



AIMA

Action Plan for Alternatives

*Strengthening Hong Kong's status as Asia's hub
for alternative assets*



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FOREWORD

With more than HK\$35 trillion in assets under management, and home to the biggest concentration of investment professionals in the region¹, Hong Kong has long been seen as Asia's leading asset management hub.

With Hong Kong now fully reopened for business, there are plenty of reasons for optimism in 2023 as the city expects a post-pandemic economic turnaround. However, the city's status as an asset management hub is not unassailable, and some concerns have emerged amid the disruption of recent years.

The attributes that have made Hong Kong a global financial centre and Asia's leading asset management hub remain. These include Hong Kong's longstanding favourable tax and regulatory environment, its access to a deep talent pool, and role as a gateway for capital flows to and from the Chinese Mainland.

Nevertheless, the city has lost some ground to other jurisdictions over the last few years. Pandemic-related restrictions that continued throughout 2022 made it difficult for Hong Kong's industry professionals to host or attend meetings and industry events. The cautious approach to reopening may have affected Hong Kong's reputation as a cosmopolitan and open city, but with Covid restrictions now all dropped the city has resumed normal business activity.

However, for the alternative assets sector, Hong Kong needs to take further steps to become a more attractive location of choice, including in the areas of tax and the overall regulatory environment.

For example, Hong Kong recently introduced tax incentives to support the funds industry but there remains some uncertainty over how these apply in practice. Some application procedures are onerous and some licensing procedures are too complicated. The resulting uncertainty and complexity are discouraging asset managers from otherwise choosing Hong Kong as a fund domicile or investment platform location.

We believe that these issues can be remedied by some important reforms to the tax regimes and a more accommodating licensing regime.

In this report, we present our review of the current landscape for alternative assets in Hong Kong, and our suggestions for ways that the city can reinforce its foundations and prepare for the future, to ensure that Hong Kong regains its status as the premier hub for alternative assets in Asia.



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¹ [SFC Asset and Wealth Management Activities Survey 2021](#)

ALTERNATIVES TODAY

The big opportunity in Asia

Global assets under management have grown considerably in recent years, and a huge amount of this growth is being driven by alternative asset classes including private equity, credit and debt, and real estate. Alternative AUM globally reached US\$13.7 trillion in 2021 and is expected to reach US\$23.3 trillion in 2027².

Asia Pacific's alternative asset class is growing faster than the rest of the world, with Hong Kong managing most of the alternative assets in the region. The Hong Kong Monetary Authority (HKMA) identifies the city as the largest international asset management hub in Asia, the largest cross-border private wealth management and hedge fund centre in Asia, and the second largest private funds centre in Asia, after the Chinese Mainland³.

As the alternatives industry has flourished in the past decade or so, Asia-focused firms, talent and service providers have naturally based themselves in Hong Kong. Consequently, the city has built the specialist expertise and knowledge spanning tax, legal, administration and investment management to handle alternative assets, including niche strategies like impact investing.

The potential for further growth in Asia Pacific is still massive. The number of HNWI's in Mainland China and across Southeast Asia continues to grow - from UHNWIs to the swelling ranks of the middle class - all of whom are seeking to preserve and grow their wealth. The number of UHNWIs in the Chinese Mainland grew by 19% in 2021 and by 14% in Asia Pacific, according to UBS, which also expects the number of US-dollar millionaires in China to almost double between 2021 and 2026⁴.

In addition, the attitude towards alternative investments is evolving. Investors in the region who formerly focused on more traditional forms of asset management and savings, are developing a taste for alternatives as they seek to diversify and grow their investments.

Hong Kong is exceptionally well positioned to serve this potential market, but asset managers / service providers to the industry will need to be able to demonstrate that they can offer the best service available in the region and that Hong Kong affords such service providers and their end investors with both a strategic and economic advantage over other competing regions vying for the same business.



Asia Pacific's alternative asset class is growing faster than the rest of the world, with Hong Kong managing most of the alternative assets in the region.

² [Preqin Global Report 2023](#)

³ [Competitive International Financial Platform, Hong Kong Monetary Authority](#)

⁴ [Hong Kong Private Wealth Management Report 2022. KPMG and the Private Wealth Management Association](#)

Improving the alternatives landscape is important



Hong Kong cannot take its role as an asset management hub for granted and must continue to strive to ensure that our services and incentives are at least as good as if not better than those on offer in other competing jurisdictions.

