INDUSTRY OVERVIEW

The information and statistics set out in this section was extracted from the CRI Report prepared by CRI, which was commissioned by us, and from various official government publications and other publicly available publications. We commissioned CRI to prepare this independent industry report, which relates to the Hong Kong external asset management industry. We believe that the sources of this information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that this information is false or misleading, nor to believe that any facts that could lead to false or misleading information have been omitted. The information from official government sources has not been independently verified by us, the Sole Sponsor and **[REDACTED]***, the* **[REDACTED]***, the* **[REDACTED]** *or any other party involved in the advisory and no representation is given as to its accuracy.*

SOURCE AND RELIABILITY OF INFORMATION

We have commissioned CRI, an Independent Third Party, to analyze and report on the industry development, trends and competitive landscape of the external asset management industry in Hong Kong. We agreed to pay CRI a fee of HK$130,000 for the preparation of the Industry Report. CRI is an independent consulting firm specializing in industry and market research, providing long-term research and survey services. CRI provides customized research services for various projects such as IPOs, mergers and acquisitions, business expansion, market entry and financing.

During the preparation of industry report, CRI utilizes the following methods to obtain and collect data and intelligence: (a) public data and industry research. This covers government and regulatory statistics, industry reports and analyst reports, industry associations, industry publications and other online resources, as well as data from the CRI research database; and (b) client interview. Background information on companies is obtained through interviews.

In the market analysis of external asset management, some industry or market data are obtained directly through government statistics and public survey reports etc. However, other data cannot be obtained directly, for example, number of EAM institutions, structure of client, market size of multi-family office and so on. These data are usually estimated based on historical data trend analysis, regression models or other quantitative methods.

CRI made the following assumptions in making its forecasts for the report: (a) the supply of Hong Kong's external asset management market will maintain a stable growth trend from 2026 to 2030. (b) there will be no major financial crisis or other major natural disasters or other external shocks affecting the supply and demand relationship of Hong Kong's licensed external asset management industry from 2026 to 2030. (c) the economy of Chinese Mainland will continue to maintain a growth rate of 4%–5% from 2026 to 2030, a continued expansion of the high-net-worth client base, leading to increasing demand for professional wealth management services.

OVERVIEW OF MULTI-FAMILY OFFICE (MFO)

Definition and value chain of multi-family office (MFO)

Multi-family offices ("MFOs") are professional institutions that provide comprehensive wealth management services for two or more high-net-worth or ultra-high-net-worth families. Through large-scale and professional operations, MFOs provide multiple families with comprehensive solutions covering investment management, asset allocation, tax planning, trust and succession arrangements, and family governance.

MFOs can be divided into three categories: (1) Closed MFOs: They are established by a small group of closely related families, whose members are both shareholders and clients, and they do not expand their business externally. (2) Independent commercial MFOs: These are established and operated independently by professionals with extensive investment experience or by former single-family offices. (3) Non-independent commercial MFOs: They are usually multi-family office departments set up by large financial or professional service groups to provide family office-like services to high-end clients.

The upstream of MFO chain mainly includes financial product and professional service providers, such as private banks, investment banks, securities companies, law firms, accounting firms and valuation agencies etc. The midstream is mainly MFO institutions. The downstream is mainly high-net-worth and ultra-high-net-worth families.

The value chain of multi-family office (MFO)

Sources: CRI Report

Market overview of MFO in Hong Kong

Hong Kong's multi-family office market is developing rapidly against the backdrop of rapid wealth accumulation in Asia and continued growth in demand for cross-border asset allocation. Hong Kong has gradually formed a complete family office service ecosystem, encompassing private banks, asset management institutions, legal and tax service providers, relying on its mature financial market system, international legal system and unique geographical advantage of connecting with the Chinese Mainland capital market.

Hong Kong has a high concentration of ultra-high-net-worth individuals, providing a stable client base for multi-family offices. Hong Kong is not only one of Asia's major wealth centers, but also one of the cities with the highest density of ultra-high-net-worth individuals globally. A significant amount of wealth from Chinese Mainland, Southeast Asia, and global Chinese families is allocated globally through Hong Kong.

At the same time, in recent years, the government of Hong Kong actively attracted global wealth through measures such as tax incentives, fund exemptions and family office support policies. It also greatly promoted the development of the family office ecosystem in Hong Kong.

