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Updated on 22 January 2019

1. South China Morning Post - More China buyouts for foreign private equity as entrepreneurs struggle with succession

Peggy Sito, Georgina Lee
22 January 2019
https://www.scmp.com/business/companies/article/2129981/more-china-buyouts-foreign-private-equity-entrepreneurs-struggle

Foreign private equity investors are finding more and more buyout opportunities in China, as mainland entrepreneurs become more open to giving up majority ownership and control as they struggle to find successors in their families, say industry participants.

Growing competition and fast-paced technological developments have also prompted first-generation entrepreneurs to look for professional advice and management skills, said Rebecca Xu, co-founder and managing director of Asia Alternatives.

"The recent trend is an increase in buyout opportunities in China. These are typically companies that have to implement operational transformation, or the first generation of entrepreneurs who, in their sixties, are in succession situations," said Xu.

Asia Alternatives has more than US$11 billion in assets under management across buyout, growth and expansion, venture capital and special situation funds. It invests with top performing private equity fund managers across Asia, primarily in China, as well as in Japan, Korea, Southeast Asia, India and Australia.

"More shareholders and founders are willing to give up controlling positions – either immediately or several years later," she said.

On the other hand, investors are also demanding control over management decisions because of growing business competition, she said.

One example is Belle International, according to Xu.

In April, two top Chinese private equity companies, Hillhouse Capital Group and CDH Investments, offered to take Belle International, China's largest shoe retailer, private in a takeover deal valued at HK$53.1 billion (US$6.8 billion).

Belle, which sells top brands such as Staccato, Joyce and Peace and Mirabell, has been hit hard by online competition over the past five years, as struggling bricks-and-mortar stores remain its primary sales channel. The sale was aimed at breathing new life into its struggling business.

"Operating margins and generation of free cash flow have been compressed," said Edward Huang, the senior managing director of Blackstone Group. "And some of these companies are going global – they think about whether they need a [private equity] partner, and how do they get to the next stage," Huang, who spoke at the 2018 Asia Private Equity forum in Hong Kong on Wednesday, added.

Asia Alternatives' Xu said the company would continue to focus on China. In a fifth funding round in September it raised US$1.8 billion.

“We would expect 45 per cent to 60 per cent of our recently closed fifth fund to be invested in our range investing in Greater China,” said Xu. “China among all Asian markets is the one that has a variety of opportunities, and the variety of opportunities is broader compared with other markets.”

2. South China Morning Post - Money from Chinese tech firms is deciding India's next unicorn, say venture capitalists

Alice Shen
22 January 2019
https://www.scmp.com/business/companies/article/2129873/money-chinese-tech-firms-deciding-indias-next-unicorn-say-venture

Capital from Chinese technology firms is deciding the winners in India's tech start-up market, according to venture capitalists.

Indian companies chosen by tech giants such as Tencent Holdings and Alibaba Group Holding have received vast amounts of capital, enabling them to put rivals out of business by building their own ecosystem and developing new products.

Chinese investors have been using this "winner-takes-all" strategy in India for the past few years, having seen it pay off for late stage start-ups in China and the US**,** said Karthik Reddy, co-founder and managing director of Mumbai-based Blume Ventures.

For example Ola, India's equivalent of Uber, with the backing by Tencent and SoftBank was able to shut down its rival TaxiForSure – part of Blume Ventures' portfolio – in 2016, a year after it bought the competitor for US$200 million.

"Nobody can contend with that capital," said Reddy, at the Asia Private Equity Forum on Wednesday.

In the last 18 months, Chinese companies have poured around US$2.37 billion into Indian start-ups, according to data research firm Tracxn.

South Africa-based Naspers, an early-stage investor in Tencent, and Japan's SoftBank, an early investor in Alibaba, have been actively ploughing money into India and are seen as close partners of the two Chinese companies in which they are still major shareholders. Alibaba owns the *South China Morning Post*.

SoftBank, along with Alibaba, took a seat as a major shareholder on the board of Paytm, India's largest digital payments start-up, after the Japanese investor poured in US$1.4 billion – the largest single transaction for funding in the country's technology sector – last May.

The money is set to help Paytm expand its user base and start to offer financial services products, mirroring the growth strategy of Ant Financial, Alibaba's payment affiliate.

Last year, Naspers invested US$80 million in Indian food delivery platform Swiggy, and US$71 million in Flipkart, India's largest e-commerce start-up.

The winner-takes-all tactic will pay off in the long run, said Richard Ji, managing partner of All-Stars Investment, a major shareholder of Chinese phone maker Xiaomi, at Wednesday's forum.

The fund was the biggest investor in Xiaomi's latest round of fundraising, valuing the unicorn at US$45 billion in late 2014. Xiaomi was reportedly considering an initial public offering this year, with a valuation of US$100 billion, making it the most expensive unicorn in the world.

“Capital can make a significant difference in China’s late stage [start-up] market,” Ji said.

Since 2014, there has been a lot of consolidation in the fiercely competitive sector. Examples include the mergers between taxi-hailing app Didi and Uber China, and online classifieds sites 58.com and Ganji.

For late stage start-ups, how much capital they can get determines whether or not they will survive. Investors with deep pockets can also provide start-ups with strategic resources and help them grow, Ji said.

Smaller investors in India, such as Blume Ventures, tend to put money into early stage start-ups to avoid competition, according to Hu Jianlong, founder of a Beijing-based tech news outlet with a focus on China and India.

Capital from Chinese tech companies is good for Indian start-ups, Hu said, as it brings the resources needed to build a sustainable supply chain or find business partners.

“Eventually that decides who the winners are,” said Reddy.

3. 21st Century Business Herald - 谋巩固亚太金融中心地位 香港拟修法吸引更多私募基金 离岸私募基金利得税豁免新规料将于 4 月 1 日实施

陈若萌

22 January 2019

http://epaper.21jingji.com/html/2019-01/22/content_100411.htm

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近日，在 2019 年亚洲私募投资论坛上，香港财政司司长陈茂波指出，香港是亚洲第二大私募基金市场，截至 2018 年中，香港本地私募基金管理资产规模达到 1，520 亿美元，占亚洲区的 16%。

他透露，目前香港特区政府建议将离岸私募基金的利得税豁免范围扩大至在岸基金，并已交由立法会审议，期望条例可以尽快实施。同时，特区政府将就私募基金引入有限合伙人推出咨询文件，其后向立法会提交相关法案。若获得通过，将是基金工具第二个专属制度获纳入法例。陈茂波指出，香港财经事务及库务局正与金融管理局及证监会为相关咨询作准备，希望政策能够满足私募基金需求，同时保护投资者。

陈茂波说，未来特区政府将继续巩固香港作为连接内地和国际投资者的独特地位，也将继续加强香港作为全球离岸人民币业务枢纽地位。同时，特区政府会继续着力推进粤港澳大湾区的发展，庞大的人员、货物及资本流动，将为资产和财富管理部门提供新的机会。

据咨询机构 Preqin 的数据，自 2011 年以来，虽然私募股权在亚洲参与的交易活动数量在减少，但交易总额却急剧攀升：从 2007 年至 2013 年，平均年交易额达 200 亿至 300 亿美元，2014 年，在亚洲地区的交易额一跃升至 500 亿美元，2017 年增长至 660 亿美元，创造了新的纪录，此外 2018 年前三季度公布的交易总额为 280 亿美元。而这样的趋势部分归功于中国内地私募市场的蓬勃——2018 年 6 月，蚂蚁金服完成了新一轮融资，融资额高达 140 亿美元，创下了互联网史上最大的单笔私募金额。作为连接内地与国际投资者的桥梁，香港正迎来崭新机遇。

香港创业及私募投资协会董事局主席、摩根士丹利亚洲私募股权基金首席执行官周玄沁对亚洲私募市场持十分乐观的态度。他在接受 21 世纪经济报道记者采访时指出，亚洲私募市场对于国际投资者和 LP（有限合伙人）来说十分有吸引力，香港一直是摩根士丹利开展亚洲私募股权业务的绝佳中心，香港特区政府出台新规有望鼓励更多私募基金转移到香港。他指出，“在监管泛地区业务方面，香港可能是亚太地区所有大城市中最灵活的，在商业环境，交通和生活质量方面也是最好的。”

国务院发展研究中心副主任王一鸣在接受 21 世纪经济报道记者采访时表示，希望香港能利用现有优势，带动粤港澳大湾区整体金融和科技行业发展，将大湾区打造成为具有全球影响力的国际科技创新中心。

利得税豁免新规将于 4 月生效

香港特区政府 2018 年 12 月公布的《2018 年税务（豁免基金缴付利得税）（修订）条例草案》显示，只能面向合格机构和富裕个人出售的本地注册工具，如对冲基金和私募股权基金，将首次有资格豁免被征收 16.5%的利得税。香港特别行政区政府财经事务及库务局副秘书长（财经事务）孙玉菡在接受 21 世纪经济报道采访时透露，新规预计于今年 4 月 1 日生效。

而根据现行的《税务条例》，以私人形式发售的基金中，只有离岸基金及在岸开放式基金型公司享有利得税豁免，其他在岸基金不能一样享有利得税豁免。在基金投资层面，《税务条例》目前订明以私人形式发售的离岸基金，如欲享有税项豁免，它们可投资于在海外成立的私人公司，但不可投资于本地私人公司。孙玉菡分析，上述不同的税务待遇，或会阻碍基金来港注册及在港管理，不利香港资产及财富管理业的进一步发展。

孙玉菡解释，新规实施后，所有在香港营办的基金，只要符合若干条件，不论其结构、是否离岸或在岸、规模或目的，均可享有同样的利得税豁免。此举旨在消除欧盟对于香港基金税务制度存在分隔措施（ring-fencing）的疑虑，并为所有在香港经营的基金缔造公平竞争的环境，以提升香港税务安排的竞争力，有助巩固香港作为国际资产及财富管理中心的地位。

新规推出后如何减低相应的避税风险？孙玉菡表示会引入防止滥用的措施，包括就投资私人公司的基金而言，制定对其持有不动产和资产的规定及设置持有期。此外，现时《税务条例》中有关对在香港居住人士防止迂回避税的条文亦会继续保留。

事实上，香港近年来一直与新加坡、上海等城市争夺亚太地区首要金融中心的地位。在此相关法案修改提出之前，香港本地资产管理行业已经展开了多年的游说工作。港府近年亦不时推出新措施，为金融、保险、金融科技拆墙松绑。

研究建立私募基金有限合伙制度

2015 年，香港金融发展局曾发表《有关私募基金使用有限责任合伙架构的建议》，建议通过修订现行的有限责任合伙法例，为私募基金订立法律框架，以吸引海外及中国内地的私募基金赴港注册，打造香港成为亚太区私募基金中心。

香港特首林郑月娥在 2018 年 10 月公布的施政报告说，港府会继续通过优化法律及税务框架，为基金业提供一个有利的营商环境，研究为私募基金建立有限合伙制度。孙玉菡认为，私募基金有限合伙制度实施后，预计赴港注册的私募基金数目将上升，并为香港顾问公司带来相关投资服务。

