

# **FAMILY OFFICE 101**

Your Wealth & Legacy

16 February 2023

*Presented by*

英智：家族办公室

**Ingenious** | FAMILY OFFICE

## DISCUSSION TOPICS

- Speaker Profile & Ingenious
- Family Business
- Family Office
- Your Family and Ingenious



## SPEAKER'S PROFILE



**William Du**

Founder & CEO of **Ingenious Haus Group**

NED of **Technology & Telecommunication Acquisition Corp SPAC (TETEU:US)**

Non-Executive Chairman of **Vertu Capital Ltd (VCBC:LN)**

Partner in **AQ Media Group, Celscience Group, Eastech Assets** and **Musang Durian Marketing.**

Corporate advisor for corporates and SMEs in capital raising, IPO, M&A, corporate restructuring, etc.

Previously worked at Star Cruises Ltd, PricewaterhouseCoopers and Levy & Partners Chartered Accountants

Master of Business Administration & BA (Hons) Accounting from University of Hertfordshire

**WDAssets**

**William Du & Co.**

**Technology & Telecommunication Acquisition Corporation**

**investAQ**  
Crafting Your Niche

**MUSANG DURIAN GROUP**

**e a**  
EASTECH ASSETS

**CELSCIENCE**



FAMILY BUSINESS

# KEY ISSUES AFFECTING FAMILY BUSINESS



## Crises in Family Business & Corporates

Passing of control to next generations who are not ready or willing to take over the family business.

Natural death if no innovation or changes.



## Volatile & Uncertain Market

Uncertainties across global business & markets.

New Msian Govt.  
China – USA  
Trade War, etc



## Limited Funding & Credit Line

Business has run out of options in funding and credit line.

Banks are not supporting.

## COMMON ISSUES IN FAMILY BUSINESS

- Wealth doesn't last for 3 generations?
- Favouritism, siblings' rivalry, etc.
- Compete or fighting over family assets. properties..
- Heir disputes. Who's in charge?
- Lose control of the family's public listed company.
- The key person or founder pass away.
- The family business has not changed or evolved into new business model.
- Money disputes, family divisions.

<b>Some boardroom fights of the past</b>		
<i>Company</i>	<i>Feuding parties</i>	<i>Resolution</i>
Tan Chong Motor Holdings	Datuk Tan Kim Hor and his family against descendant family of his younger brother, the late Tan Sri Tan Yuet Foh.	A settlement has been agreed. Believed to give Kim Hor's faction its share of assets in the regional Tan Chong group over five years, while the late Yuet Foh's family retains control in the group
KFC Holdings	A team led by Tan Sri Nik Ibrahim Nik Kamil against Kulim	Kulim emerged as the controlling shareholder and installed its own management in KFC
Kian Joo Can Factory	The founding See family against Can-One; KPMG has been dragged into the fray	Matter pending in courts

## DOWNFALL OF A FAMILY BUSINESS

- No succession plan in place.
- Founders are too emotional to let go.
- Inherited, but no passion or clue what to do with it.
- Business declining, heading to natural death.
- No professionals as the business is infected with family “parasites”.
- Family dispute on control, power struggles, international politics.
- Don't trust outsiders.