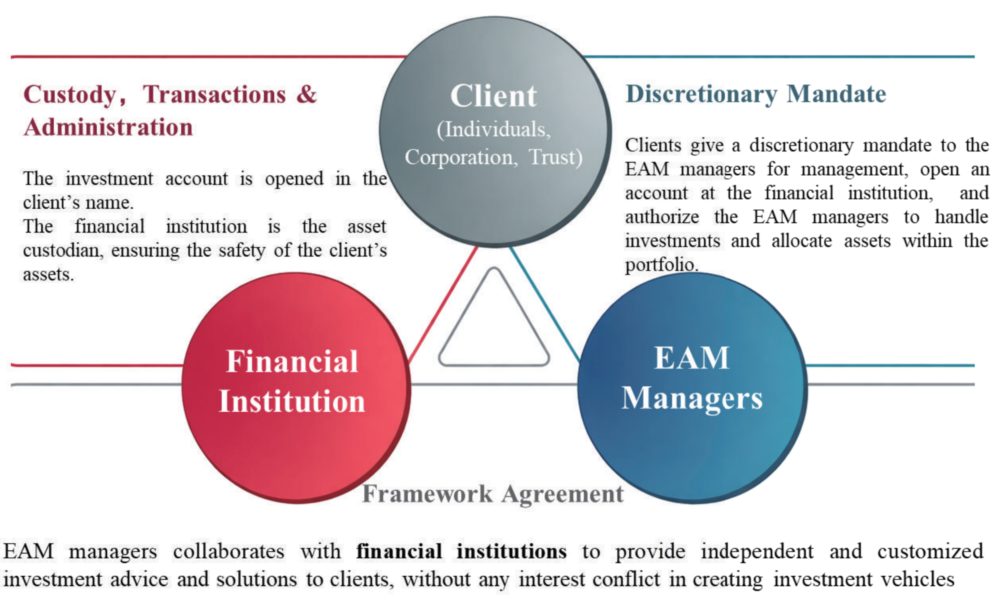
OVERVIEW OF EXTERNAL ASSET MANAGEMENT (EAM)

External Asset Management (EAM) is a financial service provided by independent professionals or firms that manage investment portfolios on behalf of clients without holding custody of the assets. EAM's client base is mainly divided into high-net-worth individuals, family offices and institutional investors.

Independence from financial institutions, high degree of customization, safe and transparent assets, and diversified regions and investment channels are the unique advantages of the External Asset Management (EAM) industry, which are also important features that distinguish it from traditional financial institutions.

The operating model of External Asset Management (EAM) is usually based on a three-way cooperation framework between the client, the EAM managers, and the financial institution. In this model, clients' assets are typically held in accounts opened with financial institutions. EAM managers issue investment instructions or recommendations to the financial institution based on client authorization. The financial institution is responsible for asset custody, execution of transactions and provision of financial products.

The relationship structure of external asset management (EAM) business



Sources: CRI Report

GOVERNMENT SUPPORT AND FAVORABLE MARKET ENVIRONMENT IN HONG KONG

Hong Kong's status as an international financial center and economic foundation

With its strengths in banking, capital markets and asset management, Hong Kong provides a comprehensive and high-quality financial platform for investors, financiers, asset managers, funds and financial institutions from all over the world. According to the latest Global Financial Centers Index, Hong Kong maintains its position as Asia's largest financial center and ranks third in the world.

Additionally, Hong Kong maintains a free, open-market economy and upholds an independent, impartial legal-supervision framework. It features low tax rates and an unrestricted foreign-exchange regime. Moreover, its banking sector, securities market, insurance industry, and asset-management institutions consistently rank among the foremost all over world.

Recent policy initiatives under the 2026-27 budget of Hong Kong

Attracting family offices to strengthen the core wealth management ecosystem. The Hong Kong government is continuously strengthening its local wealth management ecosystem by optimizing policies related to family offices. The 2026-27 Budget of Hong Kong proposes further improvements to the tax incentives system for family offices and funds, including expanding the scope of eligible investment assets and optimizing the definition of fund structures. This aims to attract more global ultra-high-net-worth families to establish investment platforms in Hong Kong.

Developing art finance to expand alternative asset investment markets. The Hong Kong government is promoting the integration of art and finance to expand alternative investment opportunities in the wealth management market. The 2026-27 Budget of Hong Kong proposes to study policies to support art transactions and financing in order to promote the financialization of art.

Cultivating financial talent to enhance long-term competitiveness in wealth management. Strengthening talent development is a crucial foundation for Hong Kong to solidify its position as a wealth management center. The 2026-27 Budget of Hong Kong proposes increased investment in education and talent development to cultivate more outstanding financial professionals. It will enhance the professionalism and international competitiveness of Hong Kong's financial services, providing sustained momentum for the long-term development of the wealth management industry.

Established institutional and market advantages in Hong Kong

No intervention in financial market operations. The Hong Kong Special Administrative Region Government (SAR) adheres to the principle of not interfering in the operation of the financial market as much as possible and strives to provide a business-friendly environment.

