

Year 2005-2006 in Review

Chairman Vincent Chan

Promotion for VC/PE

2006 has been a very busy year for the PR committee as they embarked on an ambitious program of relationship-building with other financial and governmental organizations in Hong Kong and Asia. The objective is join forces with other parts of the financial services industry to promote the Hong Kong based platform and to place private equity as an integral part of that platform.

This initiatives is led by the Chairman, Vincent Chan and President, K.O. Chia.

Together with other members of Executive Committee and Sub committees, meetings were initiated with

- Financial Secretary and Treasury Services, Frederick Ma and his team.
- HK Exchange, Paul Chow and Matthew Harrison
- Other professional bodies such as Hong Kong Institute of Certified Public Accountants, Hong Kong Investment Fund Association, Hong Kong Capital Markets Association, Hong Kong Society of Financial Analysts and ICPA Australia.

The result of this “linkage” initiative is the many events in which we join the other Associations and organizations, and where HKVCA is co-organized and supported by them during the year.

Annual Conference

The Annual Conference " Asian Private Equity on the Map" held on September 12 2005, in its 6th year. It was the most successful to date given the prominence of the industry. There is growing awareness among investors, financial institutions, corporates and governmental authorities at Asian Private Equity is here to stay and playing an increasingly important role in business and economic growth.

Leading practitioners from the industry spoke at the Conference and shared their valuable insights and hard earned experiences in their excellent presentations and discussions. The Conference attracted 300 participants who were updated about the happenings, issues and future of the Venture Capital/Private Equity/Buyout sectors. The keynote lunch speaker was Sir Gordon Wu, Chairman of Hopewell Holdings

Organizing committee members:

Jamie Paton, Josephine Price, KO Chia, Lewis Rutherford

PRC

China Private Equity Summit

In its Fifth China Private Equity Summit, our line up of seasoned private equity market participants survey the current state of China play from their own unique perspectives—including industry updates in technology, media and domestic demand industries such as alternative energy. The speakers also provided an annual update on recent regulatory changes that impact the investing landscape.

This year, international and domestic investors (LPs), including hedge fund managers, shared their private equity investing and treasury management strategies for China. Keynote speaker was Tim Clissold, Author of “Mr. China”

The International Association of CFOs and Corporate Treasurers was welcomed as our Summit partner.

Organizing Committee

SC Mak, Timothy Shen, Conrad Tsang, Johannes Schoeter, Joe Tian, Johnny Chan, Gordon Lam, Philip Zhai

Others

PRC Committee continues to forge ties with local business, provincial and government bodies in China. HKVCA joined the HK Government initiatives and missions to China in promoting HK based financial services. Vincent Chan, Tim Shen, S.C Mak were active in representing the Association and the industry in Hong Kong.

SME Committee

HKVCA has a committed SME team this year which explored various ways of introducing venture capital as a source of funding for successful SMEs or local corporates in Hong Kong.

Committee Members are:

Marvin Lai, Vincent Chan, Jessica Jook, Roger Marshall, Francis Wong, Patrick Lim, Jeffrey Cheung, Colin Sau and Chennie Wang

The activities were categorized as

-Anchor events as Cyberport VC Forum. This year, HKVCA was the co-organizer of the second CVCF held at Cyberport on 6 Dec 2005. The audience found the feature of pairing successful global VCs-Investee sessions most interesting.

-Enabling with other organizations as the Young Entrepreneur Development Council, British Consulate, HK Science & Technology Park

-Education Events- HKVCA judged the Vice Chancellor's Cup of Student Entrepreneurship, Young Development Council E-Challenge Business Plan Competition and HKUST International Business Plan Competition.

Social

Golf Day

Golf Day takes its place as a key annual event of the Association. Under the leadership of Varun Bery (Chair), Stephen King, Vincent Fan and Jamie Paton. Members have found the Golf Day to be a great way to network in a non-business and relaxing environment.

70 players joined the Third Golf Day held on 13 March 2006 at the Hong Kong Golf Club Eden course. To test the skills of participants, a putting contest was added.

Wine Tasting Evening “Cabernet Sauvignon World Tour”

A fun and 'educational' event for wine enthusiasts, the Wine Tasting Evening “was held at the HK Club on 14 December 2005.

Committee members, Monica Tsui, Marcus Thompson and Kevin Yip worked with International Wine Centre to present an interesting variety of wines.

The event was co-organized with the Alternative Investment Management Association.

Special project

Performance Database

Monica Tsui/Marcus Thompson (HSBC Private Equity) and Colin Lau (Baring Private Equity) continued their effort to restart the HKVCA Year project with Thompson Financial to establish performance benchmark data for the industry in Asia.

The issues of confidentiality with which the Committee was most concerned was largely satisfied. The survey will begin at the middle of the year.

GEMS consultation

HK Exchange carried out a consultation with various market participants. HKVCA's views were made in its submission to the Exchange.

The matter was considered by VC, KOC, JP and SC M after taking into views of the industry.

Networking

Luncheon Meetings

Our luncheon meetings are now held on a quarterly instead of monthly as the Association had undertaken many other activities. In addition to luncheons, breakfast meetings were also scheduled from time to time to address specific issues of interest to the community.

Membership

Under the direction of Cadol Cheung, plans are under way to attract VC/PE firms which are not yet members. The Association will also draw Domestic Corporate Private Equity Investors. As part of that strategy, HKVCA will work closely with the International Association of Chief Financial Officers and Treasurers such as the China Summit and Annual Conference.

The Website will also be revamped to make it more interactive and useful for members.

At the same time, we would review the 'product portfolio' available to members.

Committee members:

Cadol Cheung, Richard Roque, Trevor Chan, Vincent Chan

APVCA

APVCA is an alliance of Venture Capital And Private Equity Associations of Hong Kong, Singapore, Malaysia, Korea, Thailand, Taiwan, and Australia. The group organized its conference this year in Singapore.

COMMITTEE Members:

Adrian Lam, Richard Roque, Roger Marshall Kevin Yip, Hanson Cheah, Vincent Chan