FAMILY SUCCESSION

BUSINESS WEALTH

Wisdom Succession Consultancy Limited
弘德信傳承顧問有限公司

With our professional knowledge and life wisdom, we assist business families and wealthy families in the Greater China Region to achieve business sustainability and wealth succession.

Planning, Coordinating & Implementing Succession Projects for Clients.

ABOUT WISDOM SUCCESSION

We are a boutique professional firm based in Hong Kong, providing holistic, coordinated and customized services to business families and wealthy families in the area of family business and wealth succession. Our team consists of experienced professionals in the sectors of wealth succession, risk management, financial planning, business management, legal, accounting, and taxation. With our professional knowledge and experience and our extensive cross-border network of strategic partners, we assist our clients in planning, coordinating, and implementing their succession projects.

We believe that family business and wealth succession is a complex project that requires a systematic and holistic approach and involves the effective use of various tools in such areas as legal, financial, business management, and tax planning. We also believe that a comprehensive and effective mechanism of risk management is the cornerstone of family business and wealth succession, and the design of this mechanism must be based on an in-depth understanding of the background of the relevant family, including the characters of the family members and their respective life-cycle stages, the family culture and values, the structure of the family business, and the composition of the wealth involved.

OUR SERVICES

- Family Business Development and Succession
- Exit from Family Business
- Family Wealth Protection and Succession
- Asset Allocation
- Residency & Nationality
- Corporate Administration Services
- Family Office Support

Family Business Development & Succession

Faced by the challenges from the ever-charging external environment and the severe competition in the market, it is necessary for a family business to formulate appropriate corporate strategies and have them implemented effectively with various strategic tools (such as merger and acquisition, equity financing, debt financing, and IPO) in order to survive and develop sustainably.

Good corporate governance is the prerequisite of sustainable development. Corporate governance involves such issues as the exercise of shareholders' rights, the composition and structure of the board, risk management and compliance, and incentive schemes for senior management.

The core of family business succession is leadership succession, which involves such issues as selecting the right person to be the successor, providing suitable training to the selected successor, and transferring powers in due course.

We assist our clients in formulating appropriate corporate strategies, establishing appropriate corporate and family governance systems, and making appropriate business succession plans.

Exit from Family Business

If none of the family members is interested in, or capable of, taking over the management of the family business, the family may consider to sell the business and invest the proceeds of sale in other assets. The family members would also have the financial resources to pursue their own interests and develop their own careers in the areas in which they are interested.

In order to sell the business at the best available price, the family should make use of various strategic tools to maximize the value of the business before putting it for sale on the market. As such, appropriate exit strategies are required. The Family can exit from the business by way of direct sale of shares or assets, initial public offering, management buy-out, and separation of ownership and management, to name just a few.

We assist our clients in formulating appropriate exit strategies, implementing pre-sale asset restructuring, finding potential buyers, and coordinating the work of various professional parties during the sales process.

Family Wealth Protection & Succession

Life is full of risks and uncertainties. Business families and wealthy families in the Greater China Region are exposed to the risks that arise from politics, business operation, the mixing of personal assets and corporate assets, assets held in the name of other people, financial investments, divorce, personal health, tax liabilities, legal liabilities, conflicts among family members, the quality and quantity of family members, and the mixing of family issues and business issues.

Wealth succession is based on risk management. In order to protect family wealth and pass the same to the next generation in the desired manner, it is necessary to establish a comprehensive and effective risk management mechanism with various tools in the areas of asset protection, asset allocation, ownership structure, and tax planning.

We assist our clients in designing and establishing appropriate risk management mechanisms with various tools, including family trusts, ownership structures, tax planning, insurance products, wills, enduring powers of attorney, and prenuptial agreements.

We also assist our clients in securing quality medical care and education for their family members, developing strategic charity and philanthropy, and establishing appropriate family governance systems, all of which can enhance the family's soft power.

Asset Allocation

Asset allocation is the mix of different asset classes (in different geographical regions) in an investment portfolio for the purpose of balancing risks and returns in accordance with different financial goals and risk appetites. Different asset classes have different characteristics.

Asset classes with high risks and high returns (such as stocks, options, and private equity investments) are suitable for wealth creation whereas those with low risks and low returns (such as insurance products, bonds, and real properties) can be employed as risk management tools for wealth preservation and succession.