Foreign exchange policy and capital flow. Hong Kong implements a free capital flow policy and has no foreign exchange controls, attracting international investors. Using the foreign exchange fund and linked exchange rate mechanism to maintain the stability and international competitiveness of the financial market.

Payment system and market infrastructure. It has built an advanced interbank offered rate market and Hong Kong dollar real-time payment system (RTGS), and has successively launched USD, EUR and RMB settlement systems. It ensures market liquidity and cross-border transaction efficiency, and supports the sound operation of the financial market.

Low-tax policy and simple tax system. The government implements a low-tax policy and promotes a simple tax system. Exemption of stamp duty on transfer of real estate investment trust (REIT) units and securities distribution business of option makers.

HIGH-NET-WORTH HOUSEHOLDS IN THE PRC

Number of high-net-worth households in the PRC

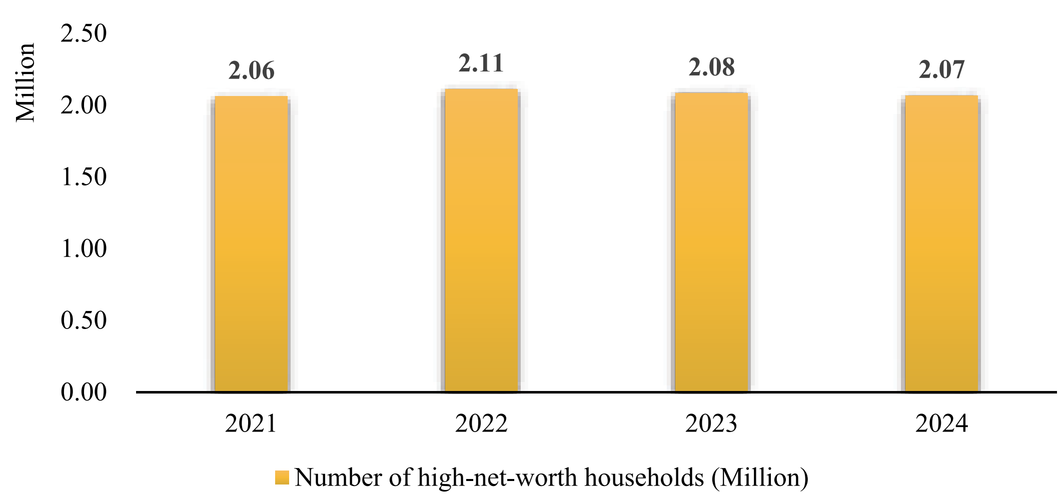
In the analysis of the number of high-net-worth households, the primary scope of consideration is the PRC, rather than Chinese Mainland. The reasons are as follows: a) publicly available data regarding the number of high-net-worth households in Chinese Mainland is scarce and outdated. b) the Hurun Research Institute has publicly released the Hurun Wealth Report, which presents the number of high-net-worth households in the PRC. (the scope of data covered the PRC since 2017, including Chinese Mainland, Hong Kong, Macau and Taiwan.)

According to the "Hurun Wealth Report 2024" released by Hurun Research Institute, the "high-net-worth households" refers to households whose assets including fixed assets and current assets with total value over RMB10 million (US$1.46 million).

The number of high-net-worth households in the PRC showed a significant fluctuation between 2021 and 2024. In 2021, the number of high-net-worth households in the PRC was 2.06 million, an increase of 1.9% year-on-year. In 2022, it increased by 2.5% to 2.11 million. In 2023, the number of high-net-worth households began to decrease to 2.08 million, a decline of 1.3% compare to 2022.

In 2024, the number of high-net-worth households reached 2.07 million in the PRC, a decreased of 0.8% year-on-year, of which the number of over RMB10 million in investable assets for households reached 1.09 million[1]. Compared to 2023, the size of high-net-worth households in the PRC saw a slight decline in 2024, which is mainly due to the adjustment cycle of real estate and some capital market assets, which has weakened the "book expansion effect" of wealth for high-net-worth households. However, in the long run, the size of high-net-worth households still remains resilient, mainly benefiting from the expansion of the overall economy, industrial upgrading, and the continued growth in wealth creation capacity driven by the new economy and technological innovation.

The number of high-net-worth households in the PRC, 2021-2024



Sources: "Hurun Wealth Report 2024" released by Hurun Research Institute.

Note: Data of high-net-worth households come from Hurun report "Hurun Wealth Report 2024". CRI created the chart based on data.

