



CFA Society  
Hong Kong

RISE FROM CRISES

**EVOLVE INTO EXCELLENCE**

ANNUAL REPORT 2023

# Annual Report 2023

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## Message from the President



Dear Members and Stakeholders,

How dramatic and ultimately fruitful this past year's journey has been!

**Embracing face time:** Rising to the post-pandemic "new normal," CFA Society Hong Kong (the Society) has taken action by reintroducing in-person seminars, networking drinks, and small group activities. Going forward, we will upgrade our IT capability to enhance users' experience metaversially and seek avenues to offer an e-learning experience.

**Rise up and advocate:** We have seized the moment and intensely contributed to industry standard-setting in areas such as green finance classification, climatic risk disclosures, and VA trading platforms, among others. A pivotal campaign is our continuous efforts to amplify the awareness and standard of practice of incorporating ESG factors into investment management.

**Restructure to freshen up:** We have also been superbly charged to recruit new blood to volunteer. New "cells" in committees and interest groups, alongside the existing "pillars," are formed to cater to emergent needs. Our platforms will not only provide opportunities for members to build up their professional profiles, but a lively network will also reinforce the Society's brand and mission as the leading voice for investment professionals.

**Dialogue with globally acclaimed intellects:** We have engaged world-renowned financial intellects in our brand-new educational series "Presidential Moment." These dialogues, with more to come, serve to anchor our community on the global map, as well as provide our members with insights and foresights.

**Evolve into Excellence:** On the back of the successful publication of our 30th-anniversary book "Rise From Crises," and with the voluntary contributions from industry leaders and veterans, we look to move beyond this "stand-up at thirty" (三十而立) phase.

We will climb to new heights, with you joining the "power-up"!

Alvin Ho, CFA  
President



## The Society's Governance

Serving the financial industry in Hong Kong for over three decades, CFA Society Hong Kong is committed to amplifying our roles in elevating the professional standing of investment professionals with continuing professional development, expanding the CFA® community, fostering a sense of pride among our members, and cultivating a pipeline of world-class investment professionals, ensuring a strong legacy that extends for another 30 years and beyond.

To maintain a governance structure that is both strategically competent and in accordance with the standard of diversity, equity and inclusion, we regularly review our internal processes and governing body. In March 2023, we appointed a new President for the Society and undertook several changes of both Executive Directors and Non-Executive Directors (NEDs), together with a new NED appointment.

As of the end of the financial year, the Advisory Board consisted of six Advisors, and the Board of Directors consisted of ten Executive Directors and three NEDs. The Society is governed by its Executive Directors, monitored by its NEDs, and advised by the Advisory Board. Collectively, they provide a broad range of perspectives on issues relating to the Society and protect the interests of members.

The Managing Director, assisted by the office staff, is responsible for executing the decisions of the Board of Directors and overseeing the Society's daily operation. Decisions are made based on the Society's priorities and strategic initiatives.

We have also restructured our committees to ensure that we can effectively address the needs of our stakeholders, the evolving market trends and dynamic investment landscape. In total, ten committees, seven sub-committees, one special interest group and one newly-formed task force oversee the Society's three key areas of activities, namely Services to Members and Candidates, Services to the Industry and Public, and the Society's Governance. [A full list of our committees' members](#) can be found on the Society's website.

### Our Vision

To be Hong Kong's leading investment professional body.

### Our Mission

To raise the standard of practice and uphold ethics in the financial services industry.  
 To promote CFA® charter as the pre-eminent investment qualification.  
 To provide a forum and be the leading voice for investment professionals.



The Society's Board of Directors and Managing Director  
 (from left to right) Erwin Sanft, David Ching, Grace Lee, Richard Mak, Alvin Ho, Janet Li, Felicia Wong, Matthew Chan

## Executive Directors



**Dr. Alvin Ho, CFA**  
President

Dr. Alvin Ho is an experienced investment principal with a track record in private equity. He currently splits his time between managing a portfolio of private investments and institutional investing on one end, and handholding start-ups and grown-ups seeking new iterations on the other. In addition, he serves as a board member for listed companies and NGOs and is a member of investment committees for funds and platforms. Previously the legal and executive representative for the local currency funds incorporated in Beijing and Chengdu, he was the Head of China for a pan-regional private equity growth fund.

Alvin holds a Ph.D. in Finance from the Shanghai University of Economics and Finance, and master's degrees from Tsinghua University and London Business School. He has authored three books in Chinese on the economics of sports. He is the chief editor and contributed two essays to Rise from Crises, a publication of CFA Society Hong Kong.



**Richard Mak, CFA**  
Immediate Past President

Richard Mak has been the Head of Product and Business Management – Asia of Pictet Wealth Management since January 2020. He is responsible for the product development and business risk management of the Asia Investment Platform. He joined Pictet in 2011 to lead the Asia Advisory Team providing investment advice to high net-worth investors. Prior to joining Pictet, he was Head of Advisory-Asia at BNP Paribas Wealth Management. He has more than 30 years' experience in the finance industry, including 17 years in equity investments, and he has been advising private clients on global investments since 2003.

Richard is the Immediate Past President of CFA Society Hong Kong and served as the President from 2003 to 2005 and 2021 to 2022. He was the President Council Representative of the Asia Pacific Region of CFA Institute between 2004 and 2008. He received the 2023 Lifetime Achievement Award from CFA Institute.

Richard has been a CFA charterholder since 1993 and achieved the CFA Certificate in ESG investing in 2022. He holds a Bachelor of Social Sciences from the University of Hong Kong.



**David Ching, CFA**  
Executive Director

David Ching is currently a hedge fund manager at Polymer Capital. He was previously the Head of China Strategy and Head of China Basic Materials/ EV & Battery Research at Macquarie. He was voted Best Analyst in the Institutional Investor All-Asia Research Poll and Best Stock Picker by Starmine. He was also the President of the Oxford & Cambridge Society of Hong Kong from 2021 to 2022.

David has over a decade of experience in the equities market, having led top ranked teams at Morgan Stanley and Bank of America Merrill Lynch. Prior to equities, he held various corporate finance and strategy related roles at Jardine Matheson.

David is a first-class honours graduate from the University of Oxford with full scholarship, where he majored in Engineering, Economics and Management. He is a CFA charterholder and a CIMA-qualified accountant.



**Ashley Khoo, CFA**  
Executive Director

Ashley Khoo is an asset management and investment banking professional with comprehensive buy-side and sell-side experience, inclusive of portfolio management, fundamental/ quantitative/pre-deal research covering Asian and China markets, multi-asset class investment, and Big 4 financial advisory.

Ashley spearheaded the launch of the Environmental, Social, Governance Committee, FinTech and New Economy Committee, and Asset Owner Series – the first location outside of New York. Ashley is an Honorary Adviser of the Financial Reporting Council, and a Standing Committee Member of The University of Hong Kong Convocation. She served as the President of the CFA Society Hong Kong from 2016 to 2018, and CFA Institute's Presidents Council Governance Committee Member from 2019 to 2020.

Ashley holds a Master of Economics from the University of Hong Kong and a Bachelor of Science from Indiana University Bloomington, with a double major in Accounting and Computer Information System.



**Felicia Wong, CFA**  
Treasurer and  
Executive Director

Felicia Wong, CFA, is currently a Vice President in the Internal Audit Division at a leading US investment bank, with primary coverage in institutional securities sales and trading business. She has more than 15 years' experience in the financial industry, including at Goldman Sachs (Asia) LLC, providing audit coverage in institutional securities and risk management from 2012 to 2015, and Bank of Montreal in Toronto as an audit manager and quantitative specialist. She later transitioned to capital market treasury, where she provided risk oversight on liquidity and funding.

Wong is also a FRM and holds a Master of Mathematical Finance from the University of Toronto and a Bachelor of Applied Science from the University of Waterloo. She is currently enrolled in Master of Studies in Sustainability Leadership at University of Cambridge.



**Janet Li, CFA**  
Society Secretary and  
Executive Director

Janet is the Chief Executive Officer of BEA Union Investment. Prior to joining BEA Union Investment, she was the Wealth Business Leader for Asia and a Partner at Mercer where she led the Retirement and Investment business of the firm in the region. Throughout her over 20 years' investment consulting career, she worked closely with institutional clients and platforms on their portfolios and across diverse types of asset classes ranging from public to private markets investments.

Janet is currently serving as the Vice Chairman of the Executive Committee of the Hong Kong Retirement Schemes Association. She is also a Member of the Human Capital Committee of the Financial Services Development Council. Janet is an Adjunct Associate Professor of The Faculty of Business and Economics at The University of Hong Kong.

Janet graduated with Bachelor Degree of Economics and Finance from The University of Hong Kong and is a CFA charterholder.



**Alfred Lau, CFA**  
Executive Director

Alfred Lau has been the Investor Relations Manager at MTR Corporation since 2018. Prior to joining MTR Corporation, he was the Executive Director, Head of Property & Gaming Research, at BOCOM International Research.

Alfred has more than 15 years of experience in the financial industry, with 12 years in sell-side equity research. In addition to being a CFA charterholder, he is also a Financial Risk Manager (FRM) and CESA charterholder. He graduated from the University of Hong Kong with a Bachelor of Economics and Finance.



**Erwin Sanft, CFA**  
Executive Director

Erwin Sanft is a Founding Partner of Pasaca Capital. He has a quarter of a century's experience in equity research. He was Head of China Research at BNP Paribas, CLSA and Standard Chartered Bank, and Head of China Strategy at Macquarie Bank.