陈茂波在前述论坛的发言中表示，内地财富的持续增长，将成为香港的资产及财富管理市场发展的有力支撑。截至 2017 年底，香港的资产管理规模达 3.1 万亿美元，其中三分之二的投资者为非香港投资者。他相信，环球经济增长，亚洲财富持续增加，大湾区建设的推进，将会持续支持香港财富管理业务发展。

周玄沁也对 21 世纪经济报道记者指出，目前中国、印度和亚太地区其他市场的可支配收入增加以及由此产生的业务为香港的私募市场带来巨大机遇。

“中国在科技创新创业、发展新经济方面均处于领先世界的水平，因此是十分有吸引力的市场。印度也成为亚洲地区另一蓬勃发展的新兴市场，2018 年亚洲新兴市场的 10 大私募股权交易中，有 3 宗来自印度，其中包括黑石集团对房地产集团 Indiabulls 的 14.6 亿美元投资以及 TPGCapital 和阿布扎比投资局对化学公司 UPL 的 12 亿美元投资。”周玄沁分析。此外，东南亚的泰国、缅甸、越南等也在近段时间以来发展成为炙手可热的市场。“这为地理上处在中心位置、且监管政策灵活的香港带来了更多发展财富管理业务的机会。”周玄沁表示。

国务院发展研究中心副主任王一鸣则在接受21世纪经济报道记者采访时表示，一流的湾区，需要一流的创投机构。美国最早一批私募基金，就诞生于硅谷、波士顿和北卡罗来纳州三角地带，微软、谷歌等一批全球科技巨头成长背后，都有创投的身影。在粤港澳大湾区的城市群中，香港是全球一流的国际金融中心，珠三角是内地改革开放前沿及体制机制创新高地，拥有产业体系完备、科技研发转化能力强、人力资本雄厚、金融业发达等优势，同时具有金融、技术创新与产业发展良性互动的重要基础。“未来，建议支持香港私募基金投资内地科技企业，允许更多符合条件的内地科技企业到香港上市融资，利用香港的优势，带动粤港澳大湾区整体金融和科技行业发展，将大湾区打造成为具有全球影响力的国际科技创新中心。”王一鸣说。

4. FinanceAsia - How to turn a profit from artificial intelligence
Carol Huang
21 January 2019
https://www.financeasia.com/News/449387,how-to-turn-a-profit-from-artificial-intelligence.aspx

As an early stage investor, Morningside Venture Capital believes that there are still many opportunities for venture capital funds to look at AI startups.

Artificial intelligence can empower companies to disrupt traditional industries. And the opportunities are there for venture capital funds as long as they find the right applications.

In an interview on the sidelines of the HKVCA Asia Private Equity Forum in Hong Kong, Yu Cheng, partner of Morningside Venture Capital, outlined what opportunities he sees in the AI industry, especially given current market volatility.

“Be cautiously optimistic and embrace AI” is his outlook for private equity investment in the next year. Cheng believes that it is time to find the valuable applications for AI technology, and to serve consumer needs.

This is logic that underpins Morningside’s investment as an early stage investor.

Education and infrastructure for Internet-of-Things (IoT) are the two areas to which AI could be applied. “Take online education for example,” Cheng said. “Its early business model used to provide online one-on-one teaching for the student. But that is a business model with a high cost.”

Cheng said he is now looking at companies trying to develop an AI teaching system for online courses so that one AI teacher can teach a lot of students and reduce the cost to the company. “We can use AI technology to pursue the perfect model of supply and demand,” Cheng added.

For IoT infrastructure, AI can help to enhance current computing and data storage. “We may invest in database startups,” Cheng said. As we come into the 5G era, we will face a huge amount of data. There will be more than 30 billion IoT devices generating data each day.

Morningside Venture Capital has, for example, invested in several AI-related companies that help autonomous driving, including Pony.ai, Horizon Robotics and XPeng. “One autonomous driving vehicle will generate over 4 terabytes of data every day, but we can process all of this on the cloud,” Cheng said.

It requires chips to carry out data-processing on the device, and data storage will be different as well. These changes will be a great opportunity for AI companies.

Cheng explained that AI is like a rocket that helps to transform companies and disrupt old industries. “We suggest that all entrepreneurs find the application scenario for AI technology and then start to build the technical barriers.”

He also mentioned that in the current environment, startups will face challenges from large companies such as Alibaba and Tencent. But it is crucial that they understand of what kind of businesses internet giants are incapable, yet small players can do. Bringing the most value to users is the key to survive.

Morningside Venture Capital has grown solidly over the past, rather tumultuous, year. It closed its latest round of fundraising in the last quarter with over $1 billion. Five of its investment projects went public last year, and the firm invested about 30 startups.

As an early stage investor, Cheng feels that the volatility in 2018 didn’t affect Morningside's pace of investment. It always chooses the top team with the most business value, he said.

The first wave of internet investment might have almost dried up, but he believes that we are on the cusp of the next wave. Cheng said that investors may still wait and see for a valuation correction in the first half of 2019 but they can be cautiously optimistic when investing in AI-related business.

5. Deal Street Asia - Trade war should be beneficial for Southeast Asia, say regional PEs
Ka Kay Lum
January 21, 2019
https://www.dealstreetasia.com/stories/trade-war-should-be-beneficial-for-southeast-asia-say-regional-pes-118312/

As the trade war between US and China intensifies, Southeast Asia may be able to emerge as a winner from it, according to top executives from regional private equity firms.

Although the trade war might slow down Indonesian exports, but the domestic economy would remain large unaffected, said managing partner of Indonesia-focused private equity firm Falcon House Partners, Samir Soota. He was speaking on a panel at the HKVCA Asia Private Equity Forum in Hong Kong last week.

"Having said that, we're seeing some benefits coming into our portfolio companies – we have an investment in a natural ingredient company and we're seeing a lot more enquiries coming from China because of the trade war. From that perspective, I think Indonesia will be a huge beneficiary especially in terms of FDI. China is a big FDI investor into Indonesia and I think we will see more Chinese investors coming in if the trade war persists," he added.

Sotta was speaking on a session on Southeast Asia, along with Capsquare Asia Partners co-founder and managing director Ridwan Budijono, Novo Tellus Partners founder and managing partner Loke Wai San, and Southern Capital Group managing director and co-managing partner Eugene Lai.

Loke concurred, even as he pointed out that the trade war is a subset of the overarching global rivalry.

Singapore-based PE firm Novo Tellus focuses on IT and manufacturing investments. It has exited its minority stake in Singapore's MFS Technology along with Kuala Lumpur-based PE firm Navis Capital last February.

"The global manufacturing industry supply chain is dominated by Europe, the US, Japan and other countries but maybe you might want to start diversifying into Southeast Asia. I actually see a long-term structural benefit for the region," Loke added.

On opportunities in the region, buyout-focused and Indonesia-based Capsquare Asia's Ridwan said the private equity market in that country remained underserved, as there are so few domestic GPs.

"For the Indonesian market, if you're focused on future growth, Indonesia is where the action is going to be. We do infrastructure, healthcare and education, and they all tend to be small companies. The key here is right-sizing the opportunity of a subset. We've talked to larger funds and there are still a lot of interest to invest into Indonesia," he said.

"The frustration is to find good, sizeable assets that are investable.This is where we exist, to supply these companies [to bigger funds] when we exit. But whether it's regional or country-specific, we just have to consider what is the right approach and whether the GP has taken a big flop to approach their investment thesis," Ridwan added.

DEALSTREETASIA had reported Capsquare Asia is in the market to raise $200 million for its second buyout fund, and is expected to hit the final close for the fund this June.

While Singapore-based Southern Capital's Lai reckoned that regional approach would be the way to go as Southeast Asia was highly fragmented, and that there was not a single country in the region that had a deep private equity market.

"Indonesia, which is the biggest country in the region by population, but it's only the third largest PE market in Southeast Asia. The largest market in the region is Singapore and second, Malaysia. Why is that the case? Because it is in relation with the maturity of the country's economy. When Indonesia's middle-income economy grows further, I'm sure its PE market will expand," Lai said.

"The problem with single-country approach is adverse selection because you don't have the flexibility of focusing on the highest quality opportunity. It's easy to make investments in private equity, but it's hard to make the right investment. We feel that by focusing on key markets in Southeast Asia, we have the best opportunity to make the right decision, instead of feel like you have to do something in a single market," he opined.

Buyout-focused PE firm, Southern Capital is expected to hit the final close of its $500 million fourth fund by end of this month. As of October 2018, it raised as much as $280 million.

Technology has been an increasingly hot topic among private equity investors, as major industry players including KKR are pumping money into tech firms with recent deals such as Singapore-based property portal PropertyGuru and Philippines-based fintech startup Voyager Innovations.

In terms of the digital economy in Southeast Asia driving the investments in the region, and adding a realistic perspective, Novo Tellus' Loke noted there were many winners and losers when it comes to tech investments.

"The companies that are part of that the technology supply chain – e.g. chips, that's where we're looking at. We cut across sectors. So where does your service fit into the digital economy? That's where we have the conversation, and I think that part is overlooked," he said.

Falcon House's Soota said digitisation has played a huge part in the firm's portfolio companies, especially in a market where Indonesian-based ride-hailing unicorn (Go-Jek) is hugely popular, spawning opportunities for traditional businesses to take advantage of the digital economy.

"We're looking at a country which has 130 million social media users. It's a big millennial population, which is a huge enabler for our portfolio companies. We've also seen huge digitisation in the healthcare business. Our portfolio companies are huge beneficiaries of the digitisation. In fact, we have hired a digital team in Falcon House, to make sure we take advantage of these opportunities, it's a big thing for us," Soota added.

6. AVCJ - PE industry cautiously optimistic on Hong Kong tax reforms
Tim Burroughs
18 January 2019
https://www.avcj.com/avcj/news/3013372/pe-industry-cautiously-optimistic-on-hong-kong-tax-reforms

Industry participants have praised steps taken by the Hong Kong government to make it easier for private equity firms to operate locally, while cautioning that challenges remain regarding the regulation of managers in the territory.

"In the past, the government didn't want you to invest. [Now] we want you to invest here in Hong Kong, we want you to have fewer restrictions on how you invest in private companies and benefit from tax concessions," said Chris Sun, a deputy secretary with the Financial Services and the Treasury Bureau (FSTB), which is responsible for executing government policy on financial services issues, told the Hong Kong Private Equity & Venture Capital Association's (HKVCA) Asia Forum.

The passing of legislation to amend the tax exemption for private equity is a formality, Sun added, and it will come into force on April 1. The move follows a critical report last year by the EU under the BEPS initiative, which is intended to stop investors exploiting gaps in the tax system to artificially shift profits to low or no-tax locations. The EU was uncomfortable with the tax exemption applying to offshore but not onshore funds, and Hong Kong promised action to implement a unified regime by the end of 2018.

The exemption was extended to include PE in 2015 so that funds domiciled offshore don't have to set up structures designed to avoid triggering permanent establishment in Hong Kong and become liable for local tax. However, practice notes issued in 2017 made it unworkable, prompting most firms to rely on the traditional approach where the fund, special purpose vehicles (SPVs) and fund management entity are located offshore while the Hong Kong sub-advisor undertakes certain limited activities onshore.