The financial services sector is the backbone of Hong Kong's economy, accounting for 23.4% of GDP as of October 2022 and employing more than 276,000 people, with the asset management sector alone directly employing 54,000 people⁵. The alternative investment sector is a crucial part of the financial ecosystem, serving a growing and increasingly diverse group of investors. But Hong Kong cannot take its role as an asset management hub for granted and must continue to strive to ensure that our services and incentives are at least as good as if not better than those on offer in other competing jurisdictions.

If funds are not managed from or domiciled in Hong Kong, and are instead moving to other jurisdictions, asset management firms may also consider moving their operational substance as well. In this situation, the supporting infrastructure and broader ecosystem – including lawyers, administrators, accountants and other indirectly employed people – may also shift out of Hong Kong, ultimately affecting the city's status as a global financial centre.

Looking at Hong Kong's competitors, Singapore's asset management sector has been growing rapidly. A 16% growth rate in 2021 brought the city-state's total AUM to S\$5.4 trillion (HK\$32 trillion)⁶. Alternative assets grew from S\$947 billion in 2020 to S\$1,228 billion in 2021 – and within that, private funds and venture capital both saw growth of more than 40%. The number of licensed fund management companies grew to 1,108, up more than 10% on the previous year.

This growth may be a reflection of Singapore's targeted efforts to boost the alternatives sector. Under the Financial Services Industry Transformation Map 2025, for example, the Monetary Authority of Singapore (MAS) has developed strategies to grow private credit to complement private funds and venture capital funding, and to broaden Singapore's private markets ecosystem.

There is certainly room for two major asset management hubs in the region and we do not wish to overstate the competition between the two cities. In fact, Singapore's success in growing the sector is a good demonstration of how targeted incentives with clear conditions can be effective in attracting funds and the entire ecosystem that they generate.

⁵ [Financial Services Industry in Hong Kong 2022, HKTDC Research](#)

⁶ [Singapore Asset Management Surveys, Monetary Authority of Singapore](#)

INCENTIVES IN HONG KONG

Current environment for alternatives

The Hong Kong SAR Government has made it clear that it wants to support the asset management sector and has launched a number of incentives and policies over the past few years. These include the Open-ended Fund Company (OFC) and the Limited Partnership Fund (LPF).

Introduced in 2018, the OFC code was revised in 2020 to remove restrictions on the scope of investment, and again in 2021 to allow overseas funds to re-domicile in Hong Kong as OFCs. An OFC is eligible for profits tax exemption under the Unified Fund Exemption (UFE) regime, provided that the requirements under the Inland Revenue Ordinance are fulfilled. To encourage the use of OFCs, the government also introduced a subsidy that covers 70% of expenses paid to professional service providers (capped at HK\$1 million).

The LPF Ordinance was passed in 2020 with the aim of levelling the playing field for funds in the region, especially in comparison with the Exempted Limited Partnership (ELP) in the Cayman Islands. While there is no direct tax on the Caymans' ELPs, in Hong Kong, an LPF may also enjoy profits tax exemption, where the UFE conditions are satisfied.

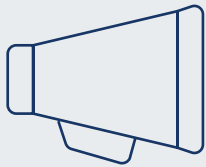
After extensive consultation with the funds industry, the Tax Concession for Carried Interest Ordinance was introduced in 2021, where eligible carried interest allocated by the fund will be subject to a 0% tax rate. In the absence of the tax concession applying, the IRD's position on carried interest is that it represents a fee for services rendered and is therefore liable for tax to the extent that it relates to services rendered in Hong Kong.

More recently, Hong Kong has also introduced a new tax concession for family offices under which profits will not be subject to tax, so long as relevant conditions are met. This is an important development that means Hong Kong is now on the same page as competing jurisdictions in offering tax incentives for the growing family office segment.

The HKSAR's Budget announcement in 2023-24

Given the importance of the asset management sector to Hong Kong, the Financial Secretary announced in his Budget speech in February that the government would review the existing tax concession measures applicable to funds and carried interest. This is in response to the various industry representations over the years that made clear that the current tax regime for funds is no longer competitive when compared to other locations, and something that the asset management sector has been lobbying for in recent years.

