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## **HSBC GLOBAL ENTREPRENEURIAL WEALTH REPORT 2024: HONG KONG'S ENTREPRENEURS OPTIMISTIC ABOUT PERSONAL WEALTH GROWTH**

- Hong Kong remains one of the most attractive markets for future business planning globally

Nine in ten entrepreneurs in Hong Kong believe their personal wealth will grow, research by HSBC Global Private Banking has found.

Their optimism is based on confidence in their own abilities, the diversification of their businesses and the performance of their investment portfolios, according to the annual [HSBC Global Entrepreneurial Wealth Report 2024](#). Three out of four (76%) agree they feel supported by their government and 72% agree that the society recognises the positive impact made by entrepreneurs.

Hong Kong's business owners are highly mobile and approximately 80% live for part of the year in more than one location, compared to a global average of 53%. But Hong Kong remains their key business market and eight out of ten (81%) operate domestically. Asked about their plans for the next 12 months, 30% say they are considering conducting business in mainland China followed by Singapore (14%).

The HSBC Global Entrepreneurial Wealth Report 2024 was based on extensive research conducted by Ipsos UK on behalf of HSBC Global Private Banking among 1,798 high net worth (HNW) and ultra high net worth (UHNW) entrepreneurs across 10 global markets, including more than 200 in Hong Kong.

### **The challenges of succession planning**

The report provides a detailed insight into the complexities of succession planning across international markets. Two out of three (66%) respondents from Hong Kong do not have a wealth transfer plan and 64% have yet to make a succession plan for their business. In contrast, almost two out of three entrepreneurs in the US (59%) and six out of ten in the UK (58%) have a succession plan. The percentage of Hong Kong entrepreneurs with no business succession plan is significantly higher than the global average of 52% – even though more than one in three Hong Kong entrepreneurs (36%) are planning an exit in the next five years, compared to a global average of 23%.

The report also identifies differences between the approach of HNW and UHNW individuals in Hong Kong – 72% of HNW entrepreneurs have no business succession plan in place, compared to 54% of UHNW entrepreneurs in the survey – and key generational differences.

Key findings about Hong Kong's entrepreneurs include:

- **The importance of networks:** Eight out of ten (83%) say it is important to have a mentor and that global networks are essential for business success (78%). More than one in two admit to feeling lonely (57%) and 49% find it hard to ask for help from family members.
- **Pride and pressure of a family firm:** Multi-generational entrepreneurs, who make up 70% of the entrepreneurs surveyed, agree they feel proud to uphold the family name by running the business (85%) and trusted to take it on (78%), but 64% admit it felt stressful and agree it may have compromised their own professional goals as a result (62%).

- **Wealth allocation:** One in three (32%) are likely to spend their wealth on precious metals and stones, higher than the global average of 24%. Investments in stocks, bonds and real estate (46%) are also common forms of wealth allocation. Fewer than four in ten (38%) invest in real estate for their personal use, compared to a global average of 51%.

**Lok Yim, Regional Head of Global Private Banking, Asia Pacific, HSBC,** said: “When it comes to planning for intergenerational wealth, many entrepreneurs here in Asia have yet to make it a priority. Even though, we have also found that as much as over 70% of Hong Kong entrepreneurs want to ensure their business legacy through succession within the family and are also highly concerned about what will happen after their exit, ranging from employee wellbeing to unfulfilled personal potential. This is where professional wealth planning experts come in, bridging disconnections and driving difficult conversations to make sure their hard-earned legacy continues to thrive for generations to come with the right structure and long term plan in place.”

**Frank Fang, General Manager, Head of Commercial Banking, Hong Kong and Macau, HSBC,** said: “For entrepreneurs to thrive in today’s competitive landscape, they need to cultivate a strong network that can assist them in identifying and seizing business opportunities. It is essential to recognise that they do not have to navigate this journey alone. By collaborating with banks that offer international connectivity and expertise, entrepreneurs can leverage resources and connections to extend their reach beyond local markets, ultimately strengthening their supply chains and expanding their customer bases. As the global economy becomes increasingly complex, forging strategic partnerships can empower entrepreneurs to capture emerging opportunities and drive growth in their ventures.”

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**About HSBC Global Entrepreneurial Wealth Report**

The findings are based on extensive research conducted by Ipsos UK on behalf of HSBC Global Private Banking among 1,798 high net worth business owners with at least USD2m of investable assets. A third (583) were ultra high net worth with a net worth of more than USD100m. The research was conducted online in mainland China, France, Hong Kong, India, Singapore, Switzerland, Taiwan, UAE, UK and US. See the report for the full methodology.

**About HSBC Global Private Banking**

HSBC Global Private Banking helps clients manage, grow and preserve their wealth for generations to come. Its network of global experts helps clients access investment opportunities around the world, plan for the future with wealth and succession planning, manage their portfolio with tailored solutions, and find the right support for their philanthropy. [www.privatebanking.hsbc.com](http://www.privatebanking.hsbc.com).

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