The headline change is a new definition of what constitutes a fund, so that all relevant vehicles qualify for the exemption, regardless of structure, the location of central management and control, size, or purpose. Regarding the PE industry's specific concerns, the legislation removes the tainting provision that prevents funds with exposure to Hong Kong real estate assets that exceed 10% of the overall value of a portfolio company from taking advantage of the exemption. Now, if an investment breaches the 10% threshold, the fund will only be taxed on profits arising from that investment.

In the same way, individual investments – rather than the whole fund – will not qualify for the exemption if they include Hong Kong business operations and the holding period is less than two years. Exceptions will be made in cases where the fund does not have a controlling stake in the portfolio company or it does have a controlling stake but at least half of the company's assets have been held for three years or more.

Furthermore, the legislation offers clarity regarding the treatment of special purpose vehicles (SPVs) that exist beneath a fund. They will also be exempt from local tax, although their role is limited to holding and administering investments – a remit some industry participants see as too restrictive.

Sun stressed that “this time around we will do something that makes Hong Kong attractive,” and the desire to accommodate the private equity industry – as part of broader efforts to secure Hong Kong’s future as a financial services hub – does not stop with the tax exemption. The next step is to revise the territory’s limited partnership ordinance, so that entire structures can be brought onshore.

However, approaches to regulation must evolve as more functions come onshore. If the advisor and the general partner entity are both in Hong Kong, what will the Securities & Futures Commission (SFC) do? This is especially relevant to smaller managers that will have to apply for licenses to operate locally. The matter not only concerns policy but also time and resources.

“Unlike some other regimes, Hong Kong requires you to file an application and be licensed. There is an approval process of 5-6 months, rising to 9-10 months for difficult situations,” said Lorna Chen, a partner at Shearman & Sterling. “Will the SFC be able to handle the increased number of license applications mounting up at its door?”

Three kinds of license – dealing in securities (type one), advising on securities (type four), and asset management (type nine) – could potentially cover private equity activity in Hong Kong. One of the options for managers wary of infringing local licensing laws has traditionally been to ensure asset management activity takes place outside of Hong Kong. Macau is often the destination of choice.

“Let’s see if we can fully utilize four and nine without needing to go to Macau,” Chen added. “We can still educate the industry about the importance of getting a license … but make the system less burdensome.”

7. AVCJ - Domestic, international themes drive India opportunities
Holden Mann
18 January 2019
https://www.avcj.com/avcj/news/3013347/domestic-international-themes-drive-india-opportunities

Companies that cater to international customers currently offer the most compelling PE investment opportunities in India, but GPs are increasingly excited about the rise of new segments in the domestic market.

Managers told the Hong Kong Venture Capital & Private Equity Association's (HKVCA) Asia Forum that Indian consumers' appetite for discounts makes it difficult for companies to remain profitable while appealing to a purely domestic customer base. Global markets are seen as a way for investees to address this problem.

"The international consumers will pay two to three times what an Indian will pay for almost anything, and the competition is a lot less fierce," said Ketan Patel, founder and CEO of Greater Pacific Capital. "If we can leverage the Indian cost structure, which is still around a fifth of China's, and use it to sell something that's of quality to the world, not just India, that's the perfect business for us."

Investors do see growing activity among companies that can target consumers in previously untapped parts of India, particularly the country's lower-tier cities. People in these increasingly affluent areas share the aspirational lifestyle goals as their counterparts in larger cities, and with fewer brands marketing to these consumers, companies willing to make the effort can take an early lead.

Multiples Alternate Asset Management has shaped its investment philosophy more and more around this trend. The firm has seen the lower-tier market story develop in its own consumer-focused portfolio companies, including premium clothing brand US Polo.

"In the 25th to 50th-largest cities, they were growing at 25-30% annually, while in the top 15 cities they were growing at 15-18%," said Nithya Easwaran, a managing director at Multiples. "So, clearly there's something changing in these cities, and this theme of consumption creep will play across a variety of sectors, such as education, healthcare, and others."

Even within sectors where overall growth has slowed, there are still considerable openings for businesses providing niche or specialized services, or dealing with untapped markets. However, identifying these companies and providing them the tools to take full advantage of their opportunities will require more effort from investors.

"We need to use our sector specialization, go deeper, and find those underappreciated subsectors that are growing much faster than the overall industry," said Gaurav Ahuja, a managing director at ChrysCapital. "That's where you can find real gems at reasonable valuations."

8. South China Morning Post - Venture capital could produce the next Jack Ma or Pony Ma in Southeast Asia, says MindWorks

Georgina Lee
18 January 2019
https://www.scmp.com/business/money/markets-investing/article/2128715/venture-capital-could-produce-next-jack-ma-or-pony

Big opportunities abound in Southeast Asia for internet-savvy investors to nurture the growth of a new generation of technology entrepreneurs who can become the "Jack Ma and Pony Ma" of the region, according to venture capital firm MindWorks Ventures.

Hong Kong-based MindWorks sees a funding gap in Southeast Asian markets like Indonesia in which the existing generation of tycoons who got rich running businesses in natural resources, property and industry may lack the knowledge to fund start-ups operating in the "new economy".

The internet has disrupted many traditional businesses, ranging from media and travel to transportation and retail, and new start-ups in Southeast Asian countries are in need of funding to help take their businesses to the next level.

"We have many entrepreneurs in Southeast Asian countries who understand the internet, but do not have the capital to take start-ups to the next stage of growth. We want to be the first generation of venture capital in the region that can find the next Pony Ma and Jack Ma in these countries," said Joe Chan, a partner at MindWorks, referring to the founders of Tencent Holdings and Alibaba Group Holding, respectively. He was speaking on the sidelines of Thursday's 2018 Asia Private Equity Forum in Hong Kong.

MindWorks focuses on early-stage investment, providing funding from series A to series C. It is in the process of raising US$70 million for its third fund, which raised US$30 million in its first close.

9. South China Morning Post - China's healthcare sector a big draw for private equity investors
Jane Li, Viola Zhou
18 January 2019
https://www.scmp.com/business/article/2063273/chinas-healthcare-sector-big-draw-private-equity-investors

Private equity firms and hedge funds are investing heavily into China's healthcare industry in a bet on the sector's upbeat growth potential, fund managers told a Hong Kong forum.

Private hospitals and drug makers are among the bright spots for investors focusing on China, where rising income and an ageing population are boosting the demand for quality medical services.

Private hospitals are set to attract large amounts of capital in the coming decade amid an underdeveloped private medical industry and a shortage of doctors, said investment professionals.

"Healthcare has been the single area that probably everyone can foresee globally an enormous amount of capital and investment," Peter Fuhrman, chairman of China First Capital told the Asia Private Equity Forum in Hong Kong on Wednesday.

China's population of individuals aged 60 or older is set to rise 90 per cent to 240 million by 2020, according to the World Health Organisation.

Meanwhile, one consequence of the nation's one-child policy, introduced in 1979 and officially phased out in 2015, is that the burden of caring for ageing parents will put tremendous pressures on the young generations.

The healthcare sector in China will become a US$1 trillion a year business by 2020, according to a report by consulting firm McKinsey & Company.

Among healthcare institutions, private hospitals are set to become the best investment for this sector, said Li Bin, chief executive of Ally Bridge LB Healthcare Fund, a hedge fund that focuses on investing in China and Asia healthcare companies.

However, he said there are problems that will likely hinder the industry's growth.

Among barriers, Li cited a shortage of quality doctors, the lack of an ecosystem to support the development of private hospitals, as well as the long time frame needed to build up a trusted reputation.

Although about half of the hospitals in the country are private, more than 80 per cent of medical professionals work in the public sector, which offer higher salaries and better career prospects, according to a recent report by Citi.

"Five years ago I said it would take 10 years for private hospitals to mature in China, now I think it would take another 10 years," he said.

Alice Au Miu Hing from SpencerStuart, an executive search consultancy, said it remains extremely difficult to find experienced private hospital executives with China experience who can speak Putonghua.

"The common approach now is to bring someone from the industry from outside and see if the person can survive in the mainland market," said Au.

Meanwhile, pharmaceutical and biotech start-ups will flourish with China's emerging middle class seeking better healthcare services.

Judith Li, partner at the life science-focused Lilly Asia Ventures, told the forum that China spends about 6 per cent of its GDP on healthcare, versus an Organization for Economic Cooperation and Development average of 10 per cent.

"China has so many white spaces where there is nothing exists, and it's very compelling," she said.

"If you can bring it [a drug] from the US, you can then avoid the fundamental scientific risk of developing something that's completely unavailable."

10. FinanceAsia - China's $74b debt-equity swap will not save weaker firms
Han Shih Toh
17 January 2019
https://www.financeasia.com/News/449391,chinas-74b-debt-equity-swap-will-not-save-weaker-firms.aspx

Despite Beijing's funding support for companies, corporate bond defaults in China are expected to continue at a brisk pace this year.

PBOC deputy governor Pan Gongsheng: Defaults are good.
Despite the Chinese government's Rmb500 billion ($73.9 billion) debt-for-equity swap lifeline launched in the latter half of last year, a significant number of Chinese corporate bonds are expected to default this year.

Seven corporate bonds totalling Rmb4.8 billion have already defaulted, according to Chinese financial information provider Wind. Last year saw a record 124 corporate bond defaults totalling Rmb120.56 billion - a large increase from the 35 corporate bond defaults in 2017 totalling Rmb33.75 billion.

Bond issuance from private Chinese firms soared 70% year-on-year in November and December last year. Zhu Hexin, deputy governor of the People's Bank of China (PBOC), takes this as a sign that measures to curb financial risks and stabilize debt are yielding results.

Another PBOC deputy governor, Pan Gongsheng, indicated that the government will allow corporate defaults to continue. At the China Bond Market International Forum in Beijing in January, Pan said: "Corporate defaults are not necessarily bad. They foster the healthy growth of China's bond market. Defaults will ensure market discipline and improve market pricing."

If there are no defaults, it will be difficult to differentiate good bonds from bad ones, he added.

Ever since the Chinese government began to relax its policies in the second half of last year, the default of public bonds has continued. According to a recent Moody's report, this indicates the regulator's tolerance of isolated default cases that do not trigger systemic risks. "The easing policies will not change banks' and investors' risk aversion toward weak issuers, with credit unlikely to flow to such companies: for example zombie companies and highly leveraged companies relying heavily on shadow bank finance," it noted.

The Chinese government's measures to support companies, however, does not mean that all companies will be bailed out. The Moody's report continued, "Nevertheless, credit easing is not unbridled and is targeted on fundamentally sound companies that experience short-term liquidity pressure. Thus, weak issuers that rely on shadow bank financing will not benefit much from the easing policies."

The onshore default rate is expected to climb this year due to high refinancing pressure, the government's increased tolerance for defaults, and tight credit availability in an uncertain economic environment, concluded a report from Fitch last year. The government's clampdown on shadow banking led to a significant tightening in onshore credit and heightened corporate refinancing risk during the first half of last year, the ratings agency said.