# FAMILY FEUD – KIAN JOO CAN FACTORY

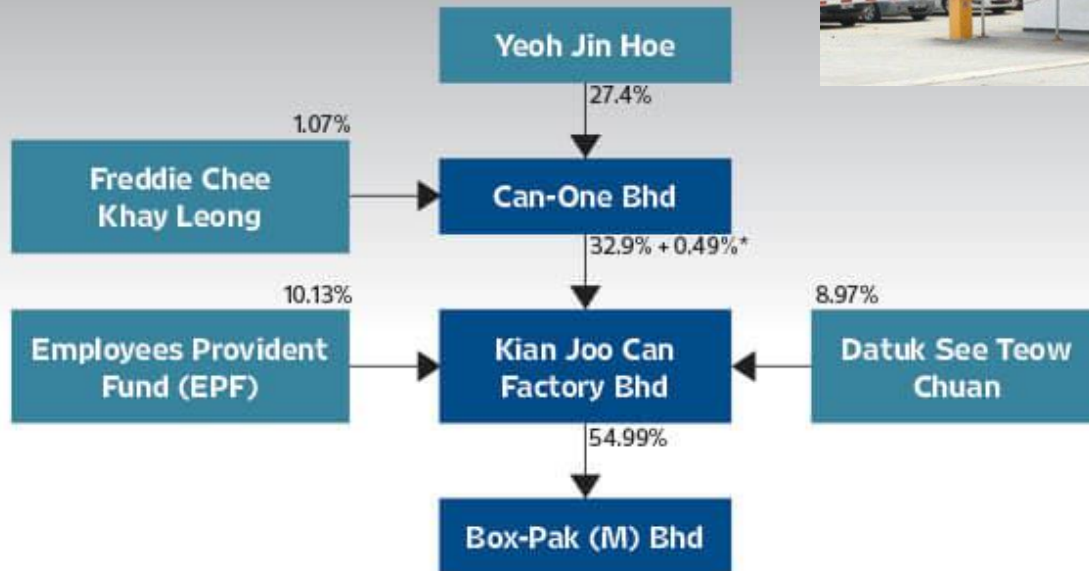
Edge Weekly

## Cover Story: The feud that cost the See family a lucrative business

Jose Barrock / The Edge Malaysia  
February 07, 2019 16:00 pm +08



### Shareholding structure



\* Can-One is buying a 0.49% stake in Kian Joo from Tan Kim Seng





# FAMILY FEUD – GENTING GROUP

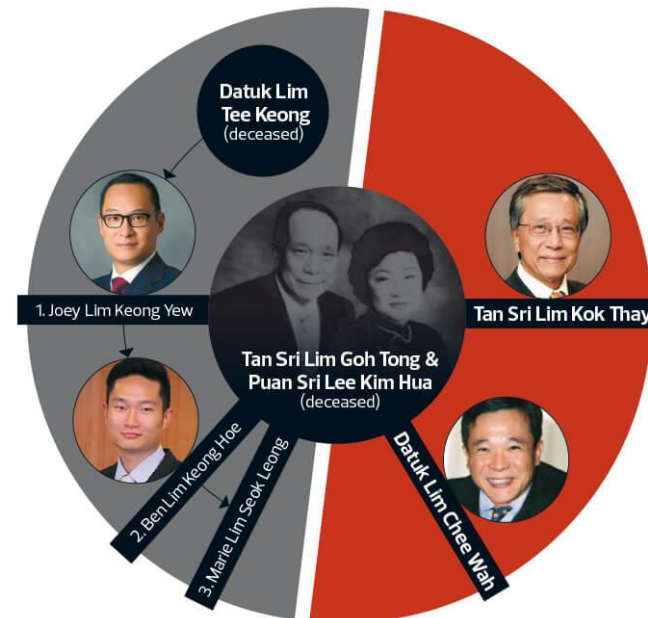
Edge Weekly

## Newsbreak: Global settlement ends Genting family feud

Paw Ai Chin and Khairie Hiyam Aliman / The Edge Malaysia  
July 22, 2019 16:00 pm +08



This article first appeared in The Edge Malaysia Weekly, on July 15, 2019 - July 21, 2019.

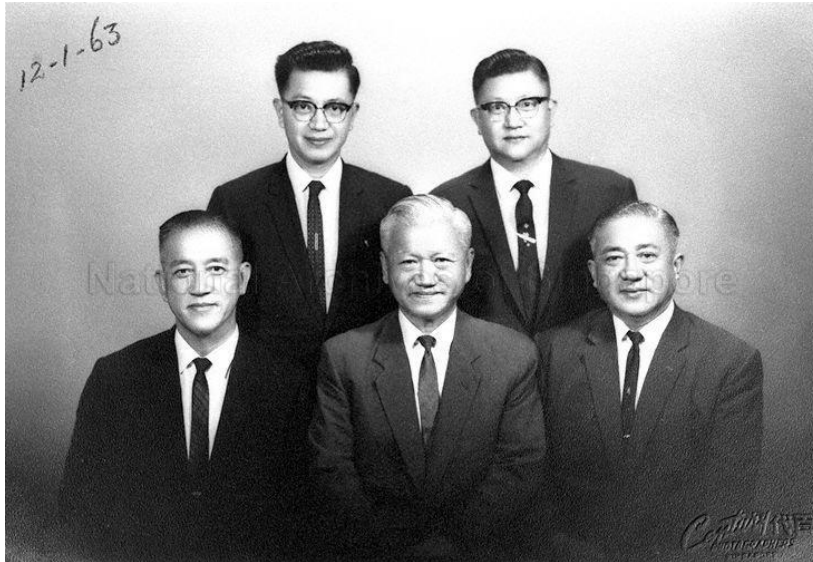


AFTER five years and multiple suits, the Genting family feud is finally set to end amicably.

Court documents sighted by The Edge confirm that the two key warring factions involved in the family dispute have agreed to a global settlement of all claims and counterclaims against each other.

Lawyers involved in the cases tell The Edge that the global settlement will affect nine ongoing suits between the two factions.

## FAMILY FEUD – YEO HIAP SENG



By the 1980s, YHS was doing so well that it became the second-biggest drinks manufacturer in Singapore and Malaysia after F&N.

In 1985, Thian In passed away soon after handing the company to his son, Alan Yeo.

During the early 1990s, a few Yeo family members who were also shareholders **came into dispute** with YHS chairman and chief executive Alan over his management style, direction of the company, and investment losses from the **Chun King venture**.

Alan's nephew, Charles, joined the shareholders seeking to oust Alan as chairman in 1993.

Alan then went to court in 1994 to petition to dissolve the family holding company. Yeo family's combined 38.5 per cent stake in the company was then split up.

## FAMILY FEUD – SCOTTS HOLDINGS

The pioneers were a trading family with interests in shipping whose patriarch, Mr Rajabali Jumabhoy, a spice trader, migrated to Singapore from Kutch in western India in 1916.

They expanded into real estate, developing their family property on Orchard Road into the Scotts Shopping Centre, which was Singapore's first managed mall when it opened in 1982.

They started a food court, the first in any mall in Singapore, and launched the Ascott, the country's first branded serviced apartments, in 1984.

At its peak, their listed Scotts Holdings had assets over \$600 million and a presence in the U.K. and Australia, apart from Southeast Asia.

But the Jumabhoy family had a history of family feuds. Mr Rajabali took his son Ameerli to court in 1995 and this escalated in the third generation.

Mr Rajabali blamed his son for racking up losses of \$50 million in the family business and dealing in family shares without permission.

