD3 trillion, by then surpassing Switzerland, and quite a bit larger than Singapore.

"It is clear that this is a huge and growing market, with China alone

and across the region.

Firstly, he explained that Raffles Family Office is an MFO that works closely with SFOs, which represent some 40% of the families that they serve, and that number is roughly double the level of around three years ago. "Moreover," he reported, "we forecast that this will double to even as much as 80% within the next five years."

But why should this be? He explained that it is because of the efficiencies they represent for these SFOs, and the practicalities of working with them from the

any major asset or company. "But in reality," he reported, "that is not feasible, as they cannot have the bandwidth to be so close to all the companies in which they might invest. And that is why the MFO is so increasingly valuable, as they can leverage our skills and specialisation to obtain that level of transparency and insight to their investments in perhaps real estate and certain company situations."

He explained that is also why property developers and others seeking large volumes of investment capital are increasingly

finding their way to the Raffles Family Office door.

And he elaborated that many such developers are moving into sustainability and green projects and taking up new ways of managing developments and completed real estate, more reflective of the priorities in the world ahead. "Actually, when we take a deep dive into how this is moving ahead, we can already see that major Hong Kong developers are ahead in the global game, perhaps even second to none."

Chi-man then turned his gaze on talent, noting that this has always been a huge challenge for him and the firm. Six years ago, he said they totalled just seven in the firm and today more than 150. He explained that it has been immensely challenging, but the opportunity is so significant that it is well worth making the great effort to build for the future, especially as so much wealth is



being created in Asia and also being transitioned from founder to the second and third generations.

"Ultimately, how do we influence them?" he pondered rhetorically. "Well, we need to make sure

that we help them do the right thing, that they are responsible, that they invest in a world that is going to be more sustainable, and we believe this family office community will play a critical role in all this." ■



FIND OUT MORE

Interested in joining us for the Hubbis Wealth Solutions Forum in Hong Kong for 2024? The event takes place on Wednesday 23rd October. [CLICK HERE](#) to register for the event today to guarantee your place!

Or you may wish to [CLICK HERE](#) to view our full event calendar for 2024.