The government crackdown on shadow banking presents a huge opportunity for private credit investors, said Donald Yang, chief executive officer of Abax Global Capital, a Hong Kong-headquartered alternative investment firm, at the HKVCA Asia Private Equity Forum 2019 in Hong Kong.

Coming to the rescue of Chinese companies is a Rmb500 billion debt-for-equity swap programme launched by the PBOC in the second half of last year. It is a scheme that serves both SOEs and private companies. “We treat SOEs and private companies the same,” said PBOC's Zhu.

This year, the Chinese government will step up efforts to enable high-quality companies, which face funding disadvantages compared to SOEs, to access debt-for-equity swaps. It will also up its efforts to use the swap to help distressed companies escape financial difficulties. “The debt-for-equity swap is a very important and effective measure to reduce leverage,” said Lian Weiliang, vice chairman of the National Development and Reform Commission (NDRC), a Chinese government body in charge of bonds, adding that some companies on the verge of bankruptcy have been restored to health by the programme.

The Rmb500 billion funding support wants to address a funding shortage which resulted in a low rate of successful debt-for-equity swap projects. It has raised the rate of successful debt-for-equity swap projects from between 10% and 20% to more over 30% last year.

Although the Chinese government has encouraged financial institutions including commercial banks and insurance companies to participate in the debt-to-equity swap programme, the reality is that successful implementation is very difficult. Some Chinese banks lack expertise in the corporate restructuring required, and there is uncertainty about how banks can profitably exit a distressed company after becoming its shareholder.

Even with the scheme in place, the scale of distressed debt in China is large. The official figure for the non-performing loans (NPL) of commercial banks in China is over Rmb2 trillion. The actual number could be much higher if items such as off-balance sheet loans, shadow banking and company receivables are included.

International investors account for less than 2% of the onshore market, according to the China Central Depository & Clearing.

“Still, we believe international investors will gradually increase their fund allocations to onshore corporate bonds as more global bond indexes include or increase their index composition of China’s onshore bonds,” Moody’s said.

11. FinanceAsia - Trade war pushes private equity into SE Asia
Andrew Wright
17 January 2019
https://www.financeasia.com/News/449381,trade-war-pushes-private-equity-into-se-asia.aspx

As the China-US trade war gives global markets the jitters, private equity firms are increasingly looking to Southeast Asian countries like Indonesia for a return.

As an investment destination, Southeast Asia is not what it used to be. Once investors focused mainly on commodities and industrials out of the region, but now its growing new economies are bringing new opportunities in the search for yield.

Switching out of the more traditional investment sectors and tapping into the growing opportunities thrown up by new technology and burgeoning consumer brands was high on the agenda at a January private equity conference in Hong Kong.

Thanks to the trade war which continues to drag on, private equity is looking to Southeast Asia - and especially Indonesia - with increasingly large cheques as opportunities in other markets dry up.

"Much of the dispute is political as well as trade-related. As technology is the battleground, manufacturers are looking to diversify their supply chains, and Southeast Asia offers lower labour costs and a level of high technology innovation, which could encourage US-based manufacturers to invest more into Southeast Asia," said Wai San Loke, co-founder and managing partner of Novello Tellus Capital Partners, at the HKVCA Asia Private Equity Forum 2019.

China is Indonesia's largest trading partner. It totalled $39.32 billion in the first six months of last year, according to figures from China's Ministry of Commerce.

It works both ways. Direct investment from China into Indonesia hit $3.36 billion in 2017, up from $2.66 billion the year before, according to data from the Indonesian Investment Coordinating Board.

"Whilst the trade dispute between China and the US is worrying, the size of Indonesia's domestic market and growth in trade between Indonesia and China is a positive thing for Indonesia," said Samir Soota, managing partner of Falcon House Capital Partners.

Investment in Southeast Asia’s tech sector reached $7.3 billion in the first half of last year, up from $5.2 billion in 2017, data from Cento, a Singapore-based Series A venture capital firm, show. And investment in the consumer products sector is also booming. It hit a record $1.2 billion in 2017, according to Dealogic data.

What helps to drive these investments is the surge in the number of millennials in Indonesia - those who reached adulthood in the early part of the 21st century and are generally described as being between 20 and 36 years old.

“Indonesia has a median age of 28 years and some 90 million millennials in Indonesia with growing domestic demand and a huge rise in digitalisation. These are the consumers driving demand for the next decade,” said Soota.

KKR nabbed a stake in Go-Jek, Indonesia's largest ride-hailing and e-commerce group, in 2016 and a slice of the country's largest bread maker, Nippon Indosari Corpindo, in October 2017.

But while Indonesia, with the world's fourth biggest population, currently stands out as the poster child for private equity in Southeast Asia, the wider region is also attracting attention from investors.

In October, for example, KKR joined forces with Tencent to invest $175 million into digital payment platform Voyager Innovations in the Philippines.

And Warburg Pincus invested more than $370 million into Vietnam's Techcombank in March last year, with other investments in Vincom Retail and hospitality firm Lodgis in the country.

"Asia is driving the global growth story today and as the market matures we will see more funds and investors looking to Southeast Asia as growth continues to slow in developing markets," said Eugene Lai, managing director and co-managing partner of Southern Capital Group.

CHANGING GUARD

As economies in Southeast Asia continue to grow and develop, one other key ingredient private equity investors are casting an eager eye over are the life cycles of some of the region's more established companies.

Many of its largest companies and conglomerates have morphed from country-specific entities into regional powerhouses.

The likes of Salim Group in Indonesia and other similar conglomerates are now more receptive to investment from private equity funds.

Salim Group raised $1 billion from a group of private equity firms including Northstar Group and TPG in December 2015.

As the younger generations of family firms climb up the corporate ladder, private equity investors are increasingly being presented with opportunities to take controlling or minority stakes in established companies.

That might be because they are less attached to the business, but also because the founders of companies or their immediate offspring might be looking to retire after building up the business," said Novello Tellus Capital Partners' Loke.

RISK MITIGATION

It goes without saying that there are still many risks when investing in the emerging and frontier markets of Southeast Asia.

Political risk, corruption and governance concerns and the rule of law are all listed as concerns for foreign investors by the World Economic Forum.

But while these risks have not been totally eliminated, progress has been made in the last decade, according to the OECD.

There is a common point of consensus when looking at Southeast Asia as an investment destination. The key factor which can sink or swim a private equity investment in the region is getting the buy-in of the board and senior management from the outset.

“Aligning with the vision of the founders and senior management is critical to the success of any investment in Southeast Asia,” said Soota.

But then again the timing, as a company founders retire and a new generation of leaders takes up the reins, appears to be on the region's side.

As the region's capital markets continue to deepen (funding in Asia is likely to double in the next 20 years, according to a January report from UK-based think-tank New Financial Report) private equity investors may increasingly flood Southeast Asia’s markets with cash in the search for returns.

12. **Deal Street Asia - CPPIB plays to pip other global investors as it seeks to grow SEA logistics portfolio**

Tanu Pandey
January 17, 2019
https://www.dealstreetasia.com/stories/cppib-plays-to-pip-other-global-investors-as-it-seeks-to-grow-sea-logistics-portfolio-117925/

Canada Pension Plan Investment Board (CPPIB), the region's most active western pension investor, has set sights on growing its logistics portfolio in Southeast Asia and continue its investment momentum in the space in Korea, Japan and Australia, as an e-commerce boom fuels frenetic demand for such assets.

The key is to make a move and be in the under-served markets in Southeast Asia "before other institutional investors come in," according to Jimmy Phua, Managing Director, Head of Real Estate Investment Asia at CPPIB.

The $277-billion CPPIB, which set up its presence in south-east Asia two to three years back, has been cultivating local partnerships to make its first tranche of investments in the logistics asset space in countries like Malaysia and Indonesia.

"We know that logistics is fashionable for many years now. These are countries that are in need of modern logistics and big players around the world like GLP or so on and so forth are not there," Phua said at a panel session during the HKVCA Asia Private Equity Forum in Hong Kong on Wednesday.

"Either we will get it right or wrong but hopefully we will be there before other institutional investors come in," Phua added.

With favourable demographics, disposable incomes and high smartphone penetration, Southeast Asia has been witnessing a fast-paced growth in e-commerce business leading to demand for modern logistics assets.

And, sector giants like Singapore-based GLP or pan-Asian logistics developer and operator ESR do not seem very active in markets like Indonesia, Malaysia or the Philippines.

Nevertheless, in late 2017 Alibaba founder Jack Ma had announced a regional logistics hub in Malaysia, the Digital Free Trade Zone (DFTZ) which included warehousing facility close to Kuala Lumpur's international airport to be operated by national courier, POS Malaysia. The facility was meant to first start serving Alibaba-backed Southeast Asian e-commerce player Lazada.

Beyond SEA: Korea, Japan, China

"Another market that we are growing for the past two-three years is Korea, again in the logistics space," Phua noted.

Last year, CPPIB partnered ESR and its Seoul-based subsidiary Kendall Square Asset Management to invest $500 million in a new investment vehicle to target modern logistics facilities in South Korea. The pension fund also partnered Kendall Square in 2015 to establish a $500-million vehicle to invest in institutional-grade, modern logistics real estate assets across South Korea.

South Korea’s logistics assets are expected to grow as the country’s e-commerce penetration rate is forecast to increase to more than 30 per cent by 2021 from the current 18 per cent.

“So we have been growing our logistics portfolio and we will continue to do that. At the moment , there are no big players — scalable and sizable ones in the logistics space in Korea. There are smaller players but not the likes of GLP. So, we would like to do that,” he added.

However, he added that Korea is not an easy country to invest and navigate if one is not familiar.

Meanwhile, in Japan, the pension fund has a multi-billion exposure in the modern logistics space, he added and pointed out that this year the pension fund hopes to deploy a “sizable amount in logistics space.”

Last month, CPPIB came on board as the largest investor in the $5.6-billion fund of GLP targeting Japan’s logistics real estate sector. This was the third venture that CPPIB came on board with GLP in Japan, Phua said.

However, in the office space, he noted that the pension fund may have missed the cycle. “We had a portfolio of offices in Japan with GE and GE withdrew that entire thing so we made some money. But now its too late to go there,” he noted.

Meanwhile in China, CPPIB has an ongoing partnership with ASX-listed Goodman Group and has allocated about $4-5 billion with the same partner in the logistics business. Last August, both committed another $1.75 billion to their China logistics partnership and plan to double the size of their mainland portfolio.

Further more, in markets like Australia, the pension fund has accumulated a portfolio of $5-6 billion over the past 10 years. Meanwhile, in the past two years, the pension fund has been focusing on selling a lot of its assets.

“I think it will also be a good year for us so we can take some money off the table and deploy it somewhere else,” Phua added.

13. AVCJ - GPs eye carve-outs from Chinese SOEs
Jane Li
17 January 2019
https://www.avcj.com/avcj/news/3013327/gps-eye-carve-outs-from-chinese-soes

Private equity investors expect divestments of domestic and overseas businesses by Chinese state-owned enterprises (SOEs) to become more prevalent as result of the government's sweeping efforts to reduce corporate debt levels, the Hong Kong Venture Capital & Private Equity Association's (HKVCA) Asia Forum heard.