The court dispute divided the Jumabhoy siblings, with Ameerli and his brother Iqbal in one camp and his other brothers, Yusuf and Mustafa, and sister Perin, in the other.

The court battle ended only in May 1998, when the Appeals Court cleared Ameerli of any mismanagement of the business.

The brothers decided to sell their shares in Scotts Holdings – whose crown jewel was Scotts Shopping Centre on Orchard Road – whose site was originally the Jumabhoy family home.

After years of feuding, the Jumabhoy family lost control of Scotts Holdings, which was acquired by CapitaLand.



“Our family fight is in public domain. The case took five years. Just the service apartment arm of Scotts was worth around S \$700 million in the 1990s with properties in Singapore (Palm Court and Ascot), London (Ascott Mayfair), Bangkok, Jakarta and Australia. This is just one of the many companies under Scotts. We built Singapore's first shopping mall (1982) and were the first to have a food court inside a mall,” he said.

Ameerli rues the fact that the Jumabhoy family failed to realize its potential to build a company that could have become a global giant. “We had a future—then the family quarrel started.”

“Banks came to us and said ‘please don't quarrel, we will adjudicate—you have a goldmine,’” he said. “But, looking back, I have no regrets.”



FAMILY OFFICE

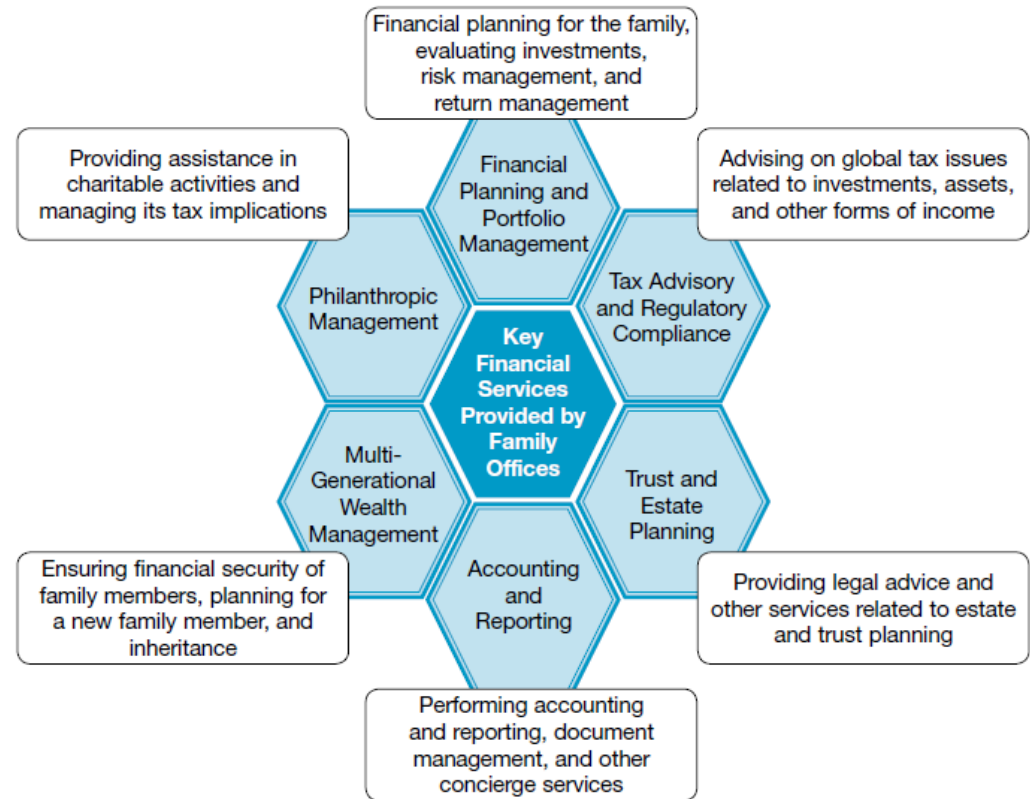


## FAMILY OFFICE

A family office is a private wealth management entity established to manage the **financial and personal affairs of a wealthy family**.

Family offices are typically set up by ultra-high-net-worth individuals who have a significant amount of wealth and want to ensure that their **assets are managed in a professional and personalized manner**.

It provides a range of services, including investment management, tax planning, estate planning, risk management, and philanthropy, among others, **for the benefit of the family and its future generations**.



Source: Capgemini

## LARGEST FAMILY OFFICE

Top 15 largest family offices in the world

Summary

1. Walton Enterprises
2. Bezos Expeditions
3. Cascade Investment
4. MSD Capital
5. Bayshore Global Management
6. Emerson Collective
7. Willett Advisors
8. Euclidean Capital
9. Vulcan Inc
10. KIRKBI
11. Yoovidhya Family Office
12. Stetson Family Office
13. Storonsky Family Office
14. Pritzker Vlock Family Office
15. Cherng Family Trust Office

Source: [andcimple.co](http://andcimple.co)

 familyofficehub.io

About ▾

News

Database



### #1: Ortega Family, Spain, \$77B Net Worth

The Ortega family came to substantial wealth in the fashion industry, most notably through fashion brand Zara. The holding Inditex now has a turnover of 26 billion euros annually, comprised of eight different fashion and home brands. His family office Pontegadea owns one of the largest single family office real estate portfolios worldwide. [Read more here.](#)

