

THE BUSINESS TIMES

Wealth

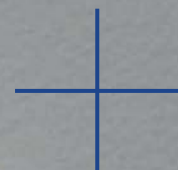
AUGUST 2016



SPOTLIGHT

SK TAN

‘Grandfather of aesthetics’
success story



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alternative
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IN-DEPTH

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Wealth

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*Editor's note*

THE common perception is that doctors fare well financially just doing what they are trained to do. But there are also doctors who do exceptionally well particularly when they expand their sights beyond the proverbial box.

Dr SK Tan, fondly dubbed Singapore's "grandfather of aesthetics", set up Derma-RX and The DRx Clinic in the late 1990s, focusing solely on aesthetics. After selling the practice for an eight-figure sum in 2010, he has set up another clinic IDS (Innovative Dermatological Solutions).

But more than that, he and his wife Janifer Yeo-Tan, whom he calls his "boss" and life partner, have made a series of canny investments in startups. There is, for instance, Illustris Pharmaceuticals in California, a laboratory focusing on cosmetology, pharmaceuticals and diagnostics. There is their investment in Israel-based Implite Ltd, which has patented technology for breast implants that address the shortcomings of the silicon gel implant.

Their potentially most promising investment is in a pharmaceuticals Israel-based company Novaremed, which is developing a compound for neuropathic pain. The investment could reap them a nine-figure sum, should they agree to a buy-out.

Underpinning all these is a deep commitment to a philanthropic passion – to help and support disadvantaged children in Singapore and the region. In addition to 11 godchildren, to whom they extend financial

and other forms of support, they also support more than 400 children in countries such as the Philippines, Mozambique and Indonesia. Being wealthy, says Dr Tan, means they have enough for themselves and more to give to others. Read all about it in our Spotlight profile.

This edition, for our Trusted Adviser column we speak to Ravi Raju, managing director of Deutsche Bank Wealth Management. The group is retooling itself to expand beyond its core client base of ultra high net worth individuals. It is now targeting the wealth segment that sits just below the ultra wealthy. This, as he says, entails investment in IT to give a greater degree of automation, and retraining of client relationship managers.

In the In-Depth column, Stacy Choong and Joanna Yap of Withers KhattarWong look into a very topical issue: the intricacies of the tax amnesty bill in Indonesia which takes effect from July this year until March 2017. It is, as the writers say, a reflection of the new reality of a higher level of tax transparency and accountability.

Meanwhile we do not neglect market issues which occupy wealthy investors today. In the face of economic uncertainty and market volatility, private clients express interest in alternative assets. In our Roundtable, four experts share their views on the potential and risks of assets such as hedge funds and private equity. Didier Duret of ABN AMRO Private Banking sounds a note of caution. Successive waves of risk aversion and reactive central bank policies have not created an environment where hedge funds can differentiate and create beta-neutral rewarding strategies, he says.

Still in the realm of alternatives, Donald Rice of Credit Suisse says investors may consider private debt, or direct lending to mid-sized companies. The segment has grown significantly since 2008 and offers more liquidity than private equity, and higher yields than conventional high yield debt.

In equities, Standard Chartered Bank's Clive McDonnell reinforces the need for multi-asset income strategies. His less favoured assets are cash, commodities and equities.

In Viewpoint, AL Wealth Partners' Leonardo Drago is optimistic, amid the hand-wringing over Brexit. The latter, he says, may well be the silver lining that kick-starts reforms to the European Union. Other than UK-specific sectors, the longer-term impact of Brexit to the global investor is zero, he writes. And, promising advances in fields such as technology and biotechnology bode well for future returns.

In Real Estate, Alice Tan of Knight Frank highlights opportunities in landed residential properties in Singapore which benefit from the sheer scarcity factor. At this time when the market is sluggish, investors may pick up value buys at auctions, for instance.

And, in the Ultra Wealth column, Tara Loader Wilkinson profiles Dr Jurgen Klein, the founder of Australian cult beauty brand Jurlique who is onto his next big thing – a line of plant-derived skincare and spa products whose prices rival that of brands such as La Mer and La Prairie.

We hope you find this edition a rewarding read.

By Genevieve Cua



Spotlight:
SK Tan

PHOTO
ARTHUR LEE
COVER ARTWORK
JENNIFER CHUA

Managing editor **Alvin Tay**
Editor **Genevieve Cua**
Creative editor **Yvonne Poh**
Art director **Jennifer Chua**
Designer **Elenita Sarah Loyola**

Writers **Stacy Choong, Genevieve Cua, Leonardo Drago, Clive McDonnell, Donald Rice, Todd Schubert, Alice Tan, Tara Loader Wilkinson, Joanna Yap**

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