He also worked as a senior portfolio manager at E Fund Management, China's largest mutual fund manager. He has managed research teams in Hong Kong, Shanghai and Beijing, and authored many groundbreaking reports on China equities. He moved to China in 1992, studying at Nanjing University, before working at the New Zealand Consulate-General in Shanghai. He has been a CFA charterholder since 2003.

Erwin has a Bachelor of Economics and a Bachelor of Finance from the University of Auckland, New Zealand, and graduated from the International Student Program in Chinese and Economics at Nanjing University, China.





**Raymond Tsang, CFA**  
Executive Director  
*(Resigned on 11 May 2023)*

Raymond Tsang was an Associate Professor of Practice at the Chinese University of Hong Kong and a Founding Fellow of the university's Engineering FinTech Applied Research Academy. Alongside teaching in the areas of financial engineering and financial technology, he performed liaison work connecting the finance industry and academia. Before joining the academic world, he was a rate derivatives trader at Bank of Tokyo-Mitsubishi UFJ, BNY Mellon, Susquehanna International Group and Bank of Canada, covering markets in Canada, the United States and Asia Pacific.

Raymond holds a Bachelor of Commerce in Finance and Management Information System from McGill University, and a Master of Science in Financial Mathematics from the University of Chicago. He is also a FRM.



**Adam Wong, CFA**  
Executive Director

Adam Wong is currently an Executive Director at a global bank. He was previously an ultra-high-net-worth banker and co-chair of the Asia Advisory Council of JP Morgan Private Bank, and co-founder of the JPM running team in Hong Kong.

Adam chairs the Continuing Education Committee. He was co-chair of Member Services Committee and helped establish the Society's running team as well as Mentorship Program. He graduated from the University of Hong Kong with First Class Honours, majoring in Economics and Finance. He is a FRM, as well as an AWS Certified Cloud Practitioner.

## Non-Executive Directors



**Grace Lee, CFA**  
Non-Executive Director  
*(Appointed as Non-Executive Director on 1 Mar 2023)*

Grace Lee is a Partner and Group COO of Qiming Venture Partners. She has extensive experience in the venture capital industry covering investment, portfolio management, fund operation and fund raising. Prior to joining Qiming in 2009, she was the Deputy CFO and Compliance Officer of C. V. Starr Asia. Previously, she was an investment professional dealing with private equities and listed securities when she worked at PAI Partners and JAFCO Asia. She was also an auditor in the early part of her career.

Grace was named the Top 10 Most Influential CFO in the China VC/PE Industry in 2017 by ChinaVenture, and the Top 10 China VC/PE CFO in 2022 by Frost & Sullivan and LeadLeo Research Institute.

Grace holds a Bachelor of Business Administration Degree from The Chinese University of Hong Kong and a Bachelor of Law degree from the University of London. She is a fellow member of HKICPA and a CFA charterholder. She is a director of the board and past co-chairwoman of Hong Kong Private Equity Finance Association, and a board member of China Venture Capital Finance Organization.



**William Leung, CFA**  
Non-Executive Director  
*(Retired as Executive Director on 12 Jan 2023, appointed as Non-Executive Director on 13 Jan 2023)*

William Leung is a Partner and Member of the Investment Committee at Overlook Investments having joined the firm in 2017. Prior to Overlook, he established Fundatech Capital, a boutique investment firm which invested primarily in Asia. Before that, he was with Acru Asset Management for ten years, where he was responsible for co-managing the Acru China Absolute Return Fund, an award-winning value-driven Greater China hedge fund. Prior to this, he was an Investment Analyst with Baring Asset Management covering Greater China equities in addition to the commodity and related industries in Asia.

William holds a Master of Science in Financial Engineering from Columbia University and a Bachelor of Commerce in Finance with honors from the University of British Columbia. He is also a CMT charterholder.

## Managing Director



**Matthew Chan**  
Managing Director

Matthew Chan is the Managing Director of CFA Society Hong Kong, responsible for all aspects of the Society's activities and strategy.

Prior to joining the CFA Society, Matthew worked for the Private Wealth Management Association, where he served as Executive Director. Before that, he was the Head of Change and Project Management Hong Kong at ABN AMRO Bank, overseeing the projects portfolio in APAC for the bank's Private and Corporate Banking divisions. He has over 20 years of experience in the financial industry in developing and managing business solutions, as well as servicing industry practitioners on regulatory advocacy, member benefits, and actively promoting the growth and development of the financial community.

Matthew graduated with a BAA in Administration and Information Management from Ryerson University and an MBA from the University of Hong Kong. He also has a Graduate Diploma in Law from the University of Law UK.



**Ning Lin, CFA**  
Executive Director

Ning Lin is currently Managing Director of China International Capital Corporation Hong Kong Asset Management Limited. He has over two decades of uniquely distinguished experience with top investment banks in the US, Europe and Asia; buy-side and sell-side; proprietary investment and asset management. He started his career at Lehman Brothers in 1999, and also worked at Nomura International after the merger in 2008, as a fixed income trader. From 2010 to 2016, he worked at UBS as Managing Director and fixed income trading head in APAC. He also served as Executive Officer (EO) representing UBS AG under HKMA. He was Partner and CEO of 9M Stone Capital Limited before joining CICC in 2017.

Ning holds a Master's degree in Business.

Ning was named "CEO of the Year, Hong Kong" by Asia Asset Management in January 2022.

## Advisory Board

### Kevin Chan, CFA

Kevin Chan has more than 30 years of experience in investment management and corporate finance, working for financial institutions in Canada and Hong Kong. He now makes private equity and venture capital investments for a family office in Hong Kong.

Kevin was a director of CFA Society Hong Kong from 1992 to 2002 and was the President of CFA Society Hong Kong from 2000 to 2002. He also served on the Advisory Committee on Human Resources Development for the Financial Services Industry of Financial Services Bureau of Hong Kong SAR Government from 2000 to 2002, and the Global Council of Association for Investment Management and Research from 1999 to 2004. He also served as a director of the University of Toronto (Hong Kong) Foundation.

### Jimmy Jim, CFA

Jimmy Jim is the Head of the Global Markets Department at ICBC (Asia). He has almost 30 years' experience in the banking and financial industry and has held senior positions with many leading international banks. Jimmy has worked across Hong Kong, Tokyo and Australia in trading and the sale of precious metals, financial and debt capital market products, asset / liability management and portfolio management.

Jimmy was the President of CFA Society Hong Kong between 2010 and 2013. He is a CPA (Australia) and holds a Doctor of Business Administration from The Hong Kong Polytechnic University and a Master of Applied Finance from Macquarie University.

### George Long, CFA

George Long is the Founder, Chairman and Chief Investment Officer of LIM Advisors Limited. Before establishing LIM in 1995, he set up and ran the Asian division of Barclays Global Investors, and served on the Executive Committee for Barclays Group Asia and the Global Investment Committee in London. He was previously the Managing Director and Chief Investor Officer of Gartmore Asia and the head of the Korean office of Indosuez W.I. Carr Securities (now Credit Agricole). He started his career in New York with Manufacturers Hanover Trust (now part of JP Morgan Chase) by attending the management training and credit analyst program and then working as a credit analyst and international banker in New York and Asia.

George is a former governor of CFA Institute and in 1992 established what would become CFA Society Hong Kong, serving as its president for eight years. He also set up the Hong Kong/ China Chapter of the Alternative Investment Management Association in 2002 and was its chairman for five years. He was also previously on the Asian Advisory Board of the International Swaps and Derivatives Association (ISDA). He holds a Master of Business Administration in Finance and a Master's Degree in Asian Studies from the University of Washington in Seattle.

### Karl Lung, CFA

Karl Lung has 30 years' experience in the investment industry and currently works as an independent consultant on investment-related issues. Previous positions include Portfolio Manager with ABN AMRO Asset Management (Asia) Limited, with responsibility for Hong Kong equity investments, and Investment Analyst at brokerage houses such as W.I. Carr (Far East) Limited, Schroders Securities (Hong Kong) Limited, Nomura Research International Company Limited, and Sun Hung Kai Properties Limited.

Karl was the President of CFA Society Hong Kong between 2005 and 2010, and also served as Director of CFA Society Hong Kong from 1993 till 2018. He has been a member of the Advisory Committee on Human Resources Development in the Financial Services Sector of the Financial Services and the Treasury Bureau (FSTB), and a member of the Public Shareholders Group, Takeovers and Mergers Panel and Takeovers Appeal Committee of the SFC. Karl holds a Master of Business Administration from the University of Toronto.

### James Soutar, CFA

James Soutar is the Director at PhoenixInvest Group (HK) Ltd. He was previously Executive Director of FrontPoint Management (HK) Limited and the portfolio manager of the FrontPoint Asia Pacific Fund. He is also a co-founder of Phoenix Research Limited and was the Managing Director of Lombard Odier (Asia) Limited.

James has been a member of the Hong Kong Exchanges' Listing Committee since May 2007. He was also the Chairman of the Advocacy Committee of CFA Society Hong Kong and served on its board from January 1998 to January 2009. He graduated from Tufts University, Boston.