### #2: Van Damme, De Spoelberch, De Mevius Family, Belgium, \$54.1B Net Worth

The Van Damme, De Spoelberch and De Mevius families made their wealth through the merger of their family-owned Belgian breweries. Through the merger Interbrew (today: Anheuser-Busch InBev) developed. InBev today has sales of \$54.6B. The family members are investing through different investment firms like Cogepa and Verlinvest. [Read more here.](#)

### #3 Porsche, Piëch family, Austria and Germany, \$52.8B Net Worth

The Porsche and Piëch family made their fortune through the luxury car manufacturer Porsche. The family company was founded in 1930 by Ferdinand Porsche (who also gave the name to the company). Since then, the company turned into one of the most prestigious car companies globally. Sales in 2018 were over €25.8B, the Porsche's and Piëch's are billionaires. [Read more here.](#)

### #4: Arnault Family, France, \$51.1B Net Worth

The Arnault family came through wealth through acquisitions and mergers in the luxury industry. In 1989 Bernard Arnault was named chairman of LVMH – Louis Vuitton Moët Hennessy and created the through acquisitions the biggest luxury holding in the world with over 80 brands – turnover last year was over 46 billion euros. Their family office is heavily invested in technology and private equity with focus on consumer goods. [Read more here.](#)

### #5: Kamprad Family, Sweden, \$50.7B Net Worth

Ingvar Kamprad made a fortune through IKEA. He started the company from cratch and led it to sales in the amount of 38.8 billion euros in 2018. He is investing his family wealth through multiple vehicles, mainly in real estate and the family company. Through a real estate investment arm the Kamprad family is acquiring objects in Eastern Europe. Through another investment arm he is investing in companies. [Read more here.](#)

### #6: Dumas Family, France, \$49.2B Net Worth

The Dumas Family, owner of the iconic fashion brand Hermès started in 1837 as a saddling company for horse carriages of the royalties in the 19th century but has gone a long way since then to one of the most admired fashion brands still in 2019 with a market capitalisation of over 66 billion euros. The secrecy, mystery and exclusivity surrounding products made by hand in France by Hermès artisans are in part the explanation why investment manager recommend to invest in Birkin Handbags instead of gold. [Read more here.](#)

Source: [familyofficehub](http://familyofficehub)



# LARGEST FAMILY OFFICE

## Rankings by Total Assets

Rank	Profile	Total Assets	Type	Region
1.	<a href="#"><u>Walton Enterprises LLC</u></a>	\$224,500,000,000	Family Office	North America
2.	<a href="#"><u>Cascade Investment</u></a>	\$170,000,000,000	Family Office	North America
3.	<a href="#"><u>Bezos Expeditions</u></a>	\$107,800,000,000	Family Office	North America
4.	<a href="#"><u>Mousse Partners</u></a>	\$89,000,000,000	Family Office	North America
5.	<a href="#"><u>Ballmer Group</u></a>	\$85,000,000,000	Family Office	North America
6.	<a href="#"><u>Waycrosse</u></a>	\$65,200,000,000	Family Office	North America
7.	<a href="#"><u>Fedesa</u></a>	\$55,000,000,000	Family Office	Europe
8.	<a href="#"><u>The Woodbridge Company</u></a>	\$53,900,000,000	Family Office	North America
9.	<a href="#"><u>Pontegadea Inversiones</u></a>	\$53,800,000,000	Family Office	Europe
10.	<a href="#"><u>Dubai Holding</u></a>	\$35,000,000,000	Family Office	Middle East

<https://www.swfinstitute.org/fund-rankings/family-office>

## FAMILY OFFICE IN ASIA



### GROWTH



### STABILITY

<https://citywire.com/asia/news/asia-s-family-offices-singapore-vs-hong-kong-which-city-is-better/a2382131>

**SINGAPORE:** More super-rich families are setting up offices in Singapore to manage their wealth, with the number of such offices nearly doubling from two years ago.

Singapore currently has about 700 family offices, up from 400 in end-2020 and up sevenfold from 2017, according to government estimates.

*Source: CNA, 16 Nov 2022*

# SINGAPORE FOR STABILITY

Asia

## China's mega-rich move their wealth, and partying, to Singapore

Singapore is increasingly viewed as a home rather than just a backup plan for ultra high-net-worth Chinese clients, as this is where their "family wealth is kept safe", say industry insiders.

### Li Ka-shing's family office joins Singapore expansion wave



As many as 10 staff from tycoon Li Ka-shing's private investment firm Horizons Ventures will be based in Singapore. - HORIZONVENTURES.COM

SINGAPORE  
Friday, 13 May 2022  
10:42 AM MYT

### Indian billionaire Mukesh Ambani to open family office in Singapore: sources



Mukesh Ambani is the latest in a series of ultra-rich people to pick Singapore for their family offices. - Bloomberg

SINGAPORE  
Friday, 07 Oct 2022  
3:07 PM MYT

### Super-rich Chinese set their sights on Singapore



Popular choice: A tour boat makes its way out to Marina Bay in Singapore. Part of the city-state's attraction for the rich is its government-administered global investor programme. - AFP