While Hong Kong has long had fund management tax rules that can work well in part to promote Hong Kong as a funds hub, the results in recent years have been underwhelming. This has been principally due to uncertainty over how the rules apply to certain asset classes and funds, as well as a lack of clarity with respect to the application of the rules. Such uncertainty and lack of clarity have been a catalyst for managers to consider other jurisdictions to centralise their fund investment holding structures.



Given the importance of the asset management sector to Hong Kong, the Financial Secretary announced in his Budget speech in February that the government would review the existing tax concession measures applicable to funds and carried interest.

ROADMAP / ACTION PLAN

The opportunity for Hong Kong

Hong Kong needs to look at further reforming its fund rules in order to promote Hong Kong as a fund management hub, and also to ensure that Hong Kong remains a competitive jurisdiction for funds to hold and manage their investments in the region.

Currently, Hong Kong's fund regimes are not seen as competitive as those in Singapore due to the uncertainty that exists in Hong Kong with respect to the application for the funds tax exemption rules. Hong Kong's UFE operates to exempt gains from a broad category of investments held by a fund, but there are certain types of gains and profits that the exemption may not apply to and this therefore exposes the fund to tax in Hong Kong.

In contrast, Singapore's fund exemption rules provide managers with more certainty that the gains and profits flowing through a Singapore fund platform are exempt from tax where the fund satisfies certain qualitative and quantitative conditions. Managers are therefore prepared to establish an operational substance in Singapore in order to obtain the certainty that they and their investors require.

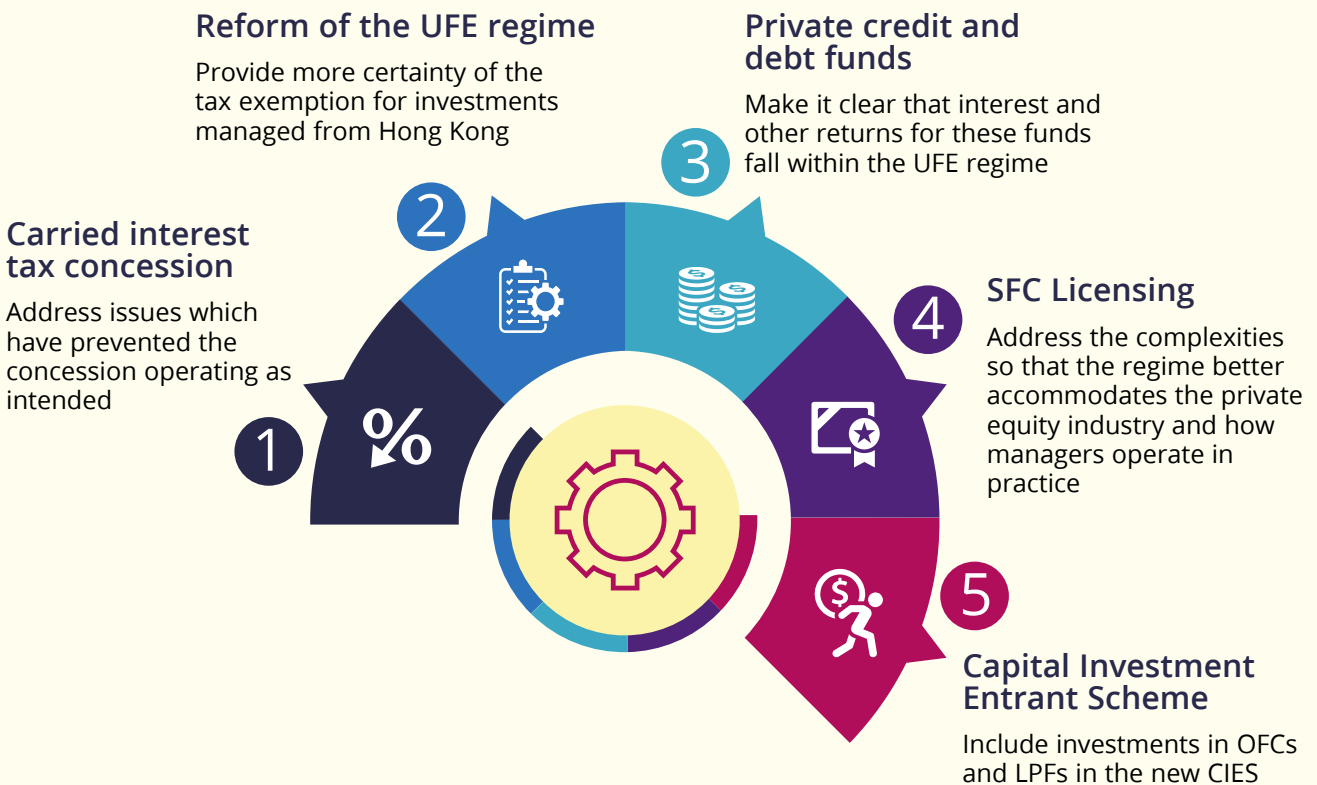
In order for funds to consider using Hong Kong as a management and investment holding jurisdiction for their investments in the region, it needs to be very clear and certain that the gains made on such investment holdings do not suffer any further incidence of tax in Hong Kong upon repatriation of such gains to the fund investors. This is because the fund vehicle is only a pooling vehicle for capital from investors and although the investment gains may be subject to tax in the investee jurisdictions or country of source, such gains should not be subject to tax at the fund level.

