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Next-gen wealth transition? This philanthropist has a larger vision

Alice Hung plans to give most of her wealth away through the Paeonia Foundation, a pillar of her Singapore family office, in support of talent and research in science and technology



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Alice Hung, founder of Paeonia Group, is determined to give most of her wealth away. PHOTO: YEN MENG JIIN, BT

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MOST ultra-wealthy asset owners fret about how to hand over the reins of business and wealth to future generations. Self-made entrepreneur Alice Y Hung is having none of that.



than her immediate family.

She recently gifted S\$5 million to the Nanyang Technological University (NTU) to establish a professorship in science and technology. A portion of the gift will go towards academic collaboration with her alma mater, the University of Pennsylvania (UPenn).

The gift is merely the latest in around 15 years of informal giving to needy families and also to universities, including Oxford, Cambridge, Wharton School of the University of Pennsylvania, and UPenn itself, as well as universities in China.

Unlike most wealthy people, Hung believes her two children, aged 15 and 17, should build their own fortunes as they see fit.

“My kids are not going to get all the money I’ve made, of course not... Grooming kids to take over your business takes a life away from them. If you want your business to really succeed, you hire a great CEO. If your kids are good, they can create their own company.

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Hung was born in Beijing and lived for several years in Hong Kong. She founded her testing business in 1991 and made US\$100,000 within nine months of operations. She made her first US\$1 million within four to five years.

Among the business' specialities is the manufacture of equipment to test ingredients in fuels such as diesel and petrol.

Foundation to institutionalise giving

Hung moved to Singapore in 2020 and has become a permanent resident. Her family office, called the Paeonia Group, was established in Singapore in 2021. It has since been structured into a base for her operational businesses and for philanthropy through the Paeonia Foundation. The gift to NTU was among the first to be made through the foundation.

Paeonia Group managing director Andy Chua said: "This has been a growing and learning journey for us. Initially, the family office was involved more in wealth management. But we decided that it could play a bigger role, and we restructured the entire business to report to the family office."

"The whole genesis of the foundation is to institutionalise our giving to the community. We're building up an endowment within the foundation so that every year, we have endowment returns to give to our targeted partners. Instead of ad hoc giving, we want to have long-term conversations with partners on how we can help develop advanced research, say in a particular area in chemistry."

Hung says: "The vision behind the foundation is to lend a hand to the needy and to develop young minds in science and technology. I believe science and technology is the future. I enjoy wealth creation but I don't believe in wealth preservation across generations. Over the past decades, because of the war and changes in history, my family's wealth has gone up



graduated with top scores from the Wuhan University. Her father studied geophysics and her mother, analytical chemistry.

But the Cultural Revolution put paid to their ambitions and status. “We were sent to a reform farm and things were very difficult.”

The family moved to Hong Kong, where her father became a welder. Her mother helped to make ends meet by working as a seamstress. The extended family –including maternal grandparents and her sibling –lived in a single room.

Her father eventually became an electrician. Her mother was also hired as a laboratory manager when she happened to successfully troubleshoot quality issues at a now-defunct factory.

Hung herself worked when she was a student. “I made stuffed animals, even though I never owned a stuffed animal. It was very normal to work in those days; we needed food.”

With better jobs and pay, the family’s living quarters gradually improved, from a single room to a room-and-a-half, and then a 320 square foot apartment. Her mother started a business trading analytical test equipment.

Big break: study in the US

Hung’s break came when she successfully applied to pursue high school education in the US, which she saw as a stepping stone into Harvard University. Even with a perfect score in mathematics, she did not get into Harvard but UPenn instead.

“My mother had savings only for one year of tuition, and my father questioned why I had to go to the US for high school. But my mother said, ‘She’s going to make it, and when she makes it, we’ll all make it.’ My mother had faith in me.”



US\$1 million in earnings, she bought a home for her mother.

She also enrolled in a postgraduate degree programme at Harvard, in what she thought would be a fulfilment of her academic dream. But it lasted only three weeks.

“I didn’t find it useful. China was the fastest growing country. By staying in the course, I’d miss the train. Everyone at Harvard only talked about interviewing for McKinsey. I wanted to catch that fast train and hopefully get rich and help everyone prosper.”

The pandemic drove home the fragility of life, and in a moment of serendipity she was herself touched by the ripple effect of her largesse. In the midst of Covid, her father was warded in a hospital’s intensive care unit in Hong Kong. “The nurse came out from the ICU and asked if I was Ms Hung. She said, ‘I got your scholarship so I could become a nurse.’ From then, I felt my father was going to be okay.”

Paeonia Foundation’s big ambition is to eventually establish a prize to recognise achievements in science, including medicine. The prize will be rooted in Singapore but global in its scope of recognition.

Chua says the group had considered basing the foundation in the US. “We want to provide help where it’s most needed, we want to be value accretive. We might be able to make a difference here. The ticket size that we do in the US might not move the needle. But here, we can make a direct, almost immediate impact on the community.”

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