We assist our clients in formulating appropriate asset allocation strategies and making investments in the relevant asset classes in collaboration with our strategic partners, such as real estate agents, private bankers, luxuries suppliers, insurance agents, and auction houses.

Residency & Nationality

Different people have different reasons for immigration. Some may like the culture and lifestyle of the target country / city while others may want to provide their children with more choices for education and career development. People may also want to protect their wealth by changing their nationalities. For business families and wealthy families, immigration does not mean merely obtaining a passport or a permanent residency right. It may involve various considerations and detailed planning, such as tax planning for family members, changing the ownership structure of the family business, and establishing a risk management mechanism for family wealth.

We our assist clients in securing permanent residency rights and nationalities in their chosen countries or cities, such as Hong Kong, Canada, Singapore, and the United Kingdom.

We also assist our clients in pre-immigration restructuring of business and assets so as to minimize the wealth risks associated with the regulatory requirements of the home country and the target country.

Corporate Administration Services

Hong Kong SAR is not only the premier financial hub in Aisa but also one of the three leading financial centres in the world. With its free and fair business environment and world-class infrastructure, Hong Kong SAR is consistently identified as the world’s most competitive economy and one of the easiest cities to do business.

Due to its distinctive characteristics of separate legal entity, perpetual succession, and limited liability for shareholders, the legal form of limited liability company is commonly used for business operation and family business and wealth succession. Use of a multi-layer pyramidal corporate structure (each layer with a limited liability company) to run the family business can segregate the risks associated with different industrial sectors, achieve asset protection, and facilitate tax planning. The conflict between business succession and the interests of individual family members can also be resolved by structuring the share capital of the ultimate holding company of the family business into different classes of shares. Limited liability companies are also used for charitable and philanthropic operations and asset holding.

In collaboration with our strategic partners, we assist our clients in establishing business operations in Hong Kong SAR, including incorporating Hong Kong companies and offshore companies, post-incorporation regulatory compliance, accounting and auditing, office set-up, staff recruitment, and application for relevant licenses.

Family Office Support

The concept of family office is distinct from that of family business. A family office is an organization with a team of dedicated professionals devoted exclusively to the needs of a family, such as investment management, tax planning, risk management, lifestyle and concierge services, family governance, etc.

The size of a family office will depend on the size of the family wealth. A large family office may have its internal administrative team, accounting and finance team, legal team, and taxation team whereas a small family office may employ only several staff members to take care of those services involving sensitive information (e.g. accounting and finance, record keeping & reporting, and lifestyle and concierge services) and outsource those services that require technical expertise to external professionals (e.g. investment management firms, law firms, and trust companies).

We assist our clients in setting up their own single-family offices (including virtual family offices) and provide them with relevant technical support services.

WHY WISDOM SUCCESSION

- Friendship Before Business
- Business & Wealth
- Customization
- One-Stop Service
- Long-term Relationship

OUR ROLE – GOING WITH YOU

Liaising, coordinating, managing

Your Friend, Your Partner, Your Trusted Advisor

External Professionals

Trustee 香港信託人公會 Hong Kong Trustees' Association

The Law Society

保險業監管局 Insurance Authority

地產代理監管局 ESTATE AGENTS AUTHORITY

CSI Canadian Securities Institute

CMI Chartered Management Institute

CR 公司註冊處 COMPANIES REGISTRY

CISI CHARTERED INSTITUTE FOR SECURITIES & INVESTMENT

THE LAW SOCIETY OF HONG KONG 香港律師會

CPA Hong Kong Institute of Certified Public Accountants 香港會計師公會

香港稅務學會 THE TAXATION INSTITUTE OF HONG KONG

證券及期貨事務監察委員會

HKSI Hong Kong Securities and Investment Institute 香港證券及投資學會

QUALIFICATIONS OF TEAM MEMBERS

James Wong

Managing Director

(Chief Consultant)

Winnie Siu

Consultant

(Legacy & Succession)

Nelson Ma

Consultant

(Accounting & Taxation)

OUR TEAM

James Zheng

Consultant

(Canada Property)

Ronnie Po

Consultant

(UK Affairs)

OUR TEAM

Profile of James Wong

- Mr. James Wong is Managing Director of Wisdom Succession Consultancy Limited and Consultant of Tung, Ng, Tse & Lam, Solicitors. He also serves as director of a number of family businesses in Hong Kong and Mainland China. He has almost 30 years in legal practice and business administration. Prior to founding Wisdom Succession, he had served a number of established law firms in Hong Kong at partner’s level, a China-based multi-national corporation as its managing director in Hong Kong, and a listed group in Hong Kong as its executive director. Mr. Wong specializes in such areas as cross-border mergers & acquisitions, capital markets, private equity, banking finance, asset restructuring, offshore trusts, risk management strategies, and succession of family business & wealth.