ECONOMY  
Wednesday, 01 Feb 2023

#### Related News



NATION 1d ago  
Watsons promotes going green with Cantopop band Mirror

BANKING 4h ago  
StanChart upgrades forecasts

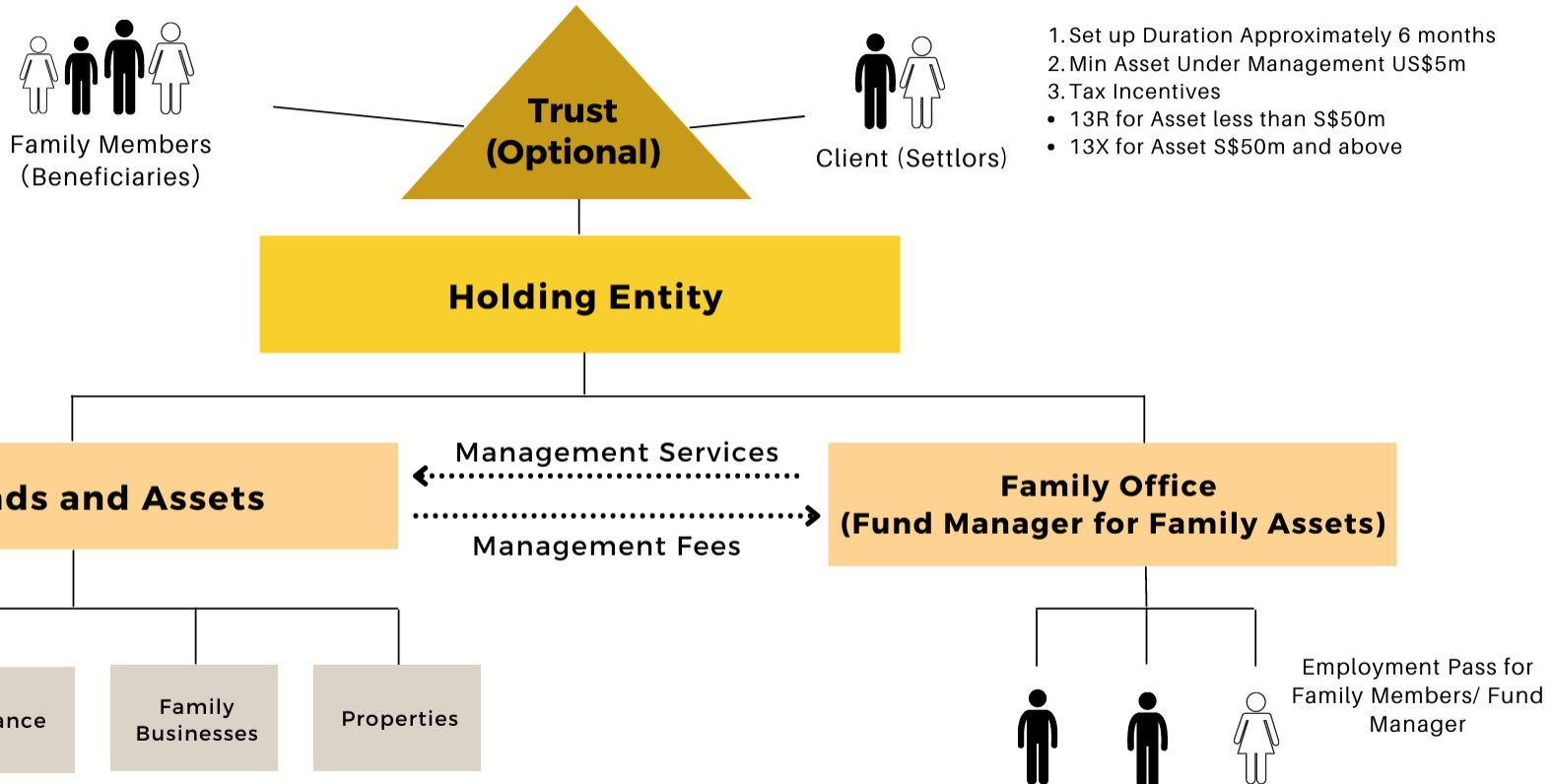
# TYPES OF FAMILY OFFICE

**Figure 1: Differences between a Private Bank, Single-family Office, and Multi-family Office**

	Private Bank	Single-family Office	Multi-family Office
<b>Net worth</b>	Above US\$10 million	Above US\$500 million	US\$100-500 million
<b>Required assets under management (on average)</b>	Above US\$3 million	Above US\$100 million	US\$15-25 million
<b>Annual operating costs</b>	<ul style="list-style-type: none"> <li>Account maintenance/ custody fees (up to 0.20% of account value)</li> <li>Minimum charges apply</li> </ul>	1-2% on active assets Example: For a relatively small SFO, with 2 full-time professional staff and 4 full-time support staff, the expected annual costs range from US\$1.6M to US\$2.2M*	Costs of running an MFO are supported by multiple families
<b>Client</b>	Multiple individuals	A single family	Multiple families
<b>Services</b>	<ul style="list-style-type: none"> <li>Wealth Management in relation to liquid (investible) assets</li> <li>Focus and expertise on public markets and private equity via funds</li> </ul>	<ul style="list-style-type: none"> <li>Wealth Management in relation to liquid (investible) assets and direct venture capital/private equity</li> <li>Wealth transfer and legacy planning</li> <li>Professional legal and tax advice</li> </ul>	
<b>Independence</b>	<ul style="list-style-type: none"> <li>Has financial interest in selling particular financial products or services</li> <li>Potential conflicts of interest may arise</li> </ul>	<ul style="list-style-type: none"> <li>Not affiliated with any bank, financial institution or asset manager</li> </ul>	