[1] *The data of high-net-worth households in 2024 come from "Hurun Wealth Report 2024" by Hurun Research Institute. Website: https://hurun.net/zh-CN/Info/Detail?num=WH4FGWHNVOMT.*

Cross-border investment demand of high-net-worth households in Chinese Mainland

The strict capital control measures in Chinese Mainland and the gradual narrowing of domestic investment channels have forced the wealthy groups in the mainland to seek cross-border investment channels. Hong Kong, with its advantages and international market environment, has become the preferred destination for high-net-worth clients in the mainland to conduct asset allocation and wealth management.

In addition, the High-End Talent Pass Scheme (HITS) in Hong Kong, especially the Category A policy, has stimulated demand for cross-border wealth management services among high-net-worth individuals. Because Category A policies use high taxable income as a threshold, which precisely attract entrepreneurs and senior managers with strong cash flow and growth potential. These groups have a significant demand for cross-border asset allocation, which will directly drive the growth of cross-border wealth management business in Hong Kong, including customized services such as asset allocation and family trusts.

DEEPENING ECONOMIC TIES BETWEEN HONG KONG AND CHINESE MAINLAND

The financial interconnectivity between Chinese Mainland and Hong Kong has been significantly deepening over the past decade, and this strategic integration is reshaping the external asset management (EAM) landscape in Hong Kong.

Initiatives such as the Stock Connect, Bond Connect and Wealth Management Connect programs have facilitated greater capital mobility and cross-border financial integration, allowing both institutional and high-net-worth clients in Chinese Mainland to access global investment products through Hong Kong's open financial architecture.

The construction of the Guangdong-Hong Kong-Macau Greater Bay Area has further deepened the cooperation among Guangdong, Hong Kong and Macau, and promoted the deep integration of Hong Kong and Chinese Mainland. For external asset managers, this has led to an expansion of their client base.

OVERVIEW OF EXTERNAL ASSET MANAGEMENT MARKETS IN HONG KONG

The number of licensed corporations of external asset management (EAM)

Taking into account a comprehensive set of factors, including the definition of EAM, the statistical scope of licensed institutions, and data availability, CRI primarily employs a ratio-based estimation method to project the number of EAM institutions. During the calculation process, and based on considerations of independence, large banking institutions engaged in asset management activities were excluded. Only licensed asset management institutions recognized by the securities regulator were taken into account.

The number of external asset management institutions in Hong Kong has maintained an overall growth trend over the past five years. In 2022, the number of licensed corporations engaged in external asset management business in Hong Kong increased from 109 to 112, an increase of about 2.8% year-on-year. The number of institutions continued to grow to 116 in 2023, an increase of 3.6% year-on-year. In the following two years, the number of institutions increased year by year. By 2025, the number of licensed external asset management institutions in Hong Kong has grown to 126.

This upward trend underscores Hong Kong's continued consolidation of its position as an international financial center, driven by growing demand for external asset management services from both local and overseas investors.

The asset under management (AUM) of EAM market

The broad EAM market encompasses all financial service providers engaged in EAM activities, including large securities firms, wealth management companies and independent external asset management firms. In the narrow sense, the EAM market refers exclusively to independent external asset management firms or wealth management companies, excluding large-scale securities firms or major comprehensive financial institutions. These companies are typically founded by a few professional bankers who specialize in providing external asset management services to high-net-worth clients.

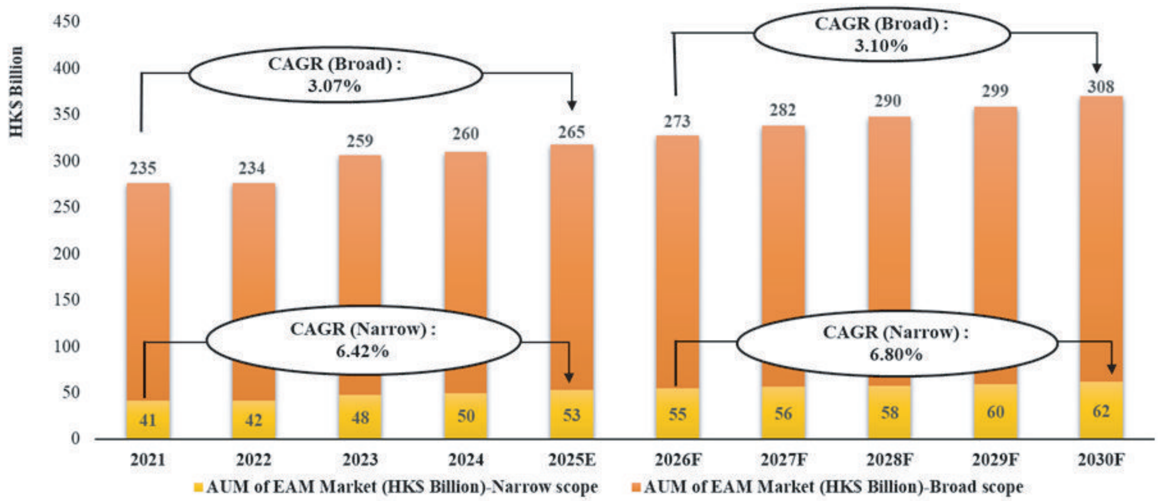
For the broader EAM market, in the past five years, the asset under management of Hong Kong's external assets management market has continued to expand, and maintained a relatively fast growth rate. The AUM of external asset management (EAM) market in Hong Kong saw a slight contraction to HK$234 billion in 2022, reflecting a year-on-year decline of 0.43%. However, the market rebounded strongly in 2023, increasing by 10.68% to reach HK$259 billion. It maintained a slight increase in 2024, reaching HK$260 billion, a growth of approximately 0.39% year-on-year. In 2025, the AUM of EAM market continued to grow, reaching HK$265 billion, a year-on-year increase of approximately 1.92%.