### Frederick Tsang, CFA

Frederick Tsang, a CFA charterholder, has more than 30 years' experience in the Hong Kong financial industry and was formerly the Chief Risk Officer of China Everbright Limited. He was previously Head of Equity Research at the Hong Kong branch of brokerage firms including Deutsche Morgan Grenfell, Nomura and Banque Nationale de Paris (BNP).

Frederick has been a member of the Process Review Panel for the SFC since 2016 and the FRC since 2021, and was previously a member of the Advisory Committee of the SFC and the Securities and Futures Appeals Tribunal. He also served as a board member and the President for 2013-2015 of CFA Society Hong Kong. He has a Bachelor of Economics with Finance and Accounting from Wilfrid Laurier University and a Master's degree from the University of Alberta.



## Role of the Management Team

Committees and Special Interest Groups	Name of Chair / Vice-chair / Lead
Advocacy	Richard Mak, CFA Willis Chan*, CFA (Vice-Chair)
- Investor Education	Richard Mak, CFA
Candidate Services	David Ching, CFA
Career Development	Janet Li, CFA Alfred Lau, CFA (Vice-Chair)
Continuing Education	Adam Wong, CFA Edwin Fan*, CFA (Vice-Chair) Lorenz Cheung*, CFA (Vice-Chair)
- Research Heads Circle	Erwin Sanft, CFA
- Value Investing	Alfred Lau, CFA
- Web3 & FinTech	David Ching, CFA
ESG Compass	Felicia Wong, CFA
Investment	Joe Lin*, CFA
Media	Dr. Alvin Ho, CFA Wisely Ngai*, CFA (Vice-Chair)
- Public Awareness	Richard Mak, CFA
Member Services	Felicia Wong, CFA Nicolas Jackson*, CFA
Momentum / Growth-investing	Alfred Lau, CFA
Nomination	Richard Mak, CFA
Remuneration	Dr. Alvin Ho, CFA
University Outreach (including Research Challenge, Student Mentorship and University Relations)	Dr. Alvin Ho, CFA Wallace Cheung*, CFA (Vice-Chair) Kerr Poon*, CFA (Vice-Chair) Leo Ng*, CFA (Vice-Chair)

\*Committee Chair / Vice Chairs who are not members of the Board of Directors

## Board Meeting Attendance FY2023

Directors	Attended
<b>Executive Directors</b>	
Dr. Alvin Ho, CFA	9/9
Richard Mak, CFA	9/9
Felicia Wong, CFA	8/9
Janet Li, CFA	7/8
David Ching, CFA	8/9
Ashley Khoo, CFA	6/9
Alfred Lau, CFA	8/9
Erwin Sanft, CFA	6/8
Raymond Tsang, CFA <sup>1</sup>	7/9
Adam Wong, CFA	8/9
<b>Non-Executive Directors</b>	
Grace Lee, CFA <sup>2</sup>	2/2
William Leung, CFA <sup>3</sup>	6/8
Ning Lin, CFA	5/7

Remarks: There were a total of 9 Board meetings in FY2023. Attendance include both physical and virtual.

<sup>1</sup> Resigned on 11 May 2023

<sup>2</sup> Appointed on 1 Mar 2023

<sup>3</sup> Retired as Executive Director on 12 Jan 2023, appointed as Non-Executive Director on 13 Jan 2023

# Diversity and Inclusion

Diversity and inclusion are integral parts of the Society's culture. The Society seeks to reflect a balance of gender and ethnicity amongst our Board of Directors. As of 30 June 2023, 33.3% and 16.7% of our Directors are women and non-Cantonese speakers, respectively. In terms of member demographics, we are also observing an increase in the proportion of female members in the past few years (from 25.9% in 2019 to 28.7% in 2023).

To accelerate our diversity journey, the Society continuously instigates and supports seminars and initiatives to raise awareness of gender equity and workplace inclusion.

## International Women's Day 2023

On 8 March 2023, in celebration of International Women's Day (IWD2023), the Society initiated a social media campaign "#EmbraceEquity" to enhance the worldwide conversation on this issue. Equity recognizes the different circumstances of each person, regardless of gender and background, and allocates the exact resources and opportunities needed to reach an equal outcome.



## Women's Directorship and Gender Diversity in The Boardroom



The Society is also proud to have been the supporting organization of the seminar "Women's Directorship and Gender Diversity in The Boardroom" co-hosted by CFA Institute and HKU Business School on 15 November 2022. In the seminar, the participants learned from the industry leaders about their strategies in promoting gender diversity in the boardrooms.

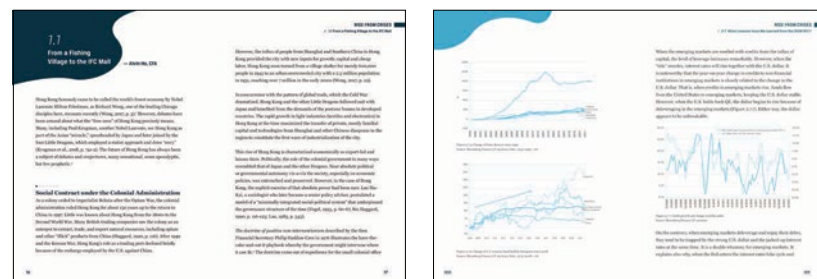
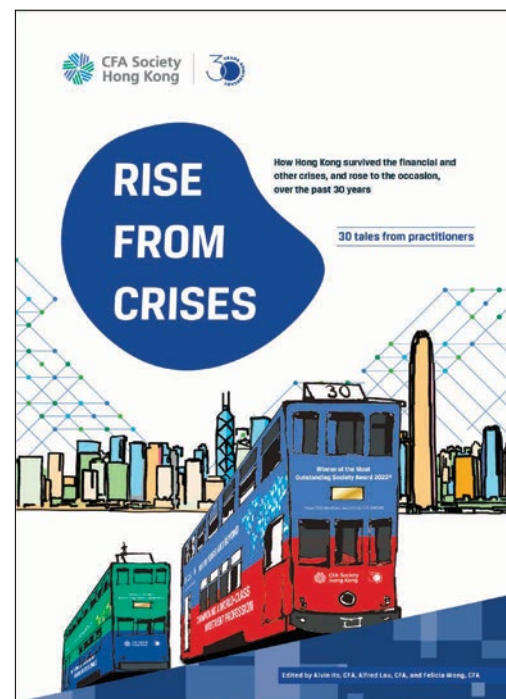
## Hong Kong JumpStart ESG Hackathon



On behalf of the Society, Mr. Alfred Lau, CFA, Executive Director of the Society, was invited to be the judge of "Hong Kong JumpStart ESG Hackathon", an ESG research and investment competition for female college students organized by "100 Women in Finance" in September 2022. Our female student associate members were encouraged to join the competition to broaden their perspectives and sharpen their skills before hunting jobs in the financial industry.



# 30th Anniversary Publication "RISE FROM CRISES"



2022 marked the 30th Anniversary of the Society. To commemorate this remarkable occasion, one of the celebratory projects was our 30th Anniversary publication "RISE FROM CRISES". This 340-page book summarized significant incidents in the finance profession in the past 30 years with articles from more than 30 voluntary contributors including industry leaders, veteran finance practitioners and distinguished scholars.

The collection of 30 commemorative essays witnessed how Hong Kong rose from successive crises in the last three decades. It also demonstrated how CFA Society Hong Kong grew with its members and passed on the experience and knowledge, uplifted the industry standards, and contributed to the resilience of the Hong Kong financial system.

## About "RISE FROM CRISES"

Section 1	Introduction – From a Fishing Village to the IFC Mall
Section 2	Setting the Scene – Macro Foundations, Country and Systems, East and West
Section 3	Capital Formation – Sellside, Research and Financial Intermediations
Section 4	Capital Deployment – Buysides, Speculations and Derivatives
Section 5	Alternatives Assets – Asset Allocations, Private Equity, Real Estate and ESG

## Quotes from the book

*"A crisis can sometimes be the ideal opportunity to explore new approaches...this book perfectly achieves that objective by offering a range of timely perspectives on crises management, and the lessons that have shaped Hong Kong over the past three decades."*

– Margaret Franklin, President and CEO, CFA Institute

*"True to the heritage of Hong Kong as a place where East meets West, the lineup of the contributors in this volume exemplifies the multi-faceted forces of the Society. Under two-thirds of the contributors are CFA charterholders, half are non-Cantonese speakers, and one-third are female."*

– Dr. Alvin Ho, CFA, President, CFA Society Hong Kong

## List of Contributors (in alphabetical order)

- |                              |                         |                       |                             |
|------------------------------|-------------------------|-----------------------|-----------------------------|
| Mr. Alex Au, CFA             | Mr. Ronald Chan         | Mr. Water Cheung, CFA | Mr. David Ching, CFA        |
| Mr. Sean Debow, CFA          | Dr. Alvin Ho, CFA       | Ms. Mariana Kou, CFA  | Mr. Alfred Lau, CFA         |
| Ms. Joyce Lee                | Ms. Janet Li, CFA       | Mr. Ning Lin, CFA     | Dr. Ace Liu                 |
| Dr. Christine Loh            | Mr. Eric Lui            | Ms. Wivinia Luk       | Mr. Patrick Ma, CFA         |
| Ms. Liang Ming, Lydia, CFA   | Prof. Russell Napier    | Prof. Jeffrey Ng      | Dr. Kevin Ow Yong, CFA      |
| Dr. Scott Peterman, CFA      | Mr. Peter Phillips, CFA | Mr. Nick Pollard      | Mr. Hongbin Qu              |
| Mrs. Priyanka Sanchania, CFA | Mr. Erwin Sanft, CFA    | Mr. Simon Saputra     | Ms. Shuang Song, Sarah, CFA |
| Mr. James Soutar, CFA        | Dr. Agnes Tai           | Dr. Rocky Tung        | Dr. Jim Walker              |
| Ms. Candy Wong, CFA          | Ms. Felicia Wong, CFA   | Mr. Victor Yeung, CFA |                             |