SOEs, which account for roughly one-third of the economy and dominate key industrial sectors, have long received preferential support from central and local governments, including favorable financing terms. Now, though, these companies are being urged to restructure as part of deleveraging efforts. At the same time, China has come under pressure from the US and other countries to create a level playing field for foreign and domestic businesses.

"[SOEs] could sell buildings and in some cases their subsidiaries or stakes in overseas companies. Who could then be the buyers? PE firms will have a big part to play," Boon Chew, a managing partner at CITIC Capital Partners said. His firm has done seven SOE deals, six of them buyouts. They include the acquisition - with FountainVest Partners - of a majority stake in China Merchants Loscam, a pallet-leasing business under Sinotrans, which is a Hong Kong-listed unit of SOE China Merchants Group. The divestment was the result a decision to focus on core business areas.

"There has traditionally been less focus on the SOEs from private equity firms as these companies are not the most well known for having high growth rates. It is also difficult to choose which management team at the companies to bet on as the conditions could always change quickly," said Chew.

Despite these potential opportunities, investors must recognize that SOE deals - which represent a longstanding but largely unrealized target for private equity - are often more complex than those involving private companies and require careful planning. Every situation has its own set of characteristics and stakeholder agendas, which must be taken into consideration.

"SOEs have their own decision-making processes and own dynamics, and PE investors must examine whether they are familiar and comfortable with that. They have to figure out their ultimate exit route, their approaches for post-investment management, and measures to make sure they have an alignment of interest with these companies," said David Wong, a partner at PAG Asia Capital.

This view was echoed by Patrick Zhong, founding managing partner at M31 Capital, who identified the different objectives of investors and SOEs as one of the biggest challenges. "A good deal requires an alignment of interests of [all interested parties]. The difficult part for investors going into these businesses is that the managers could have very different motivations to them, which could make the deal difficult to put together," said Zhong.

14. AsianInvestor – Manulife to double Asian PE assets in five years
Jolie Ho
17 January 2019
https://www.asianinvestor.net/article/manulife-to-double-asian-pe-assets-in-five-years/449392

The increase in exposure will mainly be driven by heavier co-investments in the region and by adding more country-focused managers.

Manulife Financial is planning to double its exposure to private equity in Asia by 2024 in line with the broader boom in the regional asset class.

At present, the Canadian insurer has about $10 billion invested globally in private equity and a fifth of that is in Asia, according to Liam Coppinger, a managing director at Manulife Capital, which invests on behalf of its parent.

"But it's the fastest growing region and we expect that to probably double within the next four or five years," he told the audience at the HKVCA Asia Private Equity Forum on Wednesday.

On a net basis, Manulife Capital is 75% invested in private equity funds and 25% in co-investments. Co-investments will continue to be a larger share of the portfolio, said Coppinger, who leads the group's private equity programme in Asia.

"I think the way to grow is just to continue what we are doing, like typically adding new GPs [general partners], scaling up [to] larger commitments, writing larger tickets," told AsianInvestor on the sidelines of the event.

It will target more GPs in both developed and emerging markets. The new GPs will primarily be country-focused managers, or spin out to first-time funds, he said.

Manulife Capital first started investing in Asia from its Toronto headquarters and pan-Asia GPs were the first building blocks for exposure in the region at that time. However, it has not added to its pan-Asia GPs for the past six years and this will unlikely change going forward, he said.

Manulife Capital, the limited partner (LP) in a private equity fund, is working with 20 GPs in about 35 funds at the moment. The fund is not engaged in any private equity secondaries, which refer to the buying and selling of pre-existing investor commitments to private equity, he said.

Asia appears front and centre for a growing number of private equity investors and the pickup in allocations to private equity already seen among large asset owners is expected to accelerate in 2019 and beyond.

Australia's Future Fund and the Malaysian Employees' Provident Fund are among those looking to increase their exposure to private markets this year. The Monetary Authority of Singapore also issued a $5 billion mandate to encourage private equity managers.

The trend for greater allocations to private equity is supported by long-term structural trends. JP Morgan Asset Management in Hong Kong said in a report in November that there are growing alpha opportunities in the sector driven by disruptive innovation and geographic expansion.

"Today’s large and accessible private asset markets offer potentially superior returns, subject to illiquidity risk and appropriate manager due diligence," the report said.

CASE FOR CPPIB

While Manulife is shifting its focus towards country-focused managers, the Canada Pension Plan Investment Board (CPPIB) appears to be pursuing something different.

Among the forum panellists also, Leo Chiu, CPPIB's senior principal for private equity Asia, said its aim is to generate scale and return for the fund.

Rather than invest more in bigger funds to drive scale, the Asian private equity portfolio at CPPIB actually has half of its exposure in regional funds and a half in country-focused funds, he said.

The former gives the pension fund more international reach while the local ones have stronger networks on the ground and are more knowledgeable in their own economies, Chiu said.

At present, CPPIB has C$68 billion (US$50.1 billion) of private equity exposure globally and Asia has about 17% of that. It invests across funds in Asia and also has a local team that does co-investments and co-sponsorships with GPs, Chiu said.

The programme started in the region as significant LPs with various GPs. It then deepened those relationships by collaborating with them in co-investments, including in a passive syndicated manner, and also in co-sponsorships, by underwriting deals along with the GPs in often similar amounts, he said.

For further insight and analysis into how insurers are seeking to invest and navigate regulatory changes, look out for AsianInvestor's 6th Insurance Investment Forum in Hong Kong on March 12, and our inaugural Insurance Investment Forum in Singapore, on March 14. For more information, please click here.

15. Lianhe Zaoba(Singapore) - 为私募基金设有限合伙制 港府未来数月将咨询业界
17 January 2019
戴庆成
https://www.zaobao.com/finance/china/story20190117-924717

香港在去年成为亚洲第二大私募基金市场，特区政府未来几个月将为私募基金建立有限合伙制度咨询业界，并在咨询完成后递交立法会审议。

香港财政司司长陈茂波昨天出席 2019 亚洲私募投资论坛致辞时透露，截至 2018 年中，香港作为亚洲第二大私募基金中心，私募基金管理的规模高达 1520 亿美元（2060 亿新元），占了亚洲 16%。

他说，港府咨询业界后将向立法会提交法案："若获得通过，将是基金工具第二个专属制度，获纳入法例。"

陈茂波指出，财经事务及库务局正与金融管理局及证监会为相关咨询作准备，希望政策能够满足私募基金需求，同时保护投资者。

他说，当局也建议将离岸私募基金的利得税豁免范围，扩大至在岸基金，并已交由立法会审议，期望条例可以尽快实施。

香港资产管理规模 截至前年达 3.1 万亿美元

陈茂波表示，截至 2017 年底，香港的资产管理规模达 3.1 万亿美元，其中三分二的投资者为非香港投资者。他相信，环球经济增长，以及亚洲财富持续增加，将会持续支持香港财富管理业务发展。

陈茂波也表示，港府将继续提升香港作为首要基金中心和全球离岸人民币业务中心的地位。他认为，全球贸易摩擦及宏观经济问题是明显的障碍，但香港会迎接挑战，继续创造机会。

陈茂波指出，港府会继续开展粤港澳大湾区的发展，庞大的人员、货物及资本流动，将为资产和财富管理部门提供机会。

他透露，港府将推出绿色债券，借款上限为 1000 亿港元，用于资助政府绿色公共工程项目。

为了巩固香港作为国际资产及财富管理中心的地位，港府近年不时推出新措施，为金融、保险、金融科技拆牆松绑。

2015 年，香港金融发展局曾发表《有关私募基金使用有限责任合伙架构的建议》，建议通过修订现行的有限责任合伙法例，为私募基金订立法律框架，以吸引海外及中国大陆的私募基金赴港注册，打造香港成为亚太区私募基金中心。

金发局认为建议实施后，赴港注册的私募基金数目将上升，并为香港顾问公司带来相关投资服务。

告指出，截至 2014 年底，在港营运的私募基金有 390 间，管理资金总额为 1100 亿美元，对比热门注册地美国的 1.02 万亿美元，已成为亚洲第二大私募基金中心。

香港特首林郑月娥在去年 10 月公布的施政报告说，港府会继续透过优化法律及税务框架，为基金业提供一个有利的营商环境，研究为私募基金建立有限合伙制度。

16. Hong Kong Economic Journal - 港私募基金市場 亞洲第二

17 January 2019

http://www1.hkej.com//dailynews/article/id/2040278/%E6%B8%AF%E7%A7%81%E5%8B%9F%E5%9F%BA%E9%87%91%E5%B8%82%E5%A0%B4+%E4%BA%9E%E6%B4%B2%E7%AC%AC%E4%BA%8C

財政司司長陳茂波出席 2019 亞洲私募投資論壇時表示，香港是亞洲第二大私募基金市場，截至去年中，本地私募基金管理 1520 億美元（約 1.18 萬億港元）資產，佔亞洲 16%。去年上半年香港的私募基金總共籌得 120 億美元（約 936 億港元），佔亞洲約兩成。

財爺冀擴大豁免利得稅

陳茂波表示，內地財富持續增長，將支持香港的資產及財富管理市場發展；截至 2017 年底，香港相關資產管理規模達 3.1 萬億美元，而非香港的投資者佔三分之二。他認為，大灣區居民有不少屬高淨值客戶，倘若資金可以自由流動，香港的財富管理行業將可受惠。內地又協助「一帶一路」國家建設基建項目，他重申，香港可成為這些項目的融資中心，並在風險管理、保險方面提供專業意見。

另外，陳茂波指出，政府建議擴大離岸私募基金的利得稅豁免範圍至在岸基金，已交由立法會審議，相信新例有望盡快實施。

對於中美貿易戰仍然持續，他表示， 貿易摩擦是未知之數，不過香港經常面對不同挑戰。

17. HKSAR Government Press Releases - Speech by FS at Asia Private Equity Forum 2019
16 January 2019
https://www.info.gov.hk/gia/general/201901/16/P2019011600321.htm

Following is the speech by the Financial Secretary, Mr Paul Chan, at the Asia Private Equity Forum 2019 at the Hong Kong Convention and Exhibition Centre this morning (January 16):

Chin (Chairman of the Hong Kong Venture Capital and Private Equity Association (HKVCA), Mr Chin Chou), David (Chairman of the Asia Private Equity Forum 2019 and Executive Director of HKVCA, Mr David Pierce), distinguished guests, ladies and gentlemen,

Good morning.

It's a great pleasure to be here, once again, for the Hong Kong Venture Capital and Private Equity Association's Annual Forum. It is a reminder that another year has passed, and a New Year replete with opportunities and boundless promise awaits.

Going hand in hand with the multiple opportunities are of course challenges – the known, the unknown and, to quote Mr Rumsfeld, the "unknown unknowns." No doubt, you'll be discussing all of that, and a good deal more, through the course of this invaluable international Forum here in Hong Kong, where the world meets.

"Unknown unknowns," for sure are issues which we cannot predict in advance. So allow me, for the next few minutes, to be down to earth, to focus on what we do know, what we have accomplished, and what we plan to achieve for our finance industry and for Hong Kong.