To make Hong Kong competitive, there are a number of fundamentally important changes that need to be made to the UFE. These changes as well as the benefits they will bring to Hong Kong are outlined below.

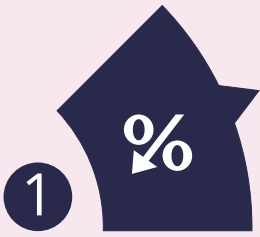
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Proposed changes

The proposed changes cover the following issues:



If these matters are not addressed, new and existing managers will continue to locate their operations in jurisdictions other than Hong Kong. We set out further details on these below.



Carried interest tax concession

The carried interest tax concession unfortunately illustrates how a less than desirable implementation can prevent full realisation of the benefits of the incentive.

The concession was introduced following several years of discussions between industry representatives and the government. The taxation of carried interest has been a rather contentious issue in Hong Kong and differed markedly from that of Hong Kong's main competitor in the region. The contentious nature arose from the difference between the industry's views of carried interest compared to that of the IRD.

After much consultation, the concession was intended to provide an effective exemption for carried interest, applying to both the management company and its employees. However, fund managers have encountered practical difficulties fulfilling the requirements of the incentive. These requirements have so far proven to be almost insurmountable for most fund managers, with the result that the concession has not been widely adopted.

There are number of practical difficulties with the incentive as it is currently drafted.

Paid through Hong Kong

The concession requires the fund to allocate the carried interest through a person in Hong Kong. However, carried interest allocations from a fund are rarely, if ever, allocated to or through Hong Kong. Such allocations are agreed based on commercial terms and using long-established principles with which investors are familiar. Fund managers and general partners would be very reluctant to alter their fund documents for the sole reason of applying for a concession in Hong Kong.

This would be especially the case for the larger regional or global funds that may have operations throughout Asia and the rest of the world. Such funds would be unlikely to structure their carried interest arrangements through Hong Kong simply in order for a Hong Kong-based person to qualify for the concession. Accordingly, the concession should be amended to apply to carried interest, whether it flows through a person in Hong Kong or not. It should be sufficient that other requirements (such as to substance, etc. in Hong Kong) are met.

Certification of the fund

The concession requires the fund to be certified by the HKMA in Hong Kong. This is a requirement for all funds, regardless of whether they are managed solely or partly from Hong Kong. As such, for carried interest paid by a global fund to an eligible person in Hong Kong to qualify, the fund would need to be certified by the HKMA. Again, this is a condition that fund managers and general partners would be reluctant to meet, simply to benefit from a tax incentive in Hong Kong. The requirement for the fund to be certified by the HKMA in Hong Kong in order to qualify for the concession should be removed.

Qualifying carry distributions

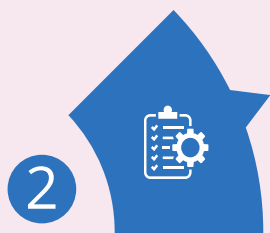
The concession is also restrictive in its application as it will only apply, with very few exceptions, to a gain made on the sale of a private company. It will not apply to carried interest which may be payable from other forms of gains made by a private equity fund's investment. With very few exceptions, carried interest derived from a gain on disposal of a public company or a gain on the transfer of an underlying business will not qualify. However, all carried interest paid by a fund should be able to qualify for the concession, regardless of the form of the underlying investment gains out of which the carried interest arises.