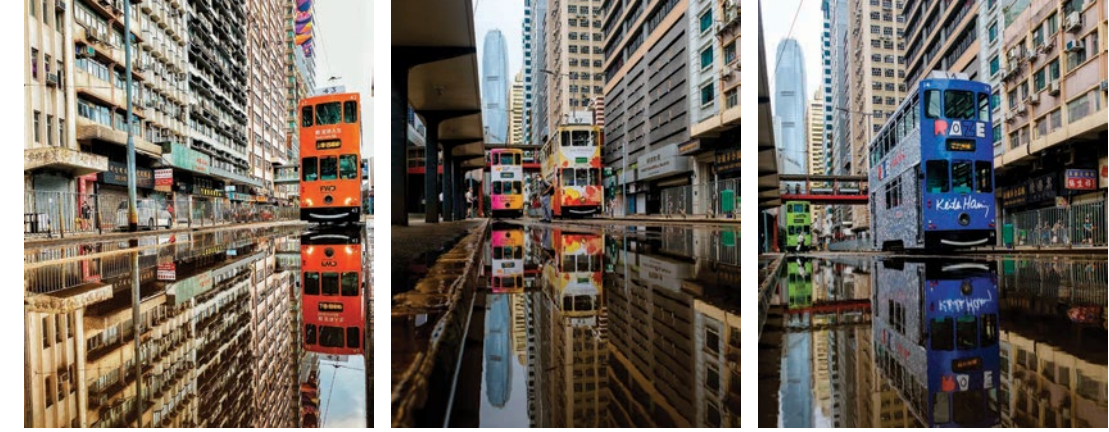


In January 2023, before the official launch of RISE FROM CRISES, buyers could pre-order the book on the Society's website with early bird special offer.



RISE FROM CRISES hit the shelves in various bookstores including Bookazine, Chung Hwa Book Co., The Commercial Press and Joint Publishing (H.K.). Digital version is also available on [Amazon Kindle](#).





Tram, or affectionately known as "ding-ding" in Hong Kong, is the essence and embodiment of the Society's 30th Anniversary celebration. Being one of the most signature and historical transportation networks in Hong Kong, the tram's tracks run through most of the central business districts of Hong Kong Island, echoing the Society's 3 decades of deep-rooted presence in the Hong Kong financial landscape.

In the digital version of the book's insert pages, photographer Christiaan Hart contributed some of his portraits of trams pro bono, artistically blending tranquility, velocity, and visibility, capturing the sunrises after storm.



The project generated widespread coverage on media platforms such as [Hong Kong Economic Journal](#), [Metro Finance](#), [South China Morning Post](#), [EDigest](#), [Master Insight](#) and [Sing Tao Daily](#).

On 6 February 2023, a book launch event was held where readers met the authors and Dr. Alvin Ho, CFA, President of the Society and Chief Editor of this book. In the event, they introduced this project and shared their witness of the significant incidents in the finance profession in the past 3 decades.



# Awards Night 2022



The Awards Night is our annual event to applaud candidates for their successful completion of the CFA® Program. The celebration has been one of our signature events since 1995, with the exception of 2020 due to the COVID-19 pandemic.

Every year, we invite candidates who have successfully earned their CFA designation in Hong Kong during the current year to receive their CFA charters at our ceremony. Passing all three levels of the examination and gaining relevant work experience is no easy task. Therefore, the ceremony is curated to celebrate this milestone in candidates' career journeys, and to honor the culmination of the hard work and tenacity that has gone into achieving their CFA charters.



The Awards Night 2022 was held on 15 November 2022, providing an excellent opportunity for the 120 guests and new charterholders to gather and network with fellow professionals from the industry. The honorable keynote speaker, Mr. Charles Li, Founder and Chairman of Micro Connect (also Former Chief Executive of HKEX) shared his precious insights on market innovation and digitalization. The night was concluded with a charter award presentation ceremony officiated by Mr. Nick Pollard, then Managing Director of CFA Institute, Asia Pacific.

Special thanks to Wiley, sponsor of the Awards Night, for giving away complimentary e-books to the quiz game winners of the event.



A full-page advertisement, with names of all the candidates who have passed the CFA Level III exams of August 2023, November 2023 and May 2022 to congratulate their successful completion of all three levels of the CFA exams, was published on South China Morning Post and Hong Kong Economic Journal. Special thanks to Mr. Christopher Hui Ching-yu, GBS, JP, Secretary for Financial Services and the Treasury, for his inspiring congratulatory message.





# Annual Dinner 2023



The Society's Annual Dinner is our annual flagship event where members and guests from the investment community can network with fellow industry practitioners in a festive and convivial setting.

On 20 March 2023, the Annual Dinner 2023 was held and about 150 guests and industry professionals were entertained. The honorable presence of the evening, Mr. Wilfred Yiu, Co-Chief Operating Officer & Head of Equities of HKEX, gave the keynote speech during the event, followed by an awards presentation to the Society's members who were celebrating their 10th, 20th and 30th anniversary of attaining their CFA® charters. In the follow-up interview video, charterholders that have earned their charters for 30 years shared their experiences and how the Society helped them in their professional journey.

As highlighted in Alvin's opening remarks, volunteerism has always been one of the Society's most essential cornerstones. Our initiatives would not be possible without the contributions of our dedicated and professional volunteers. To recognize their support, we also had an award presentation ceremony for the Society's Outstanding Volunteer Awards 2022.

Special thanks to Futu I&E, our Platinum Sponsor, and Wiley, our sponsor, for their valuable support to the event.



### Anniversary of Attaining CFA Charter (in alphabetical order)

10th Anniversary	20th Anniversary	30th Anniversary
Ms. Angela Cheung, CFA	Ms. Natalie Chan, CFA	Dr. King Au, CFA
Ms. Mariana Kou, CFA	Mr. Thomas Chan, CFA	Mr. Kevin Chan, CFA
Mr. Edwin Lam, CFA	Mr. Chris Chong, CFA	Ms. Linda Csellak, CFA
Mr. Raymond Liu, CFA	Mr. Kenneth Hau, CFA	Mr. Karl Lung, CFA
Mr. Kerry Shea, CFA	Mr. Jonathan Lee, CFA	Mr. Peter Reichenbach, CFA
Mr. Paulrich Lawrence Tan, CFA	Mr. Andy Tam, CFA	Mr. Peter Woo, CFA
Ms. Felicia Wong, CFA	Mr. Hong Wu, CFA	
Ms. Hoi Chi Yau, CFA		
Dr. Tony Yip, CFA		
Mr. Jason Zeall, CFA		



### Outstanding Volunteer Awards 2022 Awardees (in alphabetical order)

Mr. Edward Chan, CFA	Mr. Justin Chan, CFA	Ms. May Chan, CFA	Mr. Willis Chan, CFA
Mr. Wallace Cheung, CFA	Mr. Eric Fok, CFA	Mr. Wisely Ngai, CFA	Mr. Simon Pang, CFA
Mr. Leon Qi, CFA	Mr. Shenci Tang, CFA		



# Membership and CFA Charterholders

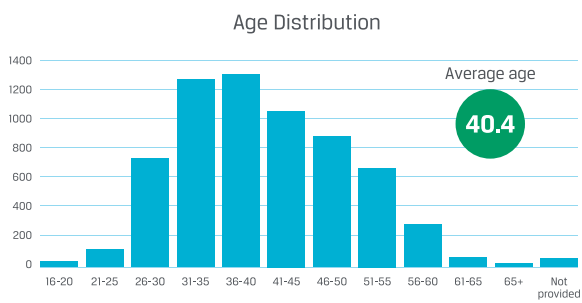
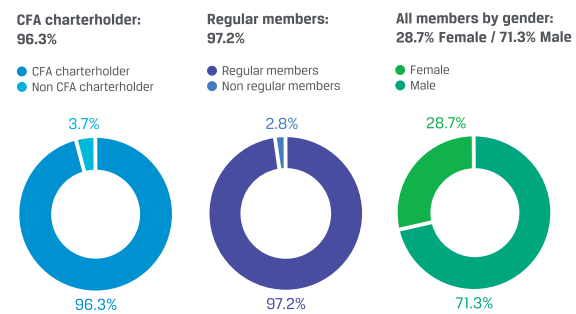
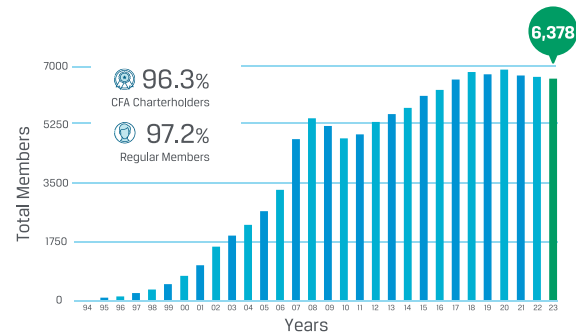
Under the challenges of the pandemic in 2022, the Society strives to best serve its members and the investment community by gradually resuming face-to-face continuing education workshops, SFC recognized CPT programs and networking events that are always well-received by our members and industry professionals.