To begin, the open-ended fund company regime came into operation last July. It marks the first time that Hong Kong has established a dedicated legal framework for fund vehicles.

No less important, it showcases the Government's commitment to making Hong Kong a multi-dimensional fund centre. And I'm confident it will create more opportunities for our fund and related businesses.

Last month, the bill extending profits tax exemption to onshore funds, in addition to offshore funds, was introduced in the Legislative Council. Under this bill, private equity funds are among those that will enjoy profits tax exemption. A tax-exempt fund can invest in local and overseas private companies. I'm hopeful that the new tax treatment will take effect very soon.

Last April, we rolled out a new listing regime for pre-revenue, or pre-profit, biotech companies and companies with a weighted voting rights structure. To date, 7 have been listed on the Stock Exchange of Hong Kong under the new regime, and many are in the pipeline.

Good news, too, on the IPOs (Initial Public Offerings) front. Last year, Hong Kong raised about HK$287 billion through IPOs, claiming the global IPO crown. Indeed, Hong Kong has ranked first globally 6 times in the past 10 years.

We continue to add jurisdictions with which we have mutual recognition arrangements with regard to funds. Yesterday, Luxemburg joined our existing partners of the Mainland, Switzerland, France and the United Kingdom.

And then there's Hong Kong's role as one of the world's leading international financial centres. You can see that, at work brilliantly, during this International Financial Week here, which began with the impressive two-day Asian Financial Forum concluded only yesterday. Today's Forum is another highlight, as is tomorrow's EMPEA Private Equity Masterclass, organised by the HKVCA.

Numbers also underline Hong Kong's status as a financial services powerhouse. We rank third in the Global Financial Centres Index, behind only London and New York. We topped the Milken Institute's Global Opportunity Index in 2017. And for the past 24 years in a row, the Washington-based Heritage Foundation has named Hong Kong the world's freest economy.

Add it up, and you have a financial foundation as formidable and deeply rooted as anywhere in the world. And I have no doubt that economic growth and accelerating wealth creation in this part of the world, particularly the Mainland of China, will continue to support Hong Kong's asset and wealth management business.

At the end of 2017, assets under management in Hong Kong totaled some US$3.1 trillion. Non-Hong Kong investors accounted for two-thirds of this.

Private equity is critical to our asset and wealth management landscape. We are Asia's second-largest private equity centre, trailing only the Mainland.

As of mid-2018, our private equity players managed US$152 billion in Hong Kong. That's about 16 per cent of the total capital under management in Asia.

During the first half of 2018, private equity funds raised in Hong Kong amounted to US$12 billion, about 20 per cent of the total funds raised in Asia. Given investors interest in diversified portfolios – both in asset class and geographical exposure – Hong Kong can only continue to capture business opportunities in the Asian private equity market.

In the coming months, we will put out a proposal for industry consultation about introducing a limited partnership regime for private equity funds in Hong Kong. Thereafter, we will introduce a bill in the Legislative Council. If passed, it would be the second dedicated regime for a fund vehicle in our law books.

The Financial Services and the Treasury Bureau is working closely with the Hong Kong Monetary Authority and the Securities and Futures Commission on the proposal. Our objective is to have a regime catering for the needs of private equity funds, while safeguarding investor protection.

The Government will continue to boost Hong Kong's unique role as gateway between international markets and investors and their counterparts on the Mainland of China. We'll do so through the Stock Connects, Bond Connect, and the Mutual Recognition of Funds arrangements. We will also further strengthen our position as the global offshore RMB business hub.

At the regional level, we will continue to take part in the Guangdong-Hong Kong-Macao Greater Bay Area development. Its sheer market size and number of high net-worth individuals, coupled with the policy objective of enabling people, goods, capital and information to flow freely within the region, will expand opportunities for our asset and wealth management sector.

Turning to the Belt and Road Initiative, Hong Kong's financial services industry is well positioned to contribute in a number of areas. Given our liquid capital flow and deep pool of financial talent, Hong Kong is the natural centre from which to raise funds for infrastructure, investment and production projects.

We are also ideally suited to provide the risk management, insurance and dispute-resolution services that big-ticket infrastructure projects need.

Green finance is also promising. And I am pleased to report that the Government will soon launch its green issuance under the Government Green Bond Programme, which has a borrowing ceiling of HK$100 billion.

Ladies and gentlemen, the above highlight some of our ambitious plans for this New Year and beyond for our financial services in general, and for the asset and wealth management sector in particular. Of course, global trade friction and macro-economic concerns are visible impediments and then there are those "unknown unknowns".

Still, Hong Kong has always risen to the challenge. And with your continuing support and considered suggestions, we'll continue to create opportunities for you, and for all of Hong Kong.

I wish you all a rewarding Forum and a healthy and prosperous 2019.

Thank you.

18. AsianInvestor - CPPIB eyes more logistics assets in Southeast Asia
Indira Vergis
16 January 2019
https://www.asianinvestor.net/search/?keyword=hkvca&sort=Latest

The logistics sector is one of the hottest in Asia and the Canadian pension fund is steadily ramping up its focus in this area, says a senior executive of the firm.

The logistics sector in Asia is benefitting from heavy investor interest
Asia's growing spending power, smartphone use and penchant for e-commerce have been like rocket fuel for some industries like logistics and will continue to be for the foreseeable future in a protracted boon for the property sector.

That's the view of Jimmy Phua, head of real estate investments for Asia at the $277 billion Canada Pension Plan Investment Board (CPPIB).

And in the hunt for modern warehouses and distribution centres to develop and rent out to logistics operators the fund has increasingly been looking to Southeast Asia, he said during a panel discussion at the HKVCA Asia Private Equity Forum on Wednesday.

"In the past few years, we have been spending more time [looking at logistics investments] in Southeast Asia, including Singapore, Malaysia and Indonesia," he said.

Phua noted that while investing in the sector has been fashionable for some time now, it continues to merit considerable investor attention because of the region's attractive demographics and the logistics-related infrastructure still sorely needed in many of its markets.

Jimmy Phua
Adding to the allure is that many of the large global logistics players including Australia's Goodman Group and Singapore's Global Logistics Properties (GLP) are not yet operating in some of these markets, making CPPIB an early entrant, he said.

That could provide an edge over the long term, which is why the pension fund has spent time cultivating local partnerships and hopes to do continue doing more in that area, he added.

Of the $72.5 billion invested in Asia at the end of March 2018, CPPIB has about $15 billion invested in real estate markets stretching from Japan to Australia.

OUTSIDE SOUTHEAST ASIA

Aside from in Southeast Asia, some logistics markets in northern Asia are also a draw. In Korea, for instance, the Canadian pension fund's presence "has been growing", said Phua.

"It's not an easy market but we have been growing our logistics portfolio," he said, without providing details of how much CPPIB has invested in any specific Asian market.

“At the moment there aren’t any big-scale players in the logistics space and we think we could become the largest [logistics] player in Korea soon.”

Another market with pockets of opportunities in logistics is Japan, according to Phua. “We have a huge portfolio of modern logistics in Japan with GLP. This year we will invest [more] millions into the logistics space. “

in December, CPPIB became the anchor investor in GLP’s largest-ever fund targeting Japan’s logistics properties.

And, of course, there’s China too, where the fund has linked up with Goodman to invest in logistics properties since 2009. “We started when almost no one was in the logistics space, with $140 million and today we have $4 billion to $5 billion with the same partner in China,” Phua said.

The fundamentals of the Chinese logistics sector remain compelling, driven by domestic consumption growth in China, including e-commerce, which underpins the strong demand for prime logistics facilities, Phua said in a statement in August, during a previous round of investment.

CPPIB, of course, is not the only institutional player scouring the logistics space.

In November, Germany’s Allianz and ESR Group, an Asian logistics real estate developer backed by private equity firm Warburg Pincus, announced the setting up of a $1 billion investment platform targeting India’s logistics sector.

Singapore’s sovereign wealth fund, GIC, has also said that it will establish a $1.4 billion unlisted trust with real estate investment trust Dexus to invest in logistics properties in Australia.

STRATEGIC VIEW

Given its intent to partner up with specialist entities, Phua said the pension fund spent a considerable amount of time discussing partners while assessing the fund’s property portfolio for vulnerabilities.

“We are long-term investors, not market timers. Our portfolio has to be able to withstand [market] cycles,” he said.

And while it has been looking at opportunities in logistics, CPPIB has also been disposing of assets in other markets and sectors. For instance, the fund has recently been selling assets in Australia, where it has accumulated close to $6 billion in property investments over the past 10 years, Phua said.

“This is a good way for us to take some money off the table and deploy somewhere else,” he noted.

Globally, Phua noted that there is less of a wall of capital out there than there used to be. “However, there is still more capital than good projects in place,” he said.

19. Xinhua Net - China's Hong Kong ranks second largest in private equity in Asia: financial chief
16 January 2019
http://www.xinhuanet.com/english/2019-01/16/c_137749124.htm

HONG KONG, Jan. 16 (Xinhua) -- China's Hong Kong is Asia's second largest private equity center, trailing only the mainland, an official said here on Wednesday.

Private equity is critical to Hong Kong's asset and wealth management landscape, said Paul Chan Mo-po, financial secretary of the government of the Hong Kong Special Administrative Region.

As of mid-2018, Hong Kong's private equity players managed 152 billion U.S. dollars in Hong Kong, which is about 16 percent of the total capital under management in Asia, the financial secretary said at the Asia Private Equity Forum, organized by the Hong Kong Venture Capital and Private Equity Association.

During the first half of 2018, private equity funds raised in Hong Kong amounted to 12 billion dollars, about 20 percent of the total funds raised in Asia, he said.

In the coming months, the government will put out a proposal for industry consultation about introducing a limited partnership regime for private equity funds in Hong Kong.

"Thereafter, we will introduce a bill in the Legislative Council. If passed, it would be the second dedicated regime for a fund vehicle in our law books," Chan said.

Green finance is also promising and the government will soon launch its green issuance under the government green bond program, Chan said.

The government will continue to boost Hong Kong's unique role as a gateway between international markets and investors and their counterparts on the mainland, he said.