From 2021 to 2025, the narrowly defined EAM market in Hong Kong also experienced rapid growth, with a compound annual growth rate of approximately 6.42%. The total AUM of the EAM market reached HK$53 billion in 2025.

In addition, Hong Kong's capital market liquidity significantly improved in 2025. It will help enhance the overall competitiveness and development potential of the external asset managers industry. Increased market activity has led to a richer supply of financial products, enabling external asset managers to develop more diversified and sophisticated asset allocation strategies.

The asset under management (AUM) of Hong Kong's external asset management (EAM) market will be expected to grow steadily from 2026 to 2030. The AUM of the broad EAM market will reach HK$308 billion by 2030, with a compound annual growth rate (CAGR) of 3.10%. The narrow definition of the EAM market's AUM will reach HK$62 billion by 2030, with a compound annual growth rate (CAGR) of 6.80%.

The asset under management of EAM market, 2021-2030



Sources: Asset and Wealth Management Activities Survey Report by SFC(HK) and CRI

Notes: (1) The EAM institutions mentioned here are not those that solely engage in EAM business in the narrow sense. They also include some large asset and wealth management institutions and large securities firms that have EAM operations. (2) The forecast data for 2026-2030 is calculated based on the compound annual growth rate (CAGR) for the period 2021-2025. (3) The AUM data for 2021-2024 comes from the Asset and Wealth Management Activities Survey Report by the Securities and Futures Commission of Hong Kong. (4) The updated data for 2023 and 2024 are from the latest the "Asset and Wealth Management Activities Survey 2024". (5) As of May 7, 2026, the Asset and Wealth Management Activities Survey 2025 had not yet been released in Hong Kong. Consequently, the data of 2025 was estimated based on the ratio of the assets under management (AUM) of external asset management to the total private wealth management business in 2024.

The client structure of external asset management industry in Hong Kong

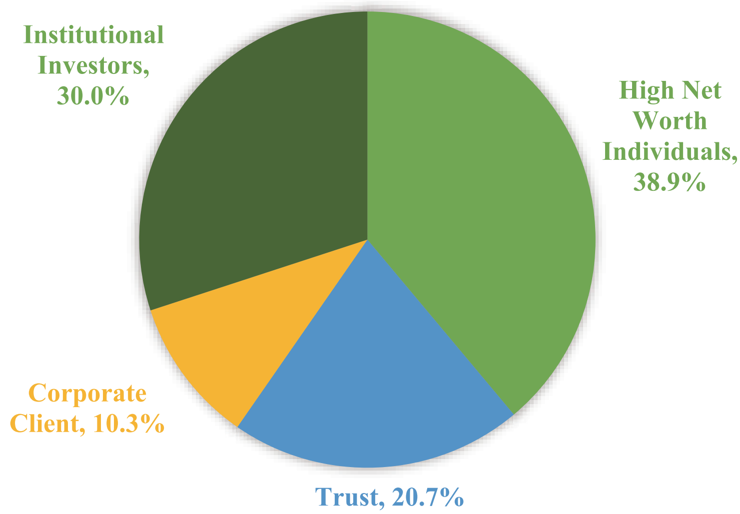
From 2021 to 2025, the client structure of external asset management industry in Hong Kong showed a gradual increase in high-net-worth individuals, a slight shrinkage in trust, and a "V-shaped" fluctuation trend in corporate clients.

The proportion of high net wealth individuals in the overall customer structure has increased year by year, from 36.5% in 2021 to 38.9% in 2025. This shows that high net worth individuals have a growing demand for professional asset management. At the same time, high net worth individuals are still gradually favoring Hong Kong as a wealth management center.