In this dynamic financial landscape, despite our plateauing membership numbers (6,378 as of 30 June 2023 versus 6,575 a year ago), there was an increment in the number of new Society members (791 as of 30 June 2023 versus 686 a year ago). The statistics validate our efforts in new member recruitment, while encouraging us to further strengthen our member services and strategic promotion of the CFA® designation in Hong Kong in order to retain existing members who have been showing continuing supports in the previous years.

## 4<sup>TH</sup> LARGEST MEMBER SOCIETY GLOBALLY TOP MEMBER SOCIETY IN ASIA PACIFIC



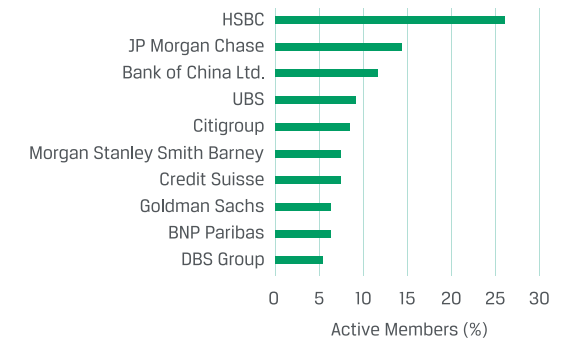
### Current Membership



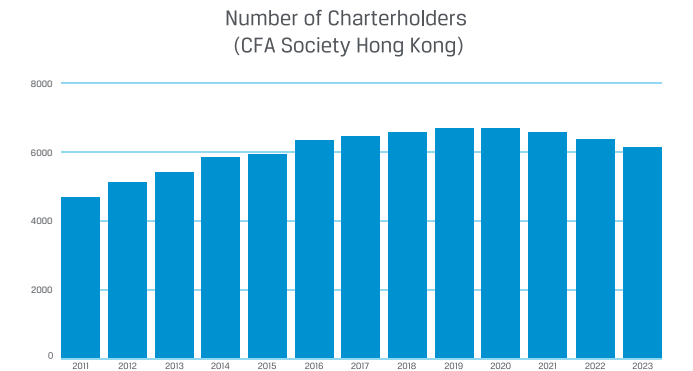
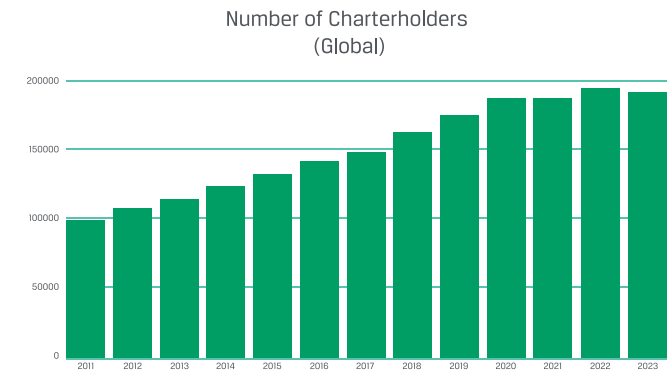
### Top 10 Member Occupations



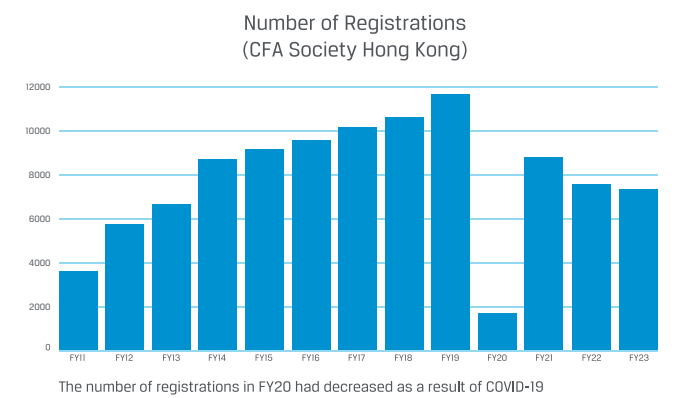
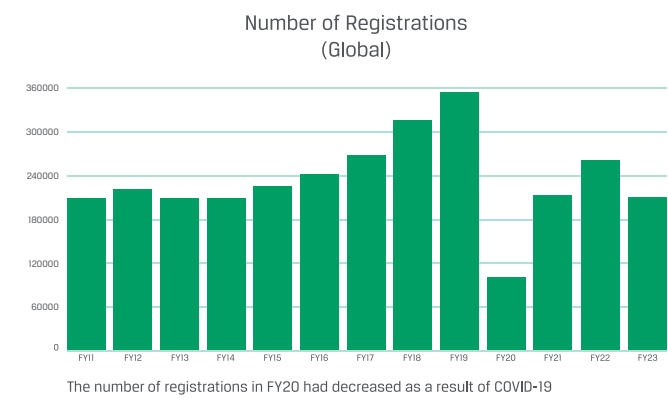
### Top 10 Member Employers



### CFA Charterholders



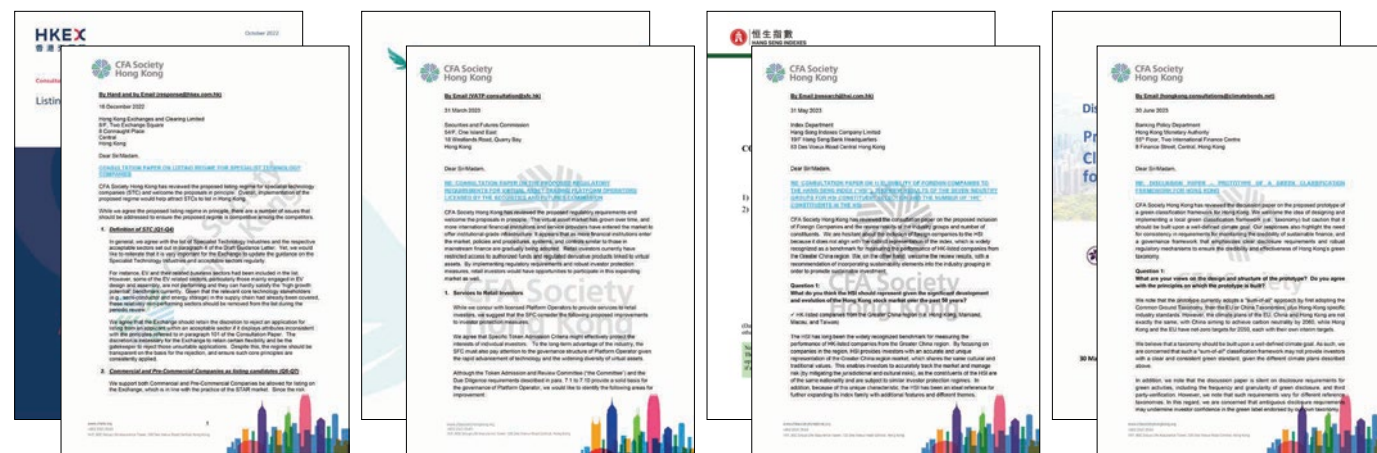
### CFA Program



# Key Initiatives – Advocacy and Investor Education

Cultivating financial markets integrity is the Society's key strategic goal to raise the professional and ethical standards of investment practitioners. Our advocacy and investor education efforts focus on four key initiatives:

- Policy advocacy and regulator engagement;
- Thought leadership and industry engagement;
- Ethics and practitioner engagement; and
- Investor education and public engagement.



The Society provides a forum for our members and other investment practitioners to exchange industry insights and best practices with local regulators, professional bodies and government bureaux. In FY2023, the Society submitted four responses to consultation papers from HKEX, The Securities and Futures Commission (SFC), Hang Seng Indexes (HSI) and The Hong Kong Monetary Authority (HKMA):



In April 2023, the Society collaborated with CFA Institute and submitted our response to a HKEX consultation paper on their proposed changes to the ESG reporting framework, with a view to improving climate-related disclosures made by listed issuers. The 26-page [response paper](#) garnered attention and discussion on social media and in various news publications.

Apart from exchanging views and insights with local regulators and government bodies, the Society also actively engaged in joint projects with different institutions on topics that are relevant to the investment community.



On 6 October 2022, the Society collaborated with IOSCO World Investor Week, the Investor and Financial Education Council (IFEC) and CFA Institute to organize an investor education webinar on how investors should position themselves amid high inflation and high interest rates.