\*Source: "At 1-2% of active assets, don't discount the cost of running a family office: Citi PB", Asian Private Bank, 5 June 2018

# TYPICAL FAMILY OFFICE STRUCTURE



1. Set up Duration Approximately 6 months
2. Min Asset Under Management US\$5m
3. Tax Incentives
  - 13R for Asset less than S\$50m
  - 13X for Asset S\$50m and above

Source: <https://www.ttworldco.com/>



# SFO or MFO?

## Single family office or Multi-family Office? Choosing the right model

### Single family offices (SFOs)

Setting up an SFO can bear significant costs, although families may consider this a strategic long-term investment

Cost



### Multi-family offices (MFOs)

Engaging an MFO has lower barriers to entry, but families may have less ownership and control over the investment process



Personalisation



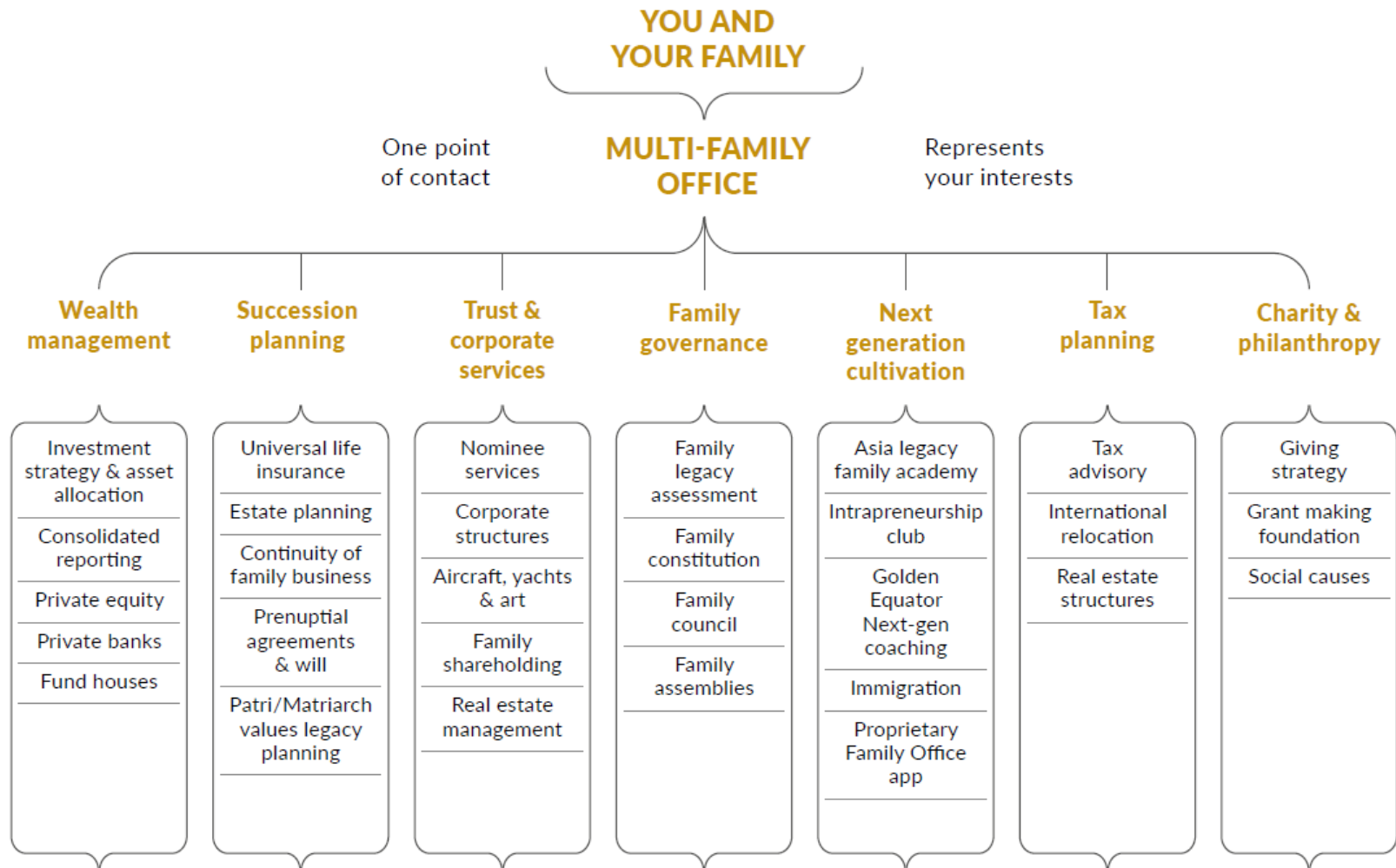
SFOs can hand-pick a team of advisors that will solely prioritise the family's interests. However, the resources needed to attract and retain the right personnel may be costly for the family

MFOs generally have more experience and access to investment opportunities. However, services can appear less personalised as they are managing multiple families and have specific investment mandates



# MULTI-FAMILY OFFICE (THE TREND NOW)

**Figure 3: Services provided by Multi-family Offices**



Source: Golden Equator Wealth

# ASSET ALLOCATION (2021)

Strategic asset allocation has remained stable

Private equity is the exception

Source: UBS

	2019	2020	2021
Fixed income (developed markets)	11%	13%	11%
Fixed income (developing markets)	6%	5%	4%
Equities (developed markets)	23%	24%	24%
Equities (developing markets)	6%	8%	8%
Private equity (direct investments)	9%	10%	13%
Private equity (funds/funds of funds)	7%	8%	8%
Private debt	N/A	N/A	2%
Hedge funds	5%	6%	4%
Real estate	14%	13%	12%
Infrastructure	0%	0%	0%
Gold/precious metals	3%	2%	1%
Commodities	0%	1%	1%
Cash (or cash equivalent)	13%	10%	10%
Art and antiques	3%	1%	1%

The background features large, faint, stylized Chinese characters in a light blue color. The characters are '家' (family) and '智' (wisdom/ingenious), which together mean 'family and wisdom'.