- The career life of Mr. Wong can be divided into three stages, In the early years, he provided legal services to corporate clients in Hong Kong and western countries and assisted them to invest in China. Then he joined family businesses in China and assisted them in their overseas investments in the capacity as a member of the senior management. In recent years, he has been advising business families and wealthy families on the succession of family business and family wealth.

- Mr. Wong graduated from The University of Hong Kong with an LL.B degree and from the City University of Hong Kong with an LL.M degree (in Chinese & Comparative Law) and an EMBA degree (with distinction).

….. Profile of James Wong

- Mr. Wong is a solicitor (practicing) in Hong Kong and a solicitor (non-practicing) in England & Wales, UK. He is also a Certified Trust Practitioner of Hong Kong Trustees' Association.
- Mr. Wong has been admitted to various professional bodies as a full member / fellow member, including Hong Kong Securities and Investment Institute, Chartered Institute of Securities & Investment (UK), Chartered Management Institute (UK), and International Bar Association.
- In the area of charity and community services, Mr. Wong has been serving a number of non-profit organizations, including City University of Hong Kong EMBA Alumni Association (Chairman 2028-2022), Department of Marketing of City University of Hong Kong (Honorary Think Tank Advisor), CityU Industrial and Business Leaders Circle (member), and Lions Kidney Educational Centre and Research Foundation (Vice-Chairman 2016-2021), Lions Club of Kowloon Tong (President 2016-2018). Interested in a wide rage of topics that impact businesses and organizations, Mr. Wong has joined as a member the Harvard Business Review Advisory Council, an opt-in research community of business professionals.

Profile of Winnie Siu

- Ms. Winnie Siu has more than 20 years of experience in private wealth management. Prior to coming back to Hong Kong for her career advancement, Ms. Siu had worked for the Bank of Montreal for many years and had been granted such awards as “Top 200 Financial Planners Recognition across the Country” and “Employee of the Year” in recognition of her achievements.
- Ms. Siu specializes in the areas of financial planning and investment, private wealth management, strategic philanthropy, and immigration. She is now Assistant Vice President of Dynasty Financial Group Limited and Consultant to Wisdom Succession Consultancy Limited.
- Ms. Siu graduated from the University of Toronto with a BA (Hons), from the City University of Hong Kong with an EMBA degree, and from the University of Hong Kong with a JD (Juris Doctor) degree.

….. Profile of Winnie Siu

- Ms. Siu is an Accredited Financial Management Advisor and Accredited Personal Financial Planner of Canadian Securities Institute (Toronto). She has also obtained a Hong Kong Securities Practicing Certificate issued by Hong Kong Securities & Investment Institute. She is also a qualified insurance agent in Hong Kong.

- In the area of charity and community services, Ms. Siu has been serving a number of non-profit organization and business associations, including Hong Kong Bankers Club (Club Secretary), Department of Marketing of City University of Hong Kong (Honorary Think Tank Advisor), City University of Hong Kong EMBA Alumni Association (Secretary), and CityU Industrial and Business Leaders Circle (member).

Profile of Nelson Ma

- Mr. Nelson Ma is the founder and managing partner of Nelson Ma & Co, Certified Public Accountants and Consultant to Wisdom Succession Consultancy Limited. He is a practicing certified public accountant in Hong Kong and a Certified Tax Advisor of Taxation Institute of Hong Kong. Mr. Ma has more than 20 years of experience in the areas of business consulting, tax planning, accounting, and auditing. He is also a member of American Institute of Certified Public Accountants and a member of Chartered Global Management Accountants.
- Mr. Ma started his career in the audit field, gaining valuable experience in local and global Big Four accounting firms. Then he was involved in various IPO projects. He has served 2 listed companies in Hong Kong as independent non-executive director and chairman of the audit committee. He is well-versed in listing rules and relevant regulatory requirements in Hong Kong