Institutional investors rank second only to high-net-worth individuals. However, the overall proportion of institutional investors continued to decline from 30.5% in 2021 to 29.8% in 2022. It rose to 30.2% in 2024, then slightly declined to 30.0% in 2025. The decline in the proportion of institutional investors does not necessarily indicate an outflow of institutional funds or a weakening of their position, but rather is a result of the different growth rates of various funding sources during the overall expansion process.

The proportion of trusts has consistently remained 20.7%-22.4% over the past five years. In 2025, trust clients accounted for 20.7% of the entire EAM market. In addition, the proportion of corporate clients is relatively small, remaining at 10.0%-10.3% from 2021 to 2025. In 2025, the share of corporate clients reached 10.3%, remaining nearly flat compared to the previous year.

The structure of client group of external asset management industry in Hong Kong in 2025



Sources: CRI Report

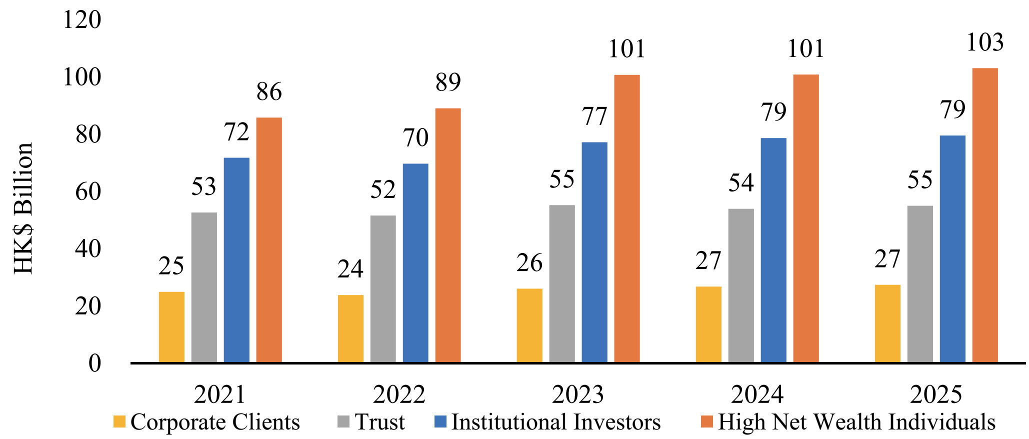
Note: Due to lack of direct statistical data, CRI uses a proportional estimation method to calculate the client structure within the EAM industry, based on AUM data of different clients in the private wealth management business from the Hong Kong Asset and Wealth Management Activities Survey Report.

Asset under management (AUM) of different client types

From 2021 to 2025, the assets under management of high-net-worth individuals showed a continuous growth trend in Hong Kong. HNWIs had the highest relative growth, indicating a shift toward more personalized, wealth-driven financial services. The AUM of institutional investors ranks second only to that of high-net-worth individuals. The assets under management of trust clients are lower than those of institutional investors. Corporate clients have relatively low asset management scale.

The compound annual growth rate (CAGR) of high-net-worth individuals were 4.7% from 2021 to 2025. Over past five years, the AUM of institutional investors increased from HK$72 billion in 2021 to HK$79 billion in 2025 (an average growth of 2.7%). The AUM of trust clients has exceeded HK$50 billion for nearly five years, exhibiting slight overall fluctuations. The AUM of corporate clients is relatively small, remaining within the range of HKD24-27 billion between 2021 and 2025.

The asset under management of different client types in Hong Kong, 2021-2025



Sources: *CRI Report*

Note: Due to a lack of direct statistical data, CRI uses a proportional estimation method to calculate the AUM of different client type within the EAM industry, based on AUM data of different clients in the private wealth management business from the Hong Kong Asset and Wealth Management Activities Survey Report.

Cost analysis of asset management business in Hong Kong

The average compensation of employees in Hong Kong's asset management industry showed a continuous upward trend from 2021 to 2023. According to census and statistics department of Hong Kong, the average compensation per person was HK$2.2 million in 2021. In 2022, it experienced a slight decline, falling to HK$2.1 million. In 2023, the average compensation per person was HK$2.3 million, an increase of 10.0% year-on-year.

According to the 2024 Salary Guide of Hong Kong by Robert Half[2], a professional recruitment and consulting service company, the salary structure within the asset management industry exhibited significant differences in salary levels between different functions (compliance, operations, risk management, fund operations and customer service). For example, in the field of compliance, the median annual salary for junior-level positions is approximately HK$368,000, while the upper quartile (75th percentile) can reach HK$420,000. The median salary for senior managers and vice presidents is approximately HK$757,000.