Qualifying recipients

The concession applies to investment professionals involved in the fund management and investment activities. There is some uncertainty that the incentive may not apply to employees, such as 'back office' employees, that are not directly involved in the investment making or management functions. It is important that the incentive can apply to all employees in Hong Kong that provide services in connection with the fund management activities, and not just to investment professionals.

Hurdle rate

The concession requires a hurdle rate of return above 0%. However, some fund arrangements do not have a hurdle rate, and these are commercial agreements negotiated between a fund sponsor and the investors. A hurdle rate is not mandatory for successful fund managers who can drive significant returns steadily, but the payment of carried interest continues to be subject to risk. If the fund does not generate a gain from its investment, there is no carried interest to be paid. The absence of a hurdle rate does not mean that the amount is not genuine carried interest.



Reform of the UFE regime

The UFE requirements are self-assessed as to whether the fund qualifies for the exemption if it is managed in Hong Kong. This can give rise to uncertainty over whether the exemption applies to all or part of the fund's investments. This uncertainty, which does not exist in other jurisdictions, often means that managers in Hong Kong do not explicitly rely on the exemption but continue to operate the fund under the "offshore" model so as to mitigate any Hong Kong tax risk.

Funds are established as pooling vehicles to raise capital from investors. They are designed to be tax neutral vehicles so that the investors in the funds are treated in the same manner as if they had invested their capital directly. This is a fundamental principle for a jurisdiction to be a successful funds hub.

For public or retail funds and most hedge funds, the UFE provides a clear exemption. However, for other asset classes, such as private equity, private credit and debt, and for real assets, the UFE is less clear.

Certain types of investments typically made by a fund may not qualify for the UFE. These can include investments made with a combination of debt and equity; investments into non corporate vehicles; investing into digital assets and certain real estate investments. Certain investments made under such strategies may not clearly qualify and therefore could expose the fund to tax in Hong Kong if it is managed from Hong Kong. Additional tax uncertainty arises where co-investors invest alongside the fund, which is a common investment arrangement in many transactions.

The funds exemption should be updated to provide a clear exemption to funds managed from Hong Kong. This would provide certainty to the alternative funds sector that the fund will not be subject to direct taxation if managed from or domiciled in Hong Kong.

Some of the amendments we recommend include:

- Broadening the exemption to cover all investments made by funds. This will include private credit and debt investments (see item below), interests in trusts and partnerships, and digital assets. It is important for the success of the alternative investment funds industry in Hong Kong and to stay at the forefront of the market that the exemption covers as wide a category of typical investments as possible.

- Any concerns around potential abuse could be better managed by establishing a “blacklist” of investments that do not qualify under the UFE. This would provide greater clarity and certainty to fund managers as to which investments did not qualify under the UFE. For example, the list could include certain investments in Hong Kong immovable property that exceeded prescribed thresholds.
- Remove the 30% (or any percentage for associated investors) look-through deeming rule that currently applies to Hong Kong resident investors in a fund. This is rarely, if ever in point, and does not apply to widely held funds. It serves no real purpose.
- Remove the incidental test entirely. This test will become unnecessary if the above changes are introduced.
- Remove the trading asset test for investments. The rationale for this rule is not clear and it creates uncertainty. It appears that it was designed to be an anti-abuse measure, but the circumstances in which the abuse could arise has never been clear.
- Special Purpose Vehicles (SPVs) and co-investment vehicles should be exempt if held and managed by the fund. This should also include an SPV with a co-investor. There would be no tax leakage in Hong Kong as such gains would also be exempt to the investor.
- If necessary, the exemption should be linked to operational substance at the manager level in Hong Kong to ensure compliance with any concerns from the European Union over harmful tax practices.
- Having a list of investments, such as property, that do not qualify as exempt would provide more clarity and certainty. The government could consider introducing a tax rate incentive for gains made by funds on a direct or indirect disposal of Hong Kong property. This would not have read-across concerns for the market. For non-fund investors, the capital gains exemption could apply. Currently, funds would look to avoid any Hong Kong tax on a Hong Kong property investment by disposing of the investment through a non-Hong Kong company.