20. Hong Kong Economic Journal - 陳茂波:港是亞洲第二大私募基金市場
16 January 2018
https://www2.hkej.com/instantnews/hongkong/article/2039608

Reprinted by:
Now Finance

財政司司長陳茂波出席 2019 亞洲私募投資論壇時表示，香港是亞洲第二大私募基金市場，截至去年中，本地私募基金管理 1520 億美元資產，佔亞洲 16%；而去年上半年香港的私募基金總共籌得 120 億美元，佔亞洲約兩成。

陳茂波表示，內地財富持續增長，將支持香港的資產及財富管理市場發展。截至 2017 年底，香港的資產管理規模達 3.1 萬億美元，而非香港的投資者三分之二。

他又指出，政府建議擴大離岸私募基金的利得稅豁免範圍至在岸基金，已交由立法會審議，相信新例有望盡快實施。

中美貿易戰持續，陳茂波稱，貿易摩擦是未知之數，不過香港經常面對不同挑戰。

21. Aastocks - 陳茂波：香港為亞洲第二大私募基金市場
17 January 2019
http://www.aastocks.com/tc/stocks/news/aafn-news/NOW.918679/2

本地傳媒報道，財政司司長陳茂波昨日(16 日)出席 2019 年亞洲私募投資論壇時表示，內地財富持續增長有助本港資產及財富管理市場發展，去年底止本港資產管理規模達 3.1 萬億美元，其中三分之一來自非本港投資者。他指粵港澳大灣區多高淨值客戶，在資金自流動的情況下本港將進一步受惠。政府並建議擴大離岸私募基金的利得稅豁免範圍至在岸基金，相關建議已交立法會審議，冀可盡快實施。

陳茂波並透露截至去年中，本港私募基金管理資產達 1,520 億美元，佔亞洲之 16%並為區內第二大市場。去年上半年私募基金共籌得 120 億美元，亦佔亞洲整體集資額 20%。

22. Sing Tao Daily - 私募基金有限合夥制 陳茂波：數月內諮詢

17 January 2018

http://std.stheadline.com/daily/article/detail/1947514-%E8%B2%A1%E7%B6%93-%E7%A7%81%E5%8B%9F%E5%9F%BA%E9%87%91%E6%9C%89%E9%99%90%E5%90%88%E5%A4%A5%E5%88%B6+%E9%99%B3%E8%8C%82%E6%B3%A2%EF%BC%9A%E6%95%B8%E6%9C%88%E5%85%A7%E8%AB%AE%E8%A9%A2

(星島日報報道)為了吸引更多基金以香港為基地和在港發展業務，財政司司長陳茂波昨日公布，政府將於未來幾個月，會為私募基金建立有限合夥制度的建議，向業界進行諮詢。此外，香港創業及私募投資協會副主席雷約翰表示，稅務優惠及私募基金管理人的發牌制度均需要配合，才可促成更多基金駐港，期望於兩年內可落實以上改革，屆時本港才可追上新加坡在私募基金市場上的發展。

陳茂波昨日出席 2019 年亞洲私募投資論壇時指出，香港作為亞洲第二大私募基金市場，截至 2018 年中，本地私募基金管理資產規模達到 1520 億元美元，佔亞洲區的 16%，但較 2013 年的 18%，則下跌了兩個百分點。去年上半年，香港私募基金共集資 120 億元，為亞洲區總集資額的兩成。他又表示，為滿足私募基金的需求及保障投資者，政府有計畫引入私募基金建立有限合夥制度。

私募股權基金採用有限合夥制形式，可避免雙重徵稅，並通過獎勵和約束條款，令在所有權和經營權分離的情形之下，經營者與所有者的利益一致，促進普通合夥人和有限合夥人在同一投資項目的分工協作。

同場的雷約翰亦表示，近年為防止離岸避稅並維護稅收體系的完整性，經濟合作暨發展組織（OECD）在稅務制度上作出多番修改，令離岸的基金難以經營。為了提供更多誘因，吸引基金轉移基地至香港以在岸形式操作，香港提供有限合夥制和稅務優惠十分重要。

於業界討論多時的豁免基金繳付利得稅修訂條例草案，於去年 12 月初已進入二讀，並於昨日立法會委員會進行第二次審議。草案所修訂的方向，獲得 11 個業內專業團體的認同，包括四大會計師行、會計師公會及香港創業及私募投資協會等。

雷約翰指，目前 95%的本港私募基金是以開曼群島為基地，若他們轉移陣地到香港，包括基金經理及整個團隊，而香港可豁免其繳付利得稅，再加上本港與內地有避免雙重徵稅和防止偷漏稅的安排，相信可大大提升中港兩地的私募基金的跨境投資。

另一是私募基金管理人的牌照問題。雷約翰指，早前與本港證監會做過初步檢視，其協會會員之中，只有約三分之一會員所持現時證監會所認可的牌照，言則有三分之二的私募基金管理人需要在未來取得本港合資格牌照，才可在本港經營私募基金業務。

他期望，可在證監現有牌照框架之下，令私募基金管理人合規，而毋須修例增加牌照。雷約翰指，就以上各項改革，目前正向業界收集意見，再向證監會反映及討論如何推進。

23. Sing Tao Daily - 陳茂波：本港是亞洲第二大私募基金市場
16 January 2019
http://std.stheadline.com/instant/articles/detail/911710-%E9%A6%99%E6%B8%AF-%E9%99%B3%E8%8C%82%E6%B3%A2%EF%BC%9A%E6%9C%AC%E6%B8%AF%E6%98%AF%E4%BA%9E%E6%B4%B2%E7%AC%AC%E4%BA%8C%E5%A4%A7%E7%A7%81%E5%8B%9F%E5%9F%BA%E9%87%91%E5%B8%82%E5%A0%B4

Reprinted by:
Headline Daily

財政司司長陳茂波出席 2019 亞洲私募投資論壇時表示，香港是亞洲第二大私募基金市場，截至 2018 年中，本港私募基金管理規模達 1520 億美元，佔亞洲 16%。他指，未來幾個月即將為私募基金建立有限合伙制度諮詢業界，諮詢完成後將會遞交立法會審議。

陳茂波指，財經事務及庫務局正與金管局及證監會為相關諮詢進行準備，冀政策能夠滿足私募基金需求，同時保護投資者。他又指，截至 2017 年底，香港的資產管理規模達 3.1 萬億美元，而非香港的投資者三分之二。

他說，截至 2018 年中，本港作為亞洲第二大私募基金中心，私募基金管理規模達 1520 億美元，佔亞洲 16%。他相信在環球經濟增長及亞洲財富增加下，會持續支持本港財富管理業務發展。他又透露，政府建議擴大離岸私募基金的利得稅豁免範圍至在岸基金，已交由立法會審議。

24. HK01 - 陳茂波：香港為亞洲第二大私募基金市場　冀擴大稅收豁免
張偉倫
16 January 2019
https://www.hk01.com/%E9%87%91%E8%9E%8D%E5%B8%82%E5%A0%B4/283402/%E9%99%B3%E8%8C%82%E6%B3%A2-%E9%A6%99%E6%B8%AF%E7%82%BA%E4%BA%9E%E6%B4%B2%E7%AC%AC%E4%BA%8C%E5%A4%A7%E7%A7%81%E5%8B%9F%E5%9F%BA%E9%87%91%E5%B8%82%E5%A0%B4-%E5%86%80%E6%93%B4%E5%A4%A7%E7%A8%85%E6%94%B6%E8%B1%81%E5%85%8D

財政司司長陳茂波今早出席 2019 年亞洲私募投資論壇時指出，香港為亞洲第二大私募基金市場，截至去年中，本地私募基金管理資產規模達到 1,520 億元（美元·下同），佔亞洲區的 16%。

陳茂波又指出去年上半年香港私募基金共集資 120 億元，為亞洲區總集資額的兩成。

隨着內地居民財富持續增加，他認為有助帶動本港資產及財富管理市場發展，並指出截至 2017 年底，香港的資產管理規模達到 3.1 萬億元，其中三分二的投資者為非香港投資者。

他亦提及政府建議將離岸私募基金的利得稅豁免範圍，擴大至在岸基金，並已交由立法會審議，期望條例可以盡快實施。

25. Commercial Radio Hong Kong - 陳茂波指未來數月將為私募基金設有限合伙制諮詢業界

16 January 2019

http://www.881903.com/Page/ZH-TW/newsdetail.aspx?ItemId=1057513&csid=261_368&

財政司司長陳茂波出席亞洲私募投資論壇時指，未來幾個月即將為私募基金建立有限合伙制度諮詢業界，諮詢完成後將會遞交立法會審議，現時財經事務及庫務局正與金管局及證監會進行相關準備，期望政策能夠滿足私募基金需求，同時保護投資者。

陳茂波又指，截至 2017 年，本港基金管理規模達 3.1 萬億美元，當中有三分二來自非本港投資者，而本港作為亞洲第二大私募基金中心，截至 2018 年中，本港私募基金管理規模達 1520 億美元，佔亞洲 16%，相信在環球經濟增長及亞洲財富增加下，會繼續支持本港財富管理業務發展。

陳茂波又指，雖然環球充滿不明朗因素，有信心本港能應對挑戰，政府會繼續為本港創造機遇。

Quamnet - 陳茂波:未來數月為私募基金建立有限合伙制度建議作諮詢
16 January 2019
http://www.quamnet.com/newscontent.action?articleId=5993282&listSectionCode=NEW_HOT&

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財政司司長陳茂波今早出席 2019 亞洲私募投資論壇時表示，未來幾個月將為私募基金建立有限合伙制度的建議作業界諮詢，諮詢完成後將遞交立法會。現時 財庫局與金管局及證監會進行相關工作，希望可以能夠滿足私募基金的需求及保障投資者。

他指出，截自 2017 年底，本港整體基金管理的規模 3.1 萬億美元(下同)，當中有 3 分之 2 來自非本港投資者。本港的私募基金規模在亞太地區排名第 2，僅次於內地。截自去年上半年，本港的私募基金基金管理規模有 1520 億元，佔亞洲 16%。

陳茂波又指，在環球經濟增長及亞洲財富累積的增加下，尤其是中國，繼續支持本港的財富管理發展。

他續指，去年港交所(00388)提出上市改革，容許未有收入的生物科技公司及以同股不同權架構企業來港上市，現時已有 7 間新經濟公司在上市新規生效後成功在港上市，當中亦有許多新經濟公司正在申請到本港上市。(EC

26. Am730 - 陳茂波：未來數月為私募基金建立有限合伙制度建議作諮詢
16 January 2019
https://www.am730.com.hk/news/%E8%B2%A1%E7%B6%93/%E9%99%B3%E8%8C%82%E6%B3%A2%EF%BC%9A%E6%9C%AA%E4%BE%86%E6%95%B8%E6%9C%88%E7%82%BA%E7%A7%81%E5%8B%9F%E5%9F%BA%E9%87%91%E5%BB%BA%E7%AB%8B%E6%9C%89%E9%99%90%E5%90%88%E4%BC%99%E5%88%B6%E5%BA%A6%E5%BB%BA%E8%AD%B0%E4%BD%9C%E8%AB%AE%E8%A9%A2-158072

財政司司長陳茂波今早出席 2019 亞洲私募投資論壇時表示，未來幾個月將為私募基金建立有限合伙制度的建議作業界諮詢，諮詢完成後將遞交立法會。現時 財庫局與金管局及證監會進行相關工作，希望可以能夠滿足私募基金的需求及保障投資者。

他指出，截自 2017 年底，本港整體基金管理的規模 3.1 萬億美元(下同)，當中有 3 分之 2 來自非本港投資者。本港的私募基金規模在亞太地區排名第 2，僅次於內地。截自去年上半年，本港的私募基金基金管理規模有 1520 億元，佔亞洲 16%。

陳茂波又指，在環球經濟增長及亞洲財富累積的增加下，尤其是中國，繼續支持本港的財富管理發展。

他續指，去年港交所(00388)提出上市改革，容許未有收入的生物科技公司及以同股不同權架構企業來港上市，現時已有 7 間新經濟公司在上市新規生效後成功在港上市，當中亦有許多新經濟公司正在申請到本港上市。(EC)