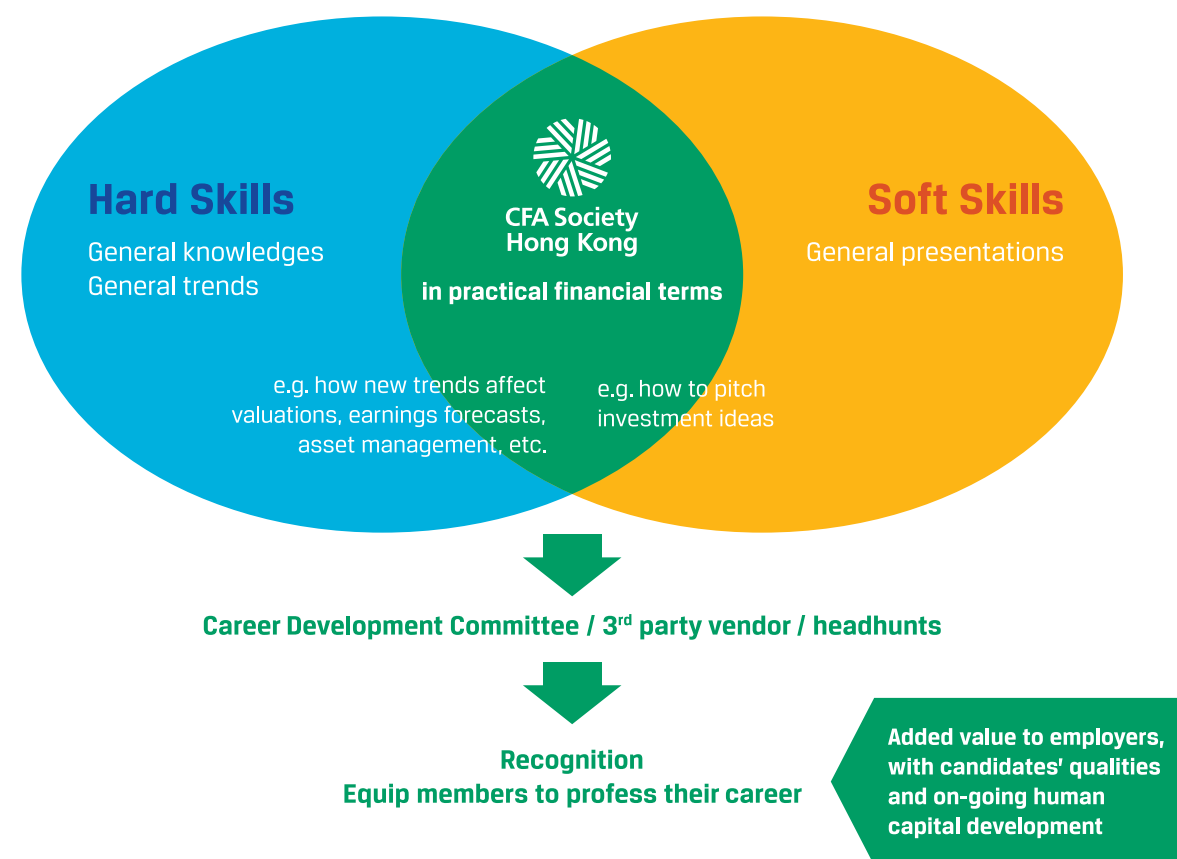
On 22 March 2023, the Society organized, in collaboration with IFEC and CFA Institute, another investor education webinar on market forecasts and financial technology (FinTech) development. In the webinar, our guest speakers touched on hot topics like social trading, gamification, and how these new trends were affecting investors' behavior.

Full recordings of the two investor education webinars can be found in [our website](#). Through our advocacy and investor education initiatives, the Society will continue to uphold the professional and ethical standards of the financial community.



# Career Development

Acquiring the CFA® charter marks only the initial phase in paving the way towards a more promising career trajectory. The initiatives of our Career Development committee aim at providing our members with all the resources and enrichments they need to build a stronger presence in their professional careers.



The Society redefined the committee's framework to differentiate us from other career enrichment programs in the industry. Emphasizing the development of members' hard skills (general knowledge of the landscape and trends in the financial industry) and soft skills (presentation skills, confidence-building, etc.) in practical financial terms, our career development initiatives synergize with external parties to help members acquire recognition that would add value to their career in the financial industry.

## Seminars



On 18 April 2023, the Society invited Professor Lam Chi Yuen Nelson, JP, Director of Audit of HKSAR Government, who has over 30 years of experience in both the private and public sectors, to speak in our seminar "How to Find and Develop Your Career Path".



Another career development luncheon, titled "Empowering Future Women Leaders", took place on 21 April 2023. The event featured Ms. Dana Breitenstein, Managing Director of Progress-U, Hong Kong, who shared insights on the significance of cultivating self-validation in the workplace, ultimately building confidence and motivation.



# Continuing Education

As a CFA® charterholder, keeping up to date with the latest market intelligence is integral to succeeding in the dynamic and competitive marketplace. The Society regularly arranges continuing education programs to help members stay abreast of industry trends and hot topics. Amidst recovery from the pandemic, the Society gradually shifted from organizing virtual webinars to in-person workshops and events where members can engage in face-to-face discussion and networking with other industry peers.

The Society is recognized by the SFC as one of the institutions for providing Continuous Professional Training (CPT). In FY2023, 22 CPT events, totaling 23.5 hours, were offered.

## Web3 and FinTech

Technological advancement has been reshaping the financial ecosystem, giving birth to new concepts such as FinTech, social trading, OpenAI, etc. The Society organized several programs and invited various subject matter experts to speak on these topics.



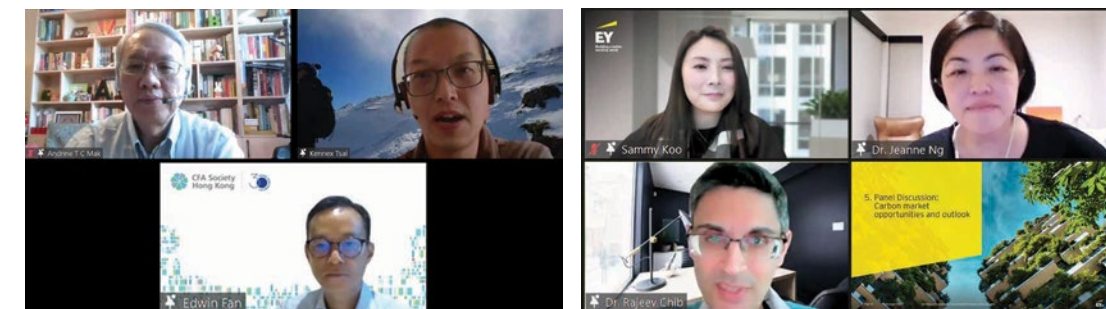
"Fun and Games: Investment Gamification and Implications for Capital Markets" on 16 January 2023 dived into how gamification, the practice of infusing game elements into nongame contexts to encourage engagement with a product or service, becomes a powerful tool for investment firms. "Quantamental and Fintech: What has changed or Not Changed in the Capital Markets" on 21 February 2023 dived into some well-known quantitative investing strategies and rising power of computational technologies. On 29 March 2023, "The Future of AI: How AI will impact the Financial Industry" was organized, introducing the fundamentals of AI technology, the trending Azure OpenAI and the three service models under the umbrella of Generative AI – GPT, DALL-E and codex.



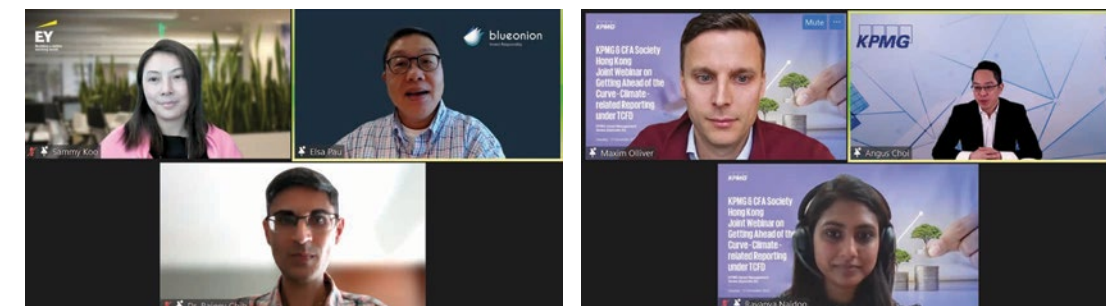
In an effort to deliver quality educational programs on Web3 and FinTech topics, the Society established a new Web3 and FinTech Sub-Committee this year. The inaugural event "Web 3.0 Unleashed – Embracing the Opportunities of Decentralization" attracted a full-house of over 60 participants seeking an audience with 4 industry professionals, each representing a key pillar of FinTech – CeFi, DeFi, NFT and Gaming / AI.

## ESG

Aside from FinTech, ESG (environmental, social and governance) is becoming increasingly important in today's financial landscape.



On 26 July 2022, we invited Professor Andrew Mak of HKUST to contribute his scientific expertise to our webinar "Is Hydrogen Becoming a Sustainable Energy Source?", covering discussions on how hydrogen, as a source of clean energy, is shaping the future economy and what the underlying investment opportunities are. In another webinar "Steering and Leveraging the Financial Market to Pursue Carbon Neutrality" on 15 December 2022, several market experts discussed the development of the global "carbon market", a trading system in which companies can purchase carbon credits to offset carbon footprints and raise green capital.



Several webinars were also conducted to dissect the regulatory and technical aspects of ESG investing topics. We conducted a sustainable finance dialogue with some industry professionals in the webinar "Sustainable Finance: Advocating a Transparent Sustainable Investment Market in an Elevated Environment" on 13 September 2022,

covering topics such as the impact of "greenwashing" and solutions to enhance transparency of sustainable finance in Hong Kong. In another webinar "Getting Ahead of the Curve – Climate-related Reporting under TCFD" co-hosted with KPMG on 13 December 2022, our guest speakers provided an overview of The Task Force on Climate-related Financial Disclosures (TCFD) requirements and how firms should be prepared to comply with the new reporting requirements on climate-related disclosures.