Private credit and debt funds

The private credit market globally has grown since the global financial crisis and remained resilient throughout the macroeconomic challenges of 2022. There is strong growth potential in Asia, particularly in lending to companies in China and SMEs across Southeast Asia.

Hong Kong differs unfavourably from other jurisdictions in its treatment of gains on debt investments.

Although a gain made by a fund on a disposal of a debt investment can qualify as exempt under the UFE, the interest received from holding that investment is not considered to be an exempt gain in Hong Kong. This is because the IRD's interpretation of the exemption requires the profit in question to derive from a buy and sell transaction. The industry does not agree with this interpretation, and this should be addressed.

We understand the policy concern is that if the UFE applies to interest on debt, banks would transfer their loan portfolios to funds. However, if this were a real concern, it would be happening already, and banks would be transferring loan portfolios to funds in Singapore or elsewhere. This has not been the case, because the risk and return profile for a debt fund is very different to a bank.

The concern appears to be groundless, and places Hong Kong at a disadvantage to other jurisdictions whose fund taxation rules clearly exempt all gains on debt investments. The UFE should be amended to refer to gains from an investment or transaction in securities.



Licensing

Hong Kong has a robust, internationally respected regulatory regime, predominantly overseen by the SFC and HKMA. The current licensing regime for intermediaries emanated from a reform of Hong Kong's securities laws and regulations, which began in the early 2000s.

The SFC have sought to make targeted updates to the regulatory regime over the years in an attempt to keep up with the ever-changing nature of securities markets and their underlying investments. However, in order for Hong Kong to retain the position as Asia's leading asset management hub, the time has now come to undertake another full-scale review of Hong Kong's securities laws and the regulation of market participants whose business models and interaction with clients continue to move into a more digital environment. Such a review will likely involve consideration of legislative amendments across the entire securities framework and well as the approach to market regulation going forward, and is likely to take a number of years to complete.

As mentioned earlier in this paper, in order to retain and attract private funds managers to Hong Kong, a number of interim measures could be adopted without the need for legislative amendment. One such area concerns the licensing and regulation of the private funds industry.

Back in January 2020, the SFC issued a Circular to the private equity industry providing general guidance to private funds firms seeking to be licensed by the SFC, including what activities if undertaken in Hong Kong would likely constitute a regulated activity. This has resulted in more private funds firms seeking a licence from the SFC, as they have realised that their activities fall within one or more of the regulated activities, typically being Type 1 ("Dealing in Securities" which captures capital raising, offering co-investment opportunities and deal execution activities), Type 4 ("Advising on Securities" which captures the provision of investment advisory services to private funds and their investment committees) and Type 9 ("Asset Management" which covers the provision of discretionary investment management services to private funds and their investment committees).

Irrespective of the type of licence being sought, the SFC licensing process and timetable has generally remained the same, requiring the regulatory vetting of the following parties: the corporate entity seeking to be licensed, its substantial shareholders, responsible officers, managers-in-charge and licensed representatives. In addition, the entity seeking to be licenced needs to implement a business and operational infrastructure in full compliance with the SFO and the SFC's Code and Guidelines. The timetable for obtaining a licence can take up to six months from filing an application with the SFC which includes dealing with the SFC's requisitions. It is appreciated that the inability of applicants to respond expeditiously or in full during the SFC's review period can negatively impact the timetable and that this is beyond the SFC's control. However, the ability to shorten the current processing timetable from the point of filing an application with the SFC would greatly facilitate new entrants to the market.

The SFC licensing process is complex and requires the completion and online submission of a voluminous amount of SFC forms and information. In order to facilitate the licensing of PE managers and in recognition of fact that such entities are only dealing with professional investors, it would be helpful if the SFC could streamline the licensing process for private funds and other similar alternative asset managers and set out its approach to licensing and regulating private funds

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firms, perhaps via the issuance of a further Circular or Code of Conduct for private funds / alternative asset managers.

The sort of areas which if addressed in the licensing and subsequent regulation of the private funds / alternative asset management industry would facilitate the industry include the following:

SFC filing forms and use of the Wings portal

The SFC Forms could be reviewed and simplified to better fit the private funds / alternative asset management industry.

The Wings portal presents a number of challenges particularly at the execution and submission stage and this is compounded when the signer is based overseas. The process for executing, witnessing and filing of the forms could be simplified.

