

For Immediate Release

HKVCA Welcomes the 2024-25 Budget Speech

Hong Kong, 5 March 2024 - The Hong Kong Venture Capital and Private Equity Association (HKVCA) welcomes the 2024-25 Budget Speech by Financial Secretary of the Government of the Hong Kong Special Administrative Region (HKSAR).

Bonnie Lo, Co-chair of the HKVCA's Technical Committee, said "we welcome the additional remarks that the Financial Secretary has made in his Budget Speech regarding the review and enhancement of various tax regimes, and also steps to increase the flexibility for funds and family offices to establish and grow in Hong Kong. This builds on what was announced in the last budget and the messaging is in the right direction."

"Over the past months, the industry has been working extensively with the relevant government departments to give specific feedback on the current regimes and suggest changes that are necessary to make them practical and attractive to funds and family offices. We are hopeful that changes that will be implemented will boost the practical application of such regimes and increase Hong Kong's competitive advantage as a hub for funds and family offices," added Lo.

In addition to enhancements of the tax regime, the Association is also pleased to see specific measures directed at the technology sector. "The budget's emphasis on the technology sector, including green technology, sustainable development, and digital economy, presents potential opportunities for the private equity and venture capital industry. Hong Kong's existing green-technology companies and the Greater Bay Area's research and manufacturing capabilities provide a foundation to establish ourselves as a leading green technology hub in Asia. The government's efforts to develop a data trading ecosystem, promote digital finance and explore Web3.0 technologies create avenues for investments and technological advancements. Furthermore, initiatives to promote digital inclusion, such as providing digital training courses for elderly individuals, aim to ensure wider access to technology benefits. These measures may foster investment and growth in the private equity and venture capital sectors", said Gordon Yen, co-chair of HKVCA Technical Committee.

To solidify the city's global position, the Association will continue to work closely with the Securities and Futures Commission to enhance the city's securities regulatory regime (including ensuring an appealing licensing framework).

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About the Hong Kong Venture Capital and Private Equity Association (HKVCA)

The HKVCA is a member-based trade association established in Hong Kong in 1987. It currently has over 520 members of whom 350 are Hong Kong based private equity managers across the full spectrum of the industry, from venture capital, growth capital and growth buyouts to institutional fund investors, fund of funds and secondary investors. The HKVCA represents small teams investing in start-ups as well as the world's 10 largest private equity firms.

For more information about the HKVCA, please visit: www.hkvca.com.hk