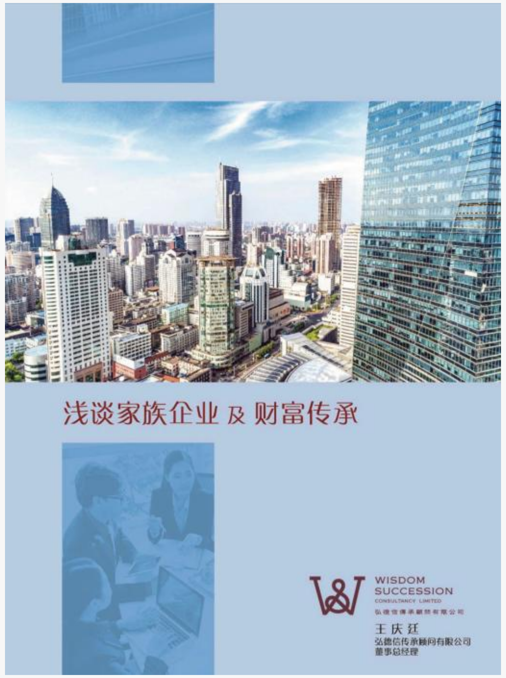
Profile of James Zheng

- Mr. James Zheng is a licensed real estate broker and certified financial planner in Canada. He is Consultant to Wisdom Succession Consultancy Limited.
- Mr. Zheng lives in Toronto, Canada. He has more than 20 years of experience in the banking industry and the real estate brokerage sector. He was General Manager (Financial Planning) of Canadian Imperial Bank of Commerce at Markham City, Toronto, Canada.

Profile of Ronnie Po

- Mr. Ronnie Po now lives in the United Kingdom and is Consultant to Wisdom Succession Consultancy Limited. He has almost 30 years of experience in accounting and taxation and has an in-depth knowledge about all aspects of the United Kingdom, including taxation, accounting, education system, immigration requirements, and property purchase and lease.
- Mr. Po started his career in the accounting sector with one of the Big Four accounting firms. He also worked as Finance Director for a listed company in Hong Kong, responsible for the financial strategies of the listed group. Being interested in professional education, Mr. Po also taught in one of the higher education institutes in Hong Kong, sharing his practical experiences and professional knowledge with junior accounting professionals.
- Mr. Po graduated from Hong Kong Polytechnic with a Bachelor in Business Studies degree and a Master of Professional Accounting degree. He is Associate Member of Hong Kong Society of Accountants and Associate Member of the Association of Chartered Certified Accountants.

Publications


浅谈家族企业及财富传承

WISDOM SUCCESSION CONSULTANCY LIMITED
弘德信傳承顧問有限公司

王庆廷
弘德信传承顾问有限公司
董事总经理


2021 年 3 月

浅谈离岸信托

在家族财富的风险管理和传承方面，离岸信托是常用的法律工具，媒体也经常报导，说某某富豪在海外成立了信托来管理家族财富。很多上市公司的大股东，在企业上市前，也进行了信托安排，用来持有上市公司的股份。与企业着重透明度不同，家族信托注重隐私，兼且多为「度身定制」，针对每个家族的具体需要来设计，市场上并无「产品示范」，因此对一般人来说，信托好像披了一层神秘面纱。本文尝试通过案例分析，为大家简单介绍一下信托的法律基础和概念，以及离岸信托在财富风险管理和传承方面的功能和应用。

弘德信传承法商学社
财富永续 基业长青

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2021 年 4 月

浅谈保险与财富传承

保险，对大部份人来说，并不陌生。有人视保险为保障生活的工具，通过购买不同类型的保险产品（例如人寿、医疗危疾、意外事故、教育储蓄、财产损失等），以备不时之需。有人视保险为理财创富的工具，通过购买投资性质的保险产品，以期达致财富增值。尽管保险具有保障生活和增值财富的效果，但对于富人来说，保险的真正价值，在于其风险管理和财富传承的功能。这也是李嘉诚等超级富豪购买人寿保险的主要原因：要建立完善高效的财富风险管理机制，人寿保险正是其中一项不可或缺的组件。本文将通过案例的方式，重点介绍保险的概念，人寿保险的操作和风险管理功能，以及其在家族财富传承中的角色。

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