The salary structure for 2025 largely maintains the fundamental framework established in 2024. However, amidst intensifying market competition and the fierce battle for talent, compensation for mid-to-senior-level positions exhibits greater flexibility. For certain roles, salary growth stems from companies adjusting their compensation strategies to enhance their ability to attract and retain talent, rather than reflecting a broad-based, substantial increase in overall salary levels.

[2] *Robert Half is a professional human resources services company founded in 1948 and headquartered in the United States. The company maintains branches in numerous countries and regions worldwide. It is recognized as one of the most prominent and influential providers of professional recruitment and consulting services within the industry.*

COMPETITIVE LANDSCAPE OF EXTERNAL ASSET MANAGEMENT MARKETS IN HONG KONG

Top 5 external asset management companies in Hong Kong

Most of the external asset management (EAM) service providers in Hong Kong are independent management institutions. As independence is one of the key characters of EAM service, which large banks and securities firms generally operate as integrated financial institutions with broader business lines and internal product platforms, and therefore not directly comparable to independent EAM providers. At the same time, considering that some companies may have approximately 10-20% of their business in non-EAM activities, in this case, only the AUM (asset under management) of their EAM business will be counted.

Based on this, CRI selected eligible Hong Kong local institutions and international companies with branches in Hong Kong. Market share was calculated using each company's assets under management (AUM) in 2025 and the total AUM of the EAM industry in Hong Kong. Please note that the EAM industry here is defined narrowly, not in a broader sense. It refers specifically to independent asset and wealth management companies that engage in EAM business. And ranked these companies from high to low according to the size of market share. Finally, CRI focused on analyzing the top five companies.

According to the calculations of CRI, based on asset under management (AUM) of external asset management in 2025, we are the third independent external asset management service provider in Hong Kong focusing on serving high net worth and ultra-high net worth clients, with a market share of approximately 5.89% of the external asset management services market.

The following table shows the market share and information of the top five external asset management service providers in Hong Kong based on asset under management (AUM) in 2025.

Rank	Name	Head office	Main Business	AUM (USD Million)	Market Share
1	Company A	Hong Kong	• Investment Advisory • Asset Management • Legacy & Estate Planning • Customized Solutions	1,000	14.51%
2	Company B	Hong Kong	• Fund Establishment • External Asset Management • Discretionary Investment Accounts	600	8.71%
3	Keystone Global Financial Group	Hong Kong	• External Asset Management Services • Introduction and Referral Business • Fund Management	406	5.89%
4	Company C	Hong Kong	• External Asset Management • Fund Management Services • Investment Advisory Services for Fund Management	299	4.34%
5	Company D	Hong Kong	• External Asset Management • Actively Managed Certificates • Wealth Legacy	250	3.63%

Sources: Financial reports of listed companies, public information of companies and CRI

Company A established in 2021 and headquartered in Hong Kong, is an independent wealth management firm. It also functions as a multi-family office and an external asset management platform. In 2022, the company established family office, focusing on providing services such as family trust arrangements, cross-border tax planning, wills and estate planning and family governance.

Company B established in 2017, is an external asset management firm headquartered in Hong Kong. The company is dedicated to providing asset management services to high-net-worth individuals and institutional clients, including fund establishment and management, external asset management (EAM) and discretionary investment accounts.

Company C is a Hong Kong-headquartered integrated financial services company. Formerly known as Bison Finance Group Limited, the company officially changed its name to BlockFin Holdings Limited in 2025. Established in 2000, the company is listed on the Main Board of the Stock Exchange of Hong Kong. Its core businesses include external asset management services, fund management services, securities services, and investment advisory services for fund management.

Company D is a Hong Kong-based asset management company, established in 2019. The company offers a range of services including external asset management, setting up open-ended funds, wealth legacy, and the New Capital Investor Program etc. The company specialize in providing tailored investment solutions that align with our clients' goals, risk tolerance and investment horizons.

Nature of competition and key competitors

The nature of competition of Hong Kong's external asset management industry is not aggressive price wars, but rather a high-barrier, differentiated competitive model centered on professional competence, trust mechanisms, and compliance barriers. The external asset management industry has not yet formed an absolute monopoly or oligopoly in Hong Kong, but leading institutions occupy a larger asset management scale and market influence due to their brand reputation, long-term performance record, global asset allocation capabilities, and stable client base.

The key competitors can be divided into three categories, including independent professional competitors, traditional securities firms' internal wealth management departments and hybrid and outsourced models (OCIO).

(a) Independent professional competitors usually operate in an "independent asset management" model, emphasizing long-term and highly customized relationships with clients. (b) The wealth management departments within traditional securities companies usually undertake the tasks of internal asset management and financial product sales. (c) In response to increasing complexity in investment management, many institutional investors have turned to outsourcing models.