**Presidential Moment**

The Society is also broadening our reach by inviting world-renowned financial intellects to speak at our continuing education events under the title "Presidential Moment". During these events, Dr. Alvin Ho, CFA, President of the Society, engages in conversations with these esteemed guests while the audience gains valuable insights into the successful stories behind these industry leaders.

**Fireside Chat with Michael Mauboussin**



The Society was delighted to have invited Mr. Michael Mauboussin, Head of Consilient Research, Counterpoint Global, Morgan Stanley Investment Management on 13 June 2023. As a Wall Street investment strategist, author, and professor, Michael sat down for a Fireside Chat with Alvin to discuss his views on investing and share insights from his decades of experience in the field. The conversation covered a range of topics, including the current state of the market, the importance of understanding a company's competitive advantage, the role of luck in investing, and the impact of behavioral finance on investment decision-making.

Video excerpts of the Fireside Chat can be watched on [our website](#).



**Professional Learning Seminar with Nobel Laureate Professor Myron Scholes, PhD**



On 3 July 2023, CFA Society Hong Kong concluded the professional learning seminar featuring Nobel Laureate Professor Myron Scholes, PhD, co-organized with Janus Henderson Investors. We were very privileged to spend the day with approximately 110 guests including the Society's members and practitioners from the financial industry.

In this remarkable seminar, Myron shared his insights on "Optimizing Risk & Returns in Carbon Neutral Portfolios" and explored how to achieve net-zero while optimizing investment outcomes. Alvin then moderated a fireside chat and Q&A session. The task force supporting the fireside chat consisted of Mr. Ning Lin, CFA, Ms. Felicia Wong, CFA, Mr. Adam Wong, CFA, Mr. Jeffrey Tse, CFA, and Mr. Gilbert Wong, CFA.

We would like to extend our heartfelt thanks to CFA Institute Asia-Pacific Research Exchange and Deloitte for their support, as well as Ms. Brenda Hou, CFA, Senior Director, Partnerships and Client Solutions, APAC, CFA Institute for serving as the emcee. Video excerpts of the seminar can be watched on [our website](#).





# Market Outreach and Public Awareness

Apart from serving the professional investment community and promoting the CFA® designation, the Society also endeavors to proactively engage the public through various channels and initiatives.



By the end of 2022, the Society's official LinkedIn page has attracted over 5,000 followers, most of which are financial industry practitioners ranging from senior executives to aspiring university students.

In addition, with our official WeChat account reaching the 1,000 followers milestone this year, we are also actively leveraging it as another social media platform for better engagement with the growing Mandarin-speaking CFA communities among our members in Hong Kong.

## CFA Control Room

In 2022, the Society continued producing our flagship public awareness initiative, CFA Control Room. In collaboration with radio and newspaper partners, the CFA Control Room program features interviews and dialogues with veteran industry practitioners on a variety of topics like latest investment trends and regulatory updates.

Articles of each episode were subsequently published in the Hong Kong Economic Journal, recapping the valuable insights that were exchanged in each episode. Recordings of all episodes and respective articles can be found on [our website](#).



Special thanks to all guest anchors and speakers of CFA Control Room:

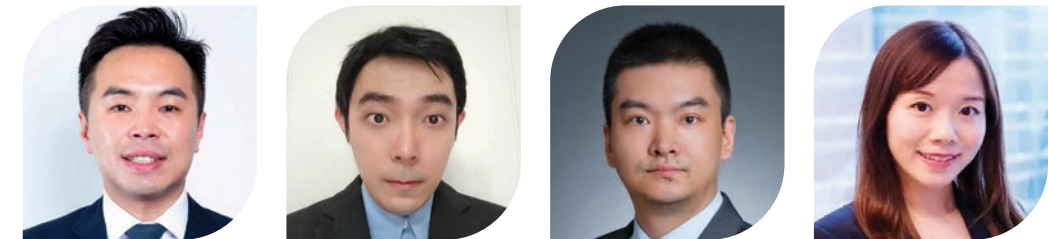


Dr. Alvin Ho, CFA

David Ching, CFA

Alfred Lau, CFA

Alaric Chu



Chilok Cheung, CFA

Benjamin Cai

George Chow

Connie Chan



Alfred Lee

Wallace Chan

Arthur Chen



Kelvin Yu

Tim Law

Wallace Cheung, CFA



Ronald Chan

Wisely Ngai, CFA

Daniel Jim



## Member and Candidate Services

As a professional body that serves a community of 6,300+ financial practitioners and many more CFA® exam candidates, it is imperative that we keep offering new initiatives and programs to help our members at different stage of their career, while at the same time helping CFA exam candidates to be abreast of all the skills and knowledge to tackle one of the most difficult exams in the finance industry.

The Society's Member Services Committee and Candidate Services Committee drive the wheels behind a broad range of networking events, enrichment programs and CFA exam-related workshops.

### Candidate Services and Supports

#### From Candidates to CFA Charterholders: Earn your CFA® charter



The hard-earned CFA charter opens countless doors of opportunities and has long been a proven standard of professionalism in the industry. Every year, in collaboration with CFA Institute, the Society organizes a "From Candidates to CFA Charterholders" networking event, helping candidates who have successfully passed the Level III CFA exam to obtain the CFA designation and officially become a CFA charterholder.

On 28 June 2023, around 40 charter-pending candidates attended to discover the next steps of regular membership application and the procedures and criteria of obtaining the charter.

#### Study Group Kick-off Gatherings



In FY2023, the Society organized in total four study group kick-off gatherings, both in-person and virtual, where candidates could network with other fellow examinees and study group leaders. During the gatherings, an instructor from Wiley, our long-time educational partner, dissected and analyzed some of the exam's practice questions, and members of the Society's Candidate Services Committee provided overview on the key exam dates and tips for getting prepared for the exams.

### Member Services and Privileges



The Society has fully embraced our members' desire for participating in more face-to-face networking events where they can connect with other fellow members and industry practitioners. We have arranged in total four member-exclusive networking drinks and volunteer gatherings in the past year, all food and drinks on the house as our gratitude to members' continuing support.



In FY2023, we arranged seven hiking and walking tour events for our outdoor-enthusiastic members. Our footprints have ranged across the city, including Jardine's Lookout, The Barker Road, Sam A Tsuen, Mount Parkers, etc.



The Society also organized workshops and events that are better suited to members who are in favor of more soothing and leisurely recreational activities. For instance, we invited a National Tea Sommelier from INFINITEA to host a tea tasting workshop, where members learnt the basics of tea-savoring and authentic steps of tea brewing. In another role-playing social game (劇本殺) gathering, members engaged in interactive and entertaining role-plays while making friends with each other.



# University Outreach

Fostering the next generation of financial professionals is closely tied to the Society's commitment to upholding ethics and standard of practice in the financial services industry of Hong Kong. To this end, the Society actively collaborates with tertiary education institutions in Hong Kong and Macau, providing career guidance and support for students to equip them with the necessary skills and knowledge to advance in their future careers.

## CFA Institute Research Challenge - Hong Kong Local Final 2022-23



Hosted locally for the 19th consecutive year, the "CFA Institute Research Challenge" university competition is a great test and experience for all students who are bold enough to face it. Like any great competition, the opportunities and rewards it offers are even greater.

This annual world-class equity research competition provides university undergraduate and/or post-graduate students with hands-on mentoring and intensive training in company financial analysis. Working in teams, students will gain real-world experience as they assume the role of research analysts and are judged on their ability to value a stock, write a research report, and present their recommendations.



In this year's Research Challenge - Hong Kong Local Final, we had a record high participation of 25 teams from Hong Kong and Macau. At the Local Final Presentation of the competition on 18 Feb 2023, 6 finalist teams presented their analysis and recommendations to our professional panel of judges, followed by a sharing from a Career Panel, consisted of seasoned industry practitioners, on career development in the financial sectors. The Champion (The Chinese University of Hong Kong) and 1st Runner-up (University of Macau) teams then represented Hong Kong to compete in the sub-regional round of the Asia Pacific Regional Final of the Challenge.

## Student Mentorship Program



Our engagement with the students participating in the CFA Institute Research Challenge does not end with the competition. Since last year, we have launched the Student Mentorship Program, pairing up participants with our mentors, who are seasoned industry practitioners and have bonded with the students throughout the course of the competition. Through regular meetups and conversations, mentors will provide students with all the guidance and career advice that facilitate their personal and professional growth, nurturing them to be future financial talents.

## University Seminars



In collaboration with CFA Institute, we regularly engage with students from all backgrounds at universities in Hong Kong and Macau to promote the CFA Program, encouraging students who are aspiring to pursue a career in finance to start early and plan ahead. Representatives from CFA Institute and veteran CFA charterholders introduced the program structure, shared how the CFA designation benefited their career, and answered students' enquiries on the program structure and requirements of earning the official charter.



# Report of the Board of Directors

## THE HONG KONG SOCIETY OF FINANCIAL ANALYSTS LIMITED

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 30 Jun 2023.

### PRINCIPAL PLACE OF BUSINESS

The Hong Kong Society of Financial Analysis Limited (the "Society") is incorporated in Hong Kong and has its registered office and principal place of business at 14/F, BOC Group Life Assurance Tower, 136 Des Voeux Road, Central, Hong Kong.

### PRINCIPAL ACTIVITIES

The Society is an independent non-profit making organization set up with its primary goal being to promote and raise standards in the practice of financial analysis in Hong Kong through educational programs and advocacy works.