YOUR FAMILY &  
INGENIOUS

The keys to your legacy:  
**Values, Responsibilities, Trust.**



## ABOUT US

At Ingenious, we have been providing financial services to entrepreneurs, business owners, individuals and families since 2004.

We empower entrepreneurs with the right corporate strategies & smart capital in growing their business, to accelerate growth, create value and maximize wealth for all stakeholders.

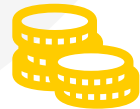
Our capabilities in structuring complex transactions, managing conflict and troubleshooting problems enables us to develop solutions for entrepreneurs to deal with the challenges of the business environment today.

We believe in partnership based on trust, integrity and respect.



### **Accelerate Growth & Corporate Exercise**

Initial public offering (IPO)  
Mergers & acquisitions in related business.  
Diversification of business portfolio.



### **Smart Capital & Funding Support**

Providing smart capital to family enterprises.  
Advice on fund raising matters to grow the business.



### **Corporatisation, Divestment & Exit**

Corporate restructuring, recruit professional managers.  
Exit strategy – selling or divesting noncore business, in partial or whole.

## FAMILY OFFICE SERVICES

We work with family business owners in establishing family office and corporate structures, transforming their businesses into corporations that are adaptive and sustainable, and last through generations.

We aim to provide families with peace of mind in accumulating, maximising and preserving their wealth and legacy for the future generations.