SFC processing / timetable

Given the relatively long lead in time from business establishment to obtaining a licence, the SFC should consider a fast track licensing process for private funds / alternative asset managers operating within certain parameters. The ability to obtain an SFC licence within eight weeks of submission of an application would certainly give Hong Kong a more competitive edge.

Regulation light

The concept of selective light-touch regulation is open to debate given a regulator's responsibility to protect the interests of investors and maintain the integrity of the securities markets. However, where a private funds / alternative asset manager does not engage with any Hong Kong clients, there is some merit in considering whether the SFC's approach to licensing and regulation of such entities should take this into account.

Responsible Officers

Whilst the SFC's revised Guidelines on Competence dated January 2022 have significantly facilitated the ability of individuals to fulfil the SFC's eligibility criteria, the SFC should consider extending the exemptions from having to sit and pass the local regulatory framework papers. In particular, overseas Responsible Officers should be automatically exempted and onshore Responsible Officers should have the option of attending prescribed CPT courses as an alternative to having to sit and pass the local exams.

Internal compliance and operational framework

SFC licensing typically requires the implementation of a sizable internal compliance and operational framework in order to comply with the SFC's Codes of Conduct. Without seeking to compromise regulatory and compliance standards, it should be acceptable for private funds / alternative asset managers to implement a compliance and operational framework more reflective of the size of their business in Hong Kong as well as their client base.

Existing licensed entities and their compliance departments tend to feel the need to "document up" in order not to be held in breach of the requirements during an SFC routine inspection. It would therefore be helpful if the SFC could set out its approach to regulating the private funds / alternative asset management industry post licensing in order to help the industry better manage its ongoing compliance obligations.



Capital Investment Entrant Scheme (CIES)

The Government's stated initiative to introduce a new CIES to help attract talent and more capital to Hong Kong is welcomed amongst the investment industry generally. However, we suggest the inclusion of Hong Kong private OFCs and Limited Partnerships as eligible investments (for those who qualify as professional investors) within the CIES to further boost the private funds industry and encourage the establishment of such vehicles in Hong Kong as well as their management entities.

In principle, we see no reason to exclude Hong Kong OFCs and Limited Partnerships from the CIES, even though they may be private, when foreign schemes are included by virtue of the fact that they are authorized.

To facilitate the licensing of PE managers and in recognition of fact that such entities are only dealing with professional investors, it would be helpful if the SFC could streamline the licensing process for private funds and other similar alternative asset managers.

FUTURE PROSPECTS

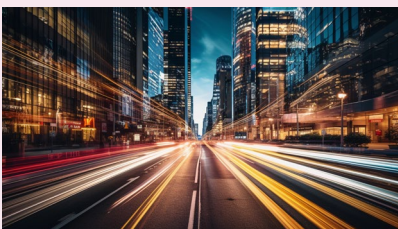
A clear and bright future

We believe that the huge opportunities in Asia mean that Hong Kong's alternatives sector has a bright future ahead, but if it is to continue to grow and thrive, it cannot be complacent. The city needs to have a regime that is best-in-class, that will attract alternative asset managers to manage more funds in Hong Kong and use more structures in Hong Kong.

The opportunity and benefits to Hong Kong from making the necessary reforms to the funds exemption should be relatively clear. By providing the necessary certainty to exempt a fund from any additional tax in Hong Kong, Hong Kong should benefit from the investment and activity created by having funds managed from Hong Kong and for all the investment platforms established in Hong Kong. This economic activity includes all of the employment, professional services and banking related functions, to highlight a few, that would be performed in Hong Kong to support the servicing of the fund that would be managed in Hong Kong - this is the real economic benefit to Hong Kong and one that Singapore has looked to capture and benefit from.

Short of broader reform of Hong Kong's fund management environment to create a new regime, removing the uncertainty around some of the current incentives is the most important step, and a relatively straightforward one. More clarity about the scope of the incentives available and the conditions that need to be satisfied will address concerns of global asset managers about domiciling funds and SPVs here.

With its package of new measures and reviews announced in the Budget, the government has clearly taken the concerns of the industry on board. We hope that the proposals and solutions in this paper will be helpful in further refining the current landscape. The alternative asset management sector in Hong Kong looks forward to continued cooperation with the government as we work together to strengthen and promote our role as Asia's leading financial hub.