### RESULTS

The financial performance and cash flows of the Society for the year ended 30 June 2023 and the financial position of the Society at that date are set out in the financial statements on pages 43 to 46.

### MEMBERS OF THE BOARD OF DIRECTORS

The directors who held office during the financial year and up to the date of this report are :-

President	Alvin Man HO, CFA
Vice-president and Secretary	Janet Tze Yan LI, CFA (appointed on 13 January 2023)
Treasurer	William Hung Piu LEUNG, CFA (retired on 12 January 2023) Felicia Chuen Wai WONG, CFA
Members	Richard Kan Chong MAK, CFA Ashley Pui Wun KHOO, CFA Adam Tsz Yin WONG, CFA Alfred LAU, CFA Raymond Hing Cheung TSANG, CFA (resigned on 11 May 2023) David Tze Lok CHING, CFA Erwin Ralph SANFT, CFA (appointed on 12 January 2023)

In accordance with articles 80 and 81 of the Society's articles of association, directors shall retire from office after the term of two years since the last election. In accordance with article 86 of the Society's articles of association, directors filled up casual vacancies of the Board shall retire from office after the next annual general meeting of the Society. The retired directors shall be eligible for re-election.

Accordingly, Janet Tze Yan LI who filled up casual vacancies during the year and Alfred LAU, Felicia Chuen Wai WONG, Ashley Pui Wun KHOO and Richard Kan Chong MAK who retired and re-elected at the annual general meeting held on 13 January 2022 shall retire from office at the forthcoming annual general meeting of the Society and, being eligible, offer themselves for re-election. David Tze Lok CHING, Alvin Man HO and Adam Tsz Yin WONG who retired and re-elected and Erwin Ralph SANFT who newly elected at the annual general meeting held on 12 January 2023 shall continue in office for the ensuring year.

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

No transactions, arrangements or contracts of significance to which the Society was a party, and in which a director of the Society had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Society a party to any arrangement to enable the directors of the Society to acquire benefits by means of the acquisition of shares in or debentures of any body corporate.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Society were entered into or existed during the year.

### BUSINESS REVIEW

No business review is presented for the year as the Society has been able to claim an exemption under section 388(3) of the Hong Kong Companies Ordinance since it falls within the reporting exemption.

### PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the directors of the Society is currently in force and was in force throughout this year.

### AUDITORS

The financial statements were audited by Chan, Li, Law CPA Limited, Certified Public Accountants (Practising), which retires and, being eligible, offers itself for re-appointment.

On behalf of the board  
Alvin Man HO, CFA  
President  
Hong Kong



# Financial Statements and Auditor's Report

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HONG KONG SOCIETY OF FINANCIAL ANALYSTS LIMITED (incorporated in Hong Kong with limited liability by guarantee)**

### **Opinion**

We have audited the financial statements of The Hong Kong Society of Financial Analysts Limited (the "Society") set out on pages 43 to 46, which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in members' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Society as at 30 June 2023, and of the financial performance and cash flows of the Society for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

### **Basis for Opinion**

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The directors are responsible for the other information. The other information comprises all the information included in the directors' report set out on pages 43 to 46, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Directors for the Financial Statements**

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Society's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chan, Li, Law CPA Limited  
Certified Public Accountants (Practising)  
Hong Kong, 20 Dec 2023

Kwok Wai Choi Eddie  
Practising Certificate No.: P05451



**THE HONG KONG SOCIETY OF FINANCIAL ANALYSTS LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2023**  
*(Expressed in Hong Kong dollars)*

	<u>2023</u>	<u>2022</u>
	HK\$	HK\$
Membership fees	5,696,178	5,989,915
Surplus from candidate education	995,212	368,922
Surplus from continuing education	33,245	18,900
Surplus from investment research challenge	37,968	66,519
Surplus from social functions	-	2,967
CFA Institute Society Operational Funding subvention	2,386,629	2,642,506
	<hr/>	<hr/>
	9,149,232	9,089,729
Other income and net loss	(486,143)	(1,420,676)
Administrative expenses	(7,705,571)	(7,011,122)
Other operating expenses	(1,288,814)	(1,929,979)
	<hr/>	<hr/>
<b>Deficit from operations</b>	(331,296)	(1,272,048)
Finance costs	(123,256)	(137,667)
	<hr/>	<hr/>
<b>Deficit before tax</b>	(454,552)	(1,409,715)
Income tax credit	-	23,323
	<hr/>	<hr/>
<b>Deficit for the year</b>	(454,552)	(1,386,392)
Other comprehensive income for the year		-
	<hr/>	<hr/>
<b>Total comprehensive expense for the year</b>	(454,552)	(1,386,392)

**THE HONG KONG SOCIETY OF FINANCIAL ANALYSTS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**  
*(Expressed in Hong Kong dollars)*

	<u>2023</u>	<u>2022</u>
	HK\$	HK\$
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,566,366	3,827,185
Financial assets at amortized cost	3,183,319	7,121,650
Financial assets at fair value through profit or loss	6,960,399	8,269,442
	<hr/>	<hr/>
	12,710,084	19,218,277
<b>Current assets</b>		
Accounts and other receivables	-	141,892
Deposits and prepayments	498,023	686,783
Cash and bank balances	13,842,474	7,787,195
Tax recoverable	48,619	10,000
	<hr/>	<hr/>
	14,389,116	8,625,870
<b>Current liabilities</b>		
Accounts payable and accruals	1,274,477	1,946,173
Receipts in advance	1,600,734	13,133
Deferred income	103,875	-
Lease liability	1,432,753	1,405,394
	<hr/>	<hr/>
	4,411,839	3,364,700
<b>Net current assets</b>	<hr/>	<hr/>
	9,977,277	5,261,170
<b>Total assets less current liabilities</b>	<hr/>	<hr/>
	22,687,361	24,479,447
<b>Non-current liabilities</b>		
Lease liability	385,396	1,818,149
Other payables	270,000	270,000
Deferred income	95,219	-
	<hr/>	<hr/>
	750,615	2,088,149
<b>NET ASSETS</b>	<hr/>	<hr/>
	21,936,746	22,391,298
<b>MEMBERS' EQUITY</b>		
Members' general fund	21,936,746	22,391,298

Approved and authorized for issue by the board of directors on 20 Dec 2023.

Alvin Man HO, CFA  
President

Felicia Chuen Wai WONG, CFA  
Treasurer



**THE HONG KONG SOCIETY OF FINANCIAL ANALYSTS LIMITED**  
**STATEMENT OF CHANGES IN MEMBERS' EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2023**  
*(Expressed in Hong Kong dollars)*

	Members' general fund HK\$
Balance at 1 July 2021	23,777,690
Total comprehensive expense for the year	(1,386,392)
Balance at 30 June 2022	<u>22,391,298</u>
Total comprehensive expense for the year	(454,552)
Balance at 30 June 2023	<u>21,936,746</u>

**THE HONG KONG SOCIETY OF FINANCIAL ANALYSTS LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2023**  
*(Expressed in Hong Kong dollars)*

	<u>2023</u> HK\$	<u>2022</u> HK\$
<b>Cash flow from operating activities</b>		
Deficit before tax	(454,552)	(1,409,715)
Adjustments for :-		
Net unrealized loss on financial assets at fair value through profit or loss	1,323,393	2,166,433
Investment income	(423,052)	(385,831)
Interest income	(153,796)	(12,907)
Depreciation		
- owned assets	357,671	111,883
- property leased for own use	1,315,123	1,345,882
Finance costs	123,256	137,667
<b>Operating surplus before changes in working capital</b>	<u>2,088,043</u>	<u>1,953,412</u>
Decrease/(increase) in accounts and other receivables	141,892	(141,892)
Decrease in deposits and prepayments	188,760	22,245
Decrease/(increase) in accounts payable and accruals	(671,696)	549,541
Increase/(decrease) in receipts in advance	1,587,601	(1,154,021)
Increase in deferred income	199,094	-
<b>Cash generated from operations</b>	<u>3,533,694</u>	<u>1,229,285</u>
Hong Kong profits tax paid, net	(38,619)	(106,402)
<b>Net cash generated from operating activities</b>	<u>3,495,075</u>	<u>1,122,883</u>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(411,975)	(882,594)
Proceeds from redemption of financial assets at amortized cost	3,900,000	-
Acquisition of financial assets at fair value through profit or loss	-	(2,151,805)
Decrease in time deposit with the original deposit term over three months	-	3,600,000
Dividend received	212,759	174,706
Coupon interest received	234,274	248,625
Bank interest received	153,796	12,907
<b>Net cash generated from investing activities</b>	<u>4,088,854</u>	<u>1,001,839</u>
<b>Cash flows from financing activities</b>		
Capital element of lease rentals paid	(1,405,394)	(1,107,183)
Interest element of lease rentals paid	(123,256)	(137,667)
<b>Net cash used in financing activities</b>	<u>(1,528,650)</u>	<u>(1,244,850)</u>
<b>Net increase in cash and cash equivalents</b>	6,055,279	879,872
<b>Cash and cash equivalents at the beginning of the year</b>	7,787,195	6,907,323
<b>Cash and cash equivalents at the end of the year</b>	<u>13,842,474</u>	<u>7,787,195</u>
<b>Analysis of the balances of cash and cash equivalents</b>		
Cash and bank balances	<u>13,842,474</u>	<u>7,787,195</u>



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