Entry barriers for external asset management market in Hong Kong

License and regulatory compliance requirements. External asset management firms must obtain a Type 9 licenses (Asset Management) from the Hong Kong Securities and Futures Commission (SFC). The responsible officers (ROs) with proven industry experience, typically requiring to have 3 years relevant experience over the 6 years immediately prior to the date of application (or 5 years over past 8 years, or 8 years over past 11 years) as well as a minimum of 2 years of proven management skill and experience. In addition, it is required to have at least one representative office in Hong Kong.

Capital thresholds. Asset management companies must maintain a liquidity threshold to ensure continued operational solvency. The Securities and Futures Commission (SFC) of Hong Kong requires asset management companies that do not hold client assets to maintain a minimum working capital of approximately HK$0.1 million. Companies that hold client assets typically need to meet higher standards, requiring a minimum liquid capital of approximately HK$3 million.

Client trust. In the highly competitive and reputation-sensitive landscape of Hong Kong's external asset management (EAM) industry, building brand recognition and client trust is one of the most challenging and resource-intensive components for new entrants and emerging firms. Unlike traditional financial institutions backed by well-established names, independent EAMs must invest heavily in credibility cultivation, often requiring a multi-year horizon to establish a reliable and recognized market presence.

Main driving factors and opportunities of external asset management (EAM)

Global wealth growth. The growth of global wealth is accompanied by the diversification of investor needs. Investors are no longer satisfied with traditional investment products, but seek a wider range of asset classes and investment strategies, such as alternative investments and sustainable investments. As an international financial center, Hong Kong has a rich product line and professional asset management services that can meet the personalized needs of different investors and attract global investors to allocate assets through Hong Kong.

Technological advancements. The application of financial technology has significantly improved the efficiency and accuracy of asset management. Artificial intelligence can quickly analyze massive amounts of data and provide a scientific basis for investment decisions. Big data analysis can provide a deep understanding of market trends and optimize investment portfolios. In addition, technological progress has promoted the innovation of asset management service models, such as the emergence of new service models such as digital wealth management platforms and smart investment advisors.

Clustering of family offices. The concentration of family offices has become an important factor in promoting cross-border wealth management. Hong Kong has attracted a large number of family offices with its mature financial market, low tax system and sound legal system. This has largely promoted the cross-border expansion of external asset management business.

Overflow of mainland HNWIs. With the rapid development of the mainland economy, the number of high-net-worth individuals is increasing, and their demand for wealth management is also growing. With its international financial market, rich investment products and professional asset management services, Hong Kong is becoming one of the first choices for mainland high-net-worth individuals to allocate overseas assets. The interconnection mechanism between Hong Kong and the Mainland continues to deepen, such as the Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, and Bond Connect, which provide convenient channels for Mainland investors to invest in the Hong Kong market.

COMPETITIVE ADVANTAGES OF OUR COMPANY

One of the most experienced pioneers in the Hong Kong EAM industry. Keystone Global Financial Group's management team has been actively involved in the external asset management business since 2016. In the early days of the industry, Keystone Global Financial Group conducted market research and explored asset management models suitable for local and international clients. Over the years, we have continuously optimized its business strategy, accumulating rich experience and profound market insights, laying a solid foundation for business development.

Solid client base and high client retention. By continuously providing professional and customized external asset management services, we have gradually established a solid and diversified client base. With stable and consistent investment returns, a rigorous risk management system and long-term reliable service relationships, we have cultivated a high level of trust and loyalty with its clients, maintaining a high client retention rate.

Establish partnerships with trustworthy financial institutions in different financial markets. We select high-quality financial institutions that can provide services that meet our clients' needs and objectives. We have established partnerships with trustworthy financial institutions in various financial markets. Currently, we have partnered with several banks located in different regions and countries, such as Hong Kong, Singapore, and Switzerland. We maintain strong and long-term relationships with our partner financial institutions to ensure that our clients consistently benefit from a wide range of carefully selected investment products across different global markets.

Effective risk management and internal control system. We maintain an effective risk management and internal control system to identify, assess, manage, and mitigate credit risk, market risk, and operational risk across our various business segments. Meanwhile, we continuously optimize and update our internal compliance system to ensure that all business activities strictly comply with applicable Hong Kong laws, regulations, and the Code of Conduct. This effectively protects client assets and enhances overall operational stability and long-term development capabilities.

Independent of other financial institutions. As an independently operated financial services institution, we are not affiliated with banks, securities firms, or large financial groups, maintaining a high degree of independence in business decision-making and investment management. This independent structure enables us to prioritize client interests and avoid being influenced by the products or sales targets of specific financial institutions, thereby providing clients with more objective and neutral investment advice and asset allocation solutions.