27. Ta Kung Pao - 香港为亚洲第二大私募基金市场
16 January 2019
https://www.hk01.com/%E9%87%91%E8%9E%8D%E5%B8%82%E5%A0%B4/283402/%E9%99%B3%E8%8C%82%E6%B3%A2-%E9%A6%99%E6%B8%AF%E7%82%BA%E4%BA%9E%E6%B4%B2%E7%AC%AC%E4%BA%8C%E5%A4%A7%E7%A7%81%E5%8B%9F%E5%9F%BA%E9%87%91%E5%B8%82%E5%A0%B4-%E5%86%80%E6%93%B4%E5%A4%A7%E7%A8%85%E6%94%B6%E8%B1%81%E5%85%8D

Reprinted by:
Wen Wei Po

香港特区政府财政司司长陈茂波今日（16 日）出席 2019 亚洲私募投资论坛时表示，香港是亚洲第二大私募基金市场，截至 2018 年中，香港私募基金管理规模达 1520 亿美元，占亚洲 16%。

陈茂波透露，未来几个月即将为私募基金建立有限合伙制度谘询业界，谘询完成后将会递交立法会审议。

陈茂波指，财经事务及库务局正与金管局及证监会为相关谘询进行准备，冀政策能够满足私募基金需求，同时保护投资者。他又指，截至 2017 年底，香港的资产管理规模达 3.1 万亿美元，而非香港的投资者占三分之二。

陈茂波表示，截至 2018 年中，香港作为亚洲第二大私募基金中心，私募基金管理规模达 1520 亿美元，占亚洲 16%。他相信在环球经济增长及亚洲财富增加下，会持续支持本港财富管理业务发展。他又透露，政府建议扩大离岸私募基金的利得税豁免范围至在岸基金，已交由立法会审议。

28. **Xinhua Net - 陈茂波：香港继续保持亚洲第二大私募基金中心地位**
16 January 2019
www.xinhuanet.com/gangao/2019-01/16/c_1124000339.htm

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Sina News
Netease Finance
National Business Daily
Zijing Hong Kong

新华社香港 1 月 16 日电（记者战艳）香港特区政府财政司司长陈茂波 16 日表示，截至 2018 年 6 月底，香港私募基金规模达 1520 亿美元，约占亚洲私募基金规模的 16%，继续保持亚洲第二大私募基金中心的地位。同时，去年上半年香港私募基金集资规模为 120 亿美元，占亚洲区集资额的 20%。

在出席亚洲私募投资论坛时，陈茂波表示，特区政府将就私募基金引入有限合伙人推出咨询文件，其后向立法会提交相关法案。

他指出，绿色金融前景广阔，政府短期将公布绿色债券计划下的新发行计划。

陈茂波说，未来特区政府将继续巩固香港作为连接内地和国际投资者大门的独特地位，也将继续加强香港作为全球离岸人民币业务枢纽地位。

该论坛由香港创业及私募投资协会举办。与会者探讨了香港在亚洲私募市场中不断变化的角色及国际投资者对亚洲私募投资的看法，以及共同投资、融资与投资者关系、私人债务、私募股权房地产基金、二级市场、价值创造及社会和治理标准等核心问题。

香港创业及私募投资协会主席周玄沁表示，2018 年亚洲的私募股权交易无论在规模还是在数量上均急速增长，反映出亚洲地区对私募股权日益浓厚的兴趣。

亚洲私募投资论坛主席裴德威说，亚洲市场对私募投资者来说相当重要，也将继续为投资者们带来新价值。

29. China News - 香港财政司司长：香港成为亚洲第二大私募基金市场
16 January 2019
http://www.chinanews.com/ga/2019/01-16/8731024.shtml

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Sina Hong Kong

香港特区政府财政司司长陈茂波 16 日出席 2019 年亚洲私募投资论坛时表示，截至 2018 年上半年，香港私募基金管理资产规模达到 1520 亿美元，占亚洲地区的 16%，香港已成为亚洲第二大私募基金市场。

“2018 年上半年香港私募基金共集资 120 亿美元，为亚洲区总集资额的两成。”陈茂波指出，随着内地居民财富持续增加，有助带动香港资产及财富管理市场发展。他透露，截至 2017 年底，香港的资产管理规模达到 3.1 万亿美元，其中三分二的投资者为非香港投资者。

亚洲私募投资论坛由亚洲规模最大的私募股权行业集团——香港创业及私募投资协会(HKVCA)举办。本届论坛就香港在亚洲私募市场中不断变化的角色以及国际投资者对亚洲私募投资的看法进行交流，同时探讨了共同投资、融资与投资者关系、私人债务、私募股权房地产基金、二级市场、价值创造以及社会和治理标准等核心问题。

HKVCA 主席周玄沁在论坛上表示，在过去九年的时间里，HKVCA 为私募投资业界提供了一个重要交流平台，以探讨行业发展趋势、面临的机遇和挑战。他认为，2018 年亚洲的私募股权交易无论在规模还是数量上都均急速增长，反映出亚洲地区对私募股权越来越浓厚的关注。

据路孚特(Refinitiv)数据显示，2018 年亚洲私募基金公司的交易大增，截至当年 10 月底，亚太地区(不含日本)的私募基金业者支持交易总计达 790 亿美元，较去年同期增加 63%，并超越 2015 全年的纪录高点 740 亿美元。

该次论坛召集了 80 多名演讲嘉宾及座谈小组成员，吸引超过 750 位业界代表参与。记者在现场了解到，上述业界代表大多在亚太地区进行创业及私募投资活动，其业务范围涵盖了从创业、增长、收购、二级市场、退休金、组合型基金到家庭办公室等多个领域。不少来自欧美地区的与会者表示，亚洲市场对于全球私募投资而言都相当重要，将继续为投资者们带来新的价值。(完)

30. Epoch Times - 陸資撐起香港私募基金 規模亞洲第二
梁珍
17 January 2018
https://hk.epochtimes.com/news/2019-01-17/172275

私募基金在香港發展迅速，香港財政司司長陳茂波昨出席亞洲私募投資論壇時表示，香港是亞洲第二大私募基金市場，截至去年中，本地私募基金管理 1,520 億美元資產，佔亞洲 16%。去年上半年共籌得 120 億美元，佔亞洲約兩成。

陳茂波表示，大陸財富持續增長，將支持香港的資產及財富管理市場發展。截至 2017 年底，香港的資產管理規模達 3.1 萬億美元，而非香港的投資者達 2/3。

他又指出，政府建議擴大離岸私募基金的利得稅豁免範圍至在岸基金，已交由立法會審議，相信新例有望儘快實施。而在推動私募基金之餘，港府未來幾個月將會為私募基金建立有限合夥制度的建議進行業界諮詢，以滿足私募基金的需求及保障投資者。

至於中美貿易戰影響，陳茂波稱，貿易摩擦是未知之數，不過香港經常面對不同挑戰。

目前亞洲私募基金規模最大的是中國， 2017 年私募行業資產管理規模已達 10.9 萬億，突破 10 萬億元，同比增幅近四成。◇

31. Radio France Internationale - 香港私募規模 1520 億美元 分額微跌至占亞洲區 16%
麥燕庭
16 January 2019
http://trad.cn.rfi.fr/%E6%B8%AF%E6%BE%B3%E5%8F%B0/20190116-%E9%A6%99%E6%B8%AF%E7%A7%81%E5%8B%9F%E8%A6%8F%E6%A8%A11520%E5%84%84%E7%BE%8E%E5%85%83-%E5%88%86%E9%A1%8D%E5%BE%AE%E8%B7%8C%E8%87%B3%E5%8D%A0%E4%BA%9E%E6%B4%B2%E5%8D%8016

香港向來是亞洲第二大私募基金市場，截至去年中，本地私募基金管理 1520 億美元(下同)資產，占亞洲 16%。有關數據較 2013 年的 18%下跌兩個百分點，財政司司長陳茂波表示，立法會正審議擴大離岸私募基金的利得稅豁免範圍至在岸基金，而在推動私募基金之餘，港府未來幾個月將會為私募基金建立有限合夥制度的建議進行業界諮詢，以滿足私募基金的需求及保障投資者。

陳茂波今(16 日)早出席 2019 亞洲私募投資論壇時表示，截至 2017 年底，香港的資產管理規模已經達到 3.1 萬億，當中三分之二來自非香港投資者，預料在環球經濟增長及亞洲財富累積的增加下，尤其是中國的增長，將繼續支持香港的財富管理髮展。

香港的資金管理規模將難以超越區內最大私募基金市場的中國，業界數據顯示，2017 年私募行業資產管理規模已達 10.9 萬億，突破 10 萬億元，同比增幅近四成；而截至 2017 年 11 月底，中國證券投資基金業協會已登記私募基金管理人 21836 家，備案私募基金達 64633 隻，年內增幅分別為 25.3%和 39%。

32. Securities Daily - 陈茂波：香港是亚洲第二大私募基金市场
16 January 2019
http://kuaixun.stcn.com/2019/0116/14802662.shtml

香港财政司司长陈茂波出席 2019 亚洲私募投资论坛时表示，香港是亚洲第二大私募基金市场，截至去年中，本地私募基金管理 1520 亿美元资产，占亚洲 16%；而去年上半年香港的私募基金总共筹得 120 亿美元，占亚洲约两成。

33. Money Link - DJ 市場快訊：更多跨國公司可能考慮剝離中國業務 - 機構
16 January 2018
http://ww2.money-link.com.tw/RealtimeNews/NewsContent.aspx?SN=926015005&

0201GMT（道瓊斯）--Citic Capital Partners 的董事總經理 Boon Chew 說，中國流動性狀況收緊、經濟增長放緩、貿易局勢緊張以及 IPO 市場走弱可能讓更多跨國公司考慮出售中國業務的控股股權。他在 2019 亞洲私募投資論壇上表示，這些情況讓人們更有可能出售自己公司的控股權。中國國有的中信集團是 2017 年收購麥當勞中國業務控股股權的買方之一，該集團還參與了其他幾樁跨國公司拆分中國業務的交易。《華爾街日報》不久前報道稱，美國媒體公司維亞康姆正談判出售中國業務的多數股權，該公司此前在中國擴大業務遭遇困難。
(serena.ng@wsj.com)

34. Money Link - DJ 市場快訊：中國科技公司在華籌集私人資本難度加大

16 January 2018

http://ww2.money-link.com.tw/RealtimeNews/NewsContent.aspx?SN=926027005&

0231 GMT（道瓊斯）--投資者仍渴望入股中國規模最大、估值最高的科技獨角獸企業。晨興資本(Morningside Venture Capital)合伙人程宇表示，與此同時，投資者談論了三年的估值調整正在發生，而沒有進入各自領域前三名的公司發現融資變得更加困難。程宇在香港創業及私募投資協會(HKVCA)亞洲私募投資論壇上一個關于風險資本的座談會上發言稱，人工智能是仍在擴張的一個領域，移動互聯網的增長則在消退。