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About AIMA

The Alternative Investment Management Association (AIMA) is the global representative of the alternative investment industry, with around 2,100 corporate members in over 60 countries. AIMA's fund manager members collectively manage more than US\$2.5 trillion in hedge fund and private credit assets.

AIMA draws upon the expertise and diversity of its membership to provide leadership in industry initiatives such as advocacy, policy and regulatory engagement, educational programmes and sound practice guides. AIMA works to raise media and public awareness of the value of the industry.

AIMA set up the Alternative Credit Council (ACC) to help firms focused in the private credit and direct lending space. The ACC currently represents over 250 members that manage US\$800 billion of private credit assets globally.

AIMA is committed to developing skills and education standards and is a co-founder of the Chartered Alternative Investment Analyst designation (CAIA) – the first and only specialised educational standard for alternative investment specialists. AIMA is governed by its Council (Board of Directors).

About KPMG

KPMG China has offices located in 31 cities with over 15,000 partners and staff, in Beijing, Changchun, Changsha, Chengdu, Chongqing, Dalian, Dongguan, Foshan, Fuzhou, Guangzhou, Haikou, Hangzhou, Hefei, Jinan, Nanjing, Nantong, Ningbo, Qingdao, Shanghai, Shenyang, Shenzhen, Suzhou, Taiyuan, Tianjin, Wuhan, Wuxi, Xiamen, Xi'an, Zhengzhou, Hong Kong SAR and Macau SAR. Working collaboratively across all these offices, KPMG China can deploy experienced professionals efficiently, wherever our client is located.

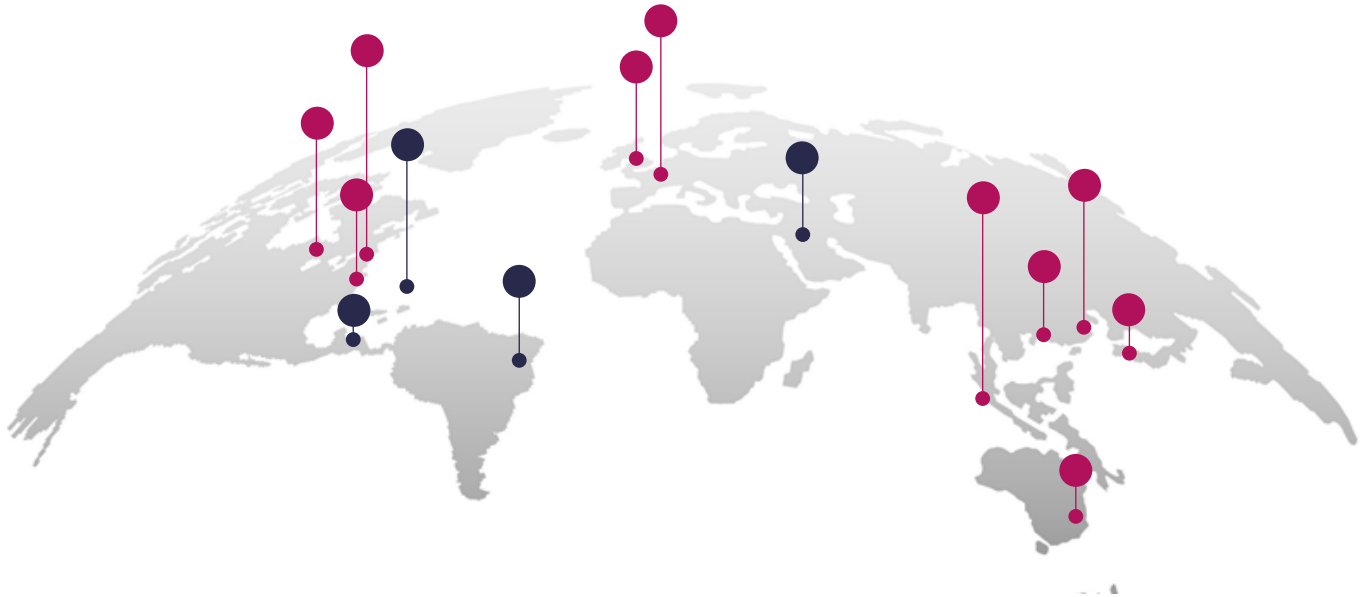
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