### FAMILY OFFICE



Family Wealth Management



Family Business Transformation



Succession Planning

### STRATEGIC ADVISORY



Risk Management



Dispute Management



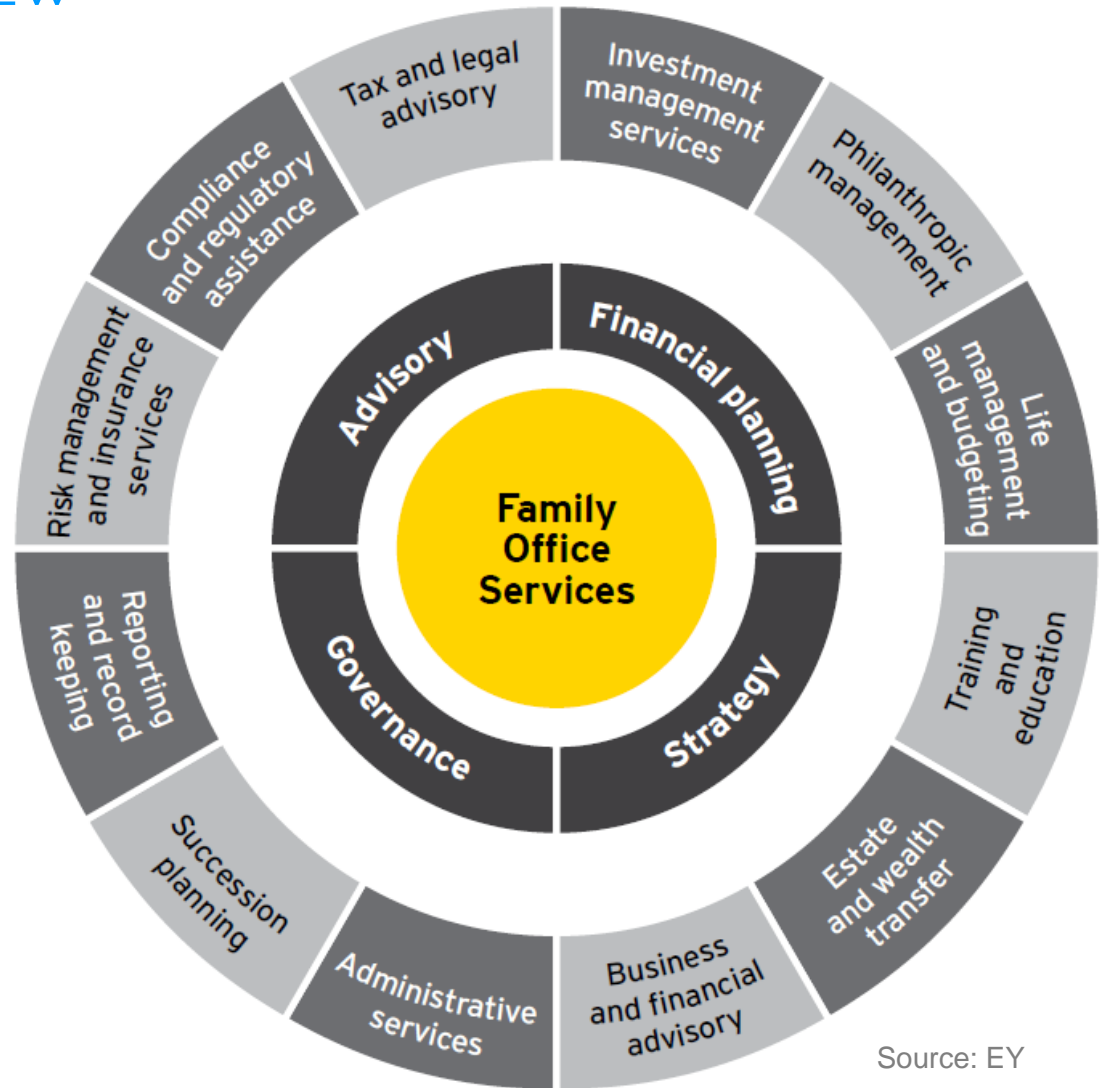
Exit & Liquidity Management



## FAMILY OFFICE OVERVIEW

We **understand** your needs, **strategise** with your family, create the right **structure** and **execute the mandate**.

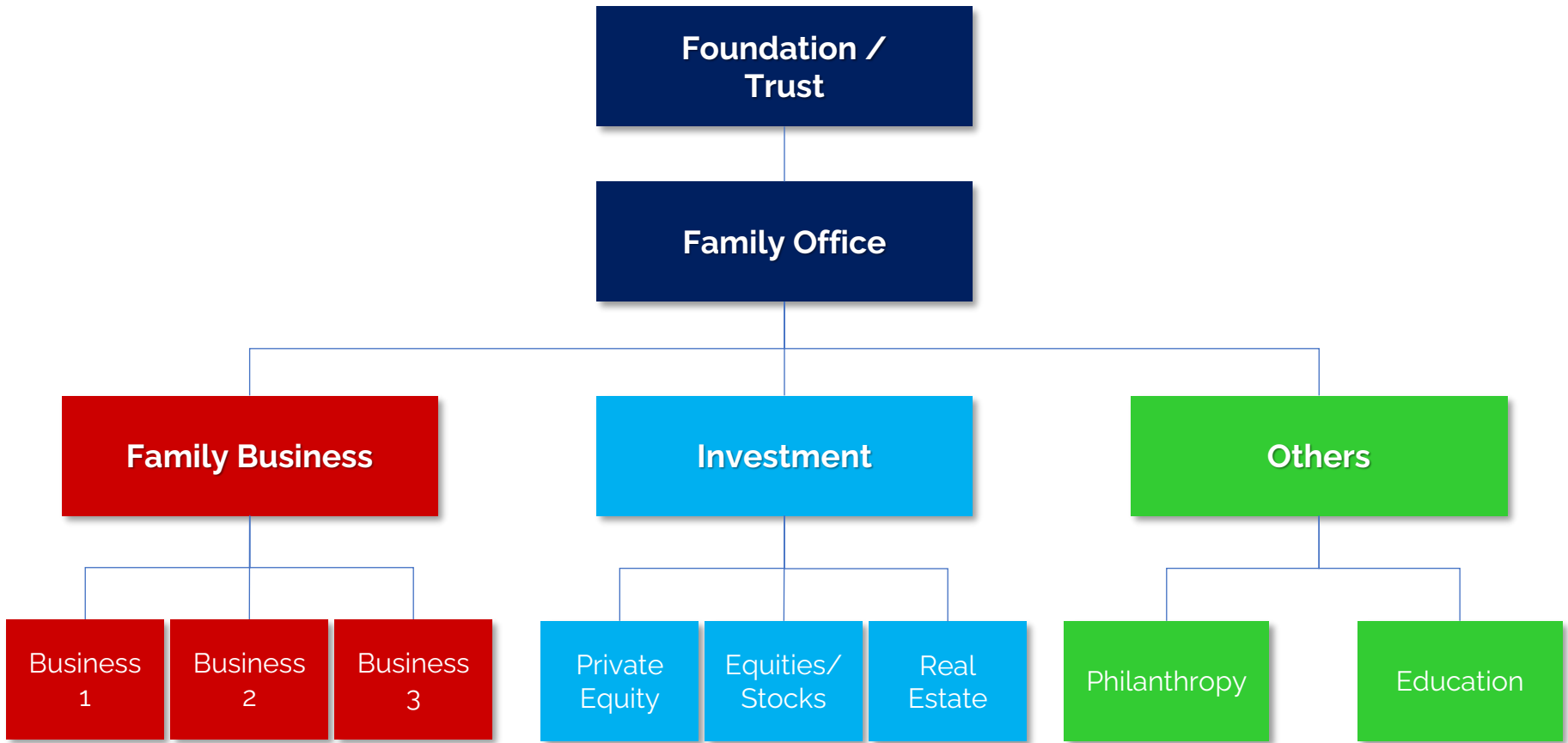
We collaborate & work with professionals with different expertise to provide the best value and solutions to your family.



Source: EY

## BESPOKE SOLUTIONS

We design the right structure that suits your family needs:



## CALL TO ACTION

We welcome **family business owners, entrepreneurs, partners, investors, service providers** to connect and collaborate.

Visit <https://ingenioushaus.com/family-office> and fill up the form, or join our WhatsApp Group here [bit.ly/InvestAQ\\_Group](https://bit.ly/InvestAQ_Group) or QR Code below.



We look forward to add value to you and your organization.

# CONTACT US

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SOCIAL POINT



## Ingenious Haus Group

Kuala Lumpur . Singapore . Hong Kong . London . Sydney . Shanghai