

## Commercial Lending Series

(November to December 2019)

Having a solid support from financial institutions is of critical importance to companies, no matter it is in good days or bad days. This series of workshops is designed to equip accountants with the necessary technical skills, knowledge and attitude in commercial lending and to deal with commercial bankers on a daily basis.

### Case studies workshops

Topic/ Programme code	Date and time	Rating*	CPD hours	Speakers
Understanding Facility Letter and Term Sheets for Accountants (WSHP19110601)	Wednesday, 6 November 2019 6:30 p.m. – 10:00 p.m.	Advanced to mastery	3.5	<b>Mr. J. Wong</b> <i>BSc (Hons), MPA, EMBA, FCPA (Aust.), FCPA</i>
From Conventional Structured Financing Products to Virtual Banking (WSHP19110801)	Friday, 8 November 2019 7:00 p.m. – 10:00 p.m.	Foundation to intermediate	3	<b>Mr. Edmond Wong</b>
Analysing Financial Statements for Accountants (WSHP19111201)	Tuesday, 12 November 2019 6:30 p.m. – 10:00 p.m.	Advanced to mastery	3.5	<b>Mr. J. Wong</b> <i>BSc (Hons), MPA, EMBA, FCPA (Aust.), FCPA</i>
From Banker's Perspectives: Early Warning Signals for HK Listed Companies (Session 1) (WSHP19112801)	Thursday, 28 November 2019 7:00 p.m. – 10:00 p.m.	Intermediate to advanced	3	<b>Mr. Duncan Tang</b> <i>Managing Director, iFinance (Asia) Limited</i>
From Banker's Perspectives: Early Warning Signals for HK Listed Companies (Session 2) (WSHP19120501)	Thursday, 5 December 2019 7:00 p.m. – 10:00 p.m.		3	
Understanding Banking Products – Syndicated Loan (WSHP19121301)	Friday, 13 December 2019 7:00 p.m. – 10:00 p.m.		3	



<b>Venue</b>	<b>Hong Kong Institute of CPAs,</b> 27/F., Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong									
<b>Language</b>	Cantonese									
<b>Format</b>	Workshop									
<b>Fee (for each)</b>	<table><tr><td>HKICPA member or student:</td><td>HK\$850</td></tr><tr><td>Online enrolment:</td><td>HK\$840</td></tr><tr><td>IA/ HKIAAT member or student:</td><td>HK\$850</td></tr><tr><td>Non-member:</td><td>HK\$1,600</td></tr></table>		HKICPA member or student:	HK\$850	Online enrolment:	HK\$840	IA/ HKIAAT member or student:	HK\$850	Non-member:	HK\$1,600
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Online enrolment:	HK\$840									
IA/ HKIAAT member or student:	HK\$850									
Non-member:	HK\$1,600									
<b>Participants</b>	Accountants; Bank officers; CFOs; Credit analysts; Equity analysts; Bond analysts; Finance professionals; Anyone who is interested in enhancing their understanding in financial statement analysis									
<b>Competency*</b>	Corporate & strategic finance; Risk management and internal control; Corporate governance; Industry knowledge; Ethics, integrity and professionalism									
<b>Sub-competency*</b>	Understanding of capital market and financial instruments/ hedging products; Identifying and managing risks; Compliance with legal & regulatory requirements and CG best practices; Business and product knowledge; Recognizing ethical risks and taking measures to mitigate business integrity risks									

\* Please refer to the [Institute's online CPD Learning Resource Centre](#) for descriptions of competency and rating.

## About the programme

### Understanding Facility Letter and Term Sheets for Accountants (WSHP19110601)

This workshop introduces and interprets the key terms and conditions in a bank's facility letter and term sheet.

Topics include:

- Outline of a bank's facility letter and term sheet
- Basic credit terms - facility types, pricing, price protection clause, repayment and prepayment term
- Amendments and waivers - all lenders' consent vs. majority lenders' consent
- Representations and warranties
- Three types of covenant - affirmative covenants, negative covenants, and financial covenants
- Events of default - occurrence and remedies
- Case study: analysing a sample facility letter and term sheet

### From Conventional Structured Financing Products to Virtual Banking (WSHP19110801)

In this era of disruptive technology, a lot of conventional business sectors and industries have to adapt to changes, and some are even vanishing. Banking, though still deemed to be relatively intact, is of no exception. A lot of changes is underway, with or without being noticed by outsiders.

This workshop introduces various conventional structured financing products which serve different financing needs in the face of a regime of change. The speaker will highlight what the likely changes will be and what products will be brought forward by virtual banking, which is enabled by disruptive financial technology and is a new chapter of banking that can achieve what conventional banking cannot in the past.

After joining this workshop, participants will gain knowledge about:

- The basic structure and application of some conventional structured financing products, such as structured trade financing, project financing and export credit agency-covered financing
- What are the likely changes and what products will be brought forward by virtual banking, in areas such as trade financing, remittance, token debt, etc.



## Analysing Financial Statements for Accountants (WSHP19111201)

The workshop focuses on analysing and interpreting financial ratios.

Topics include:

- Evaluate financial risk pre- and post-Asian financial crisis
- Identify the financial characteristics of various industries
- Assess financial risk of a company using ratio analysis
- Interpret and analyse the top 10 financial ratios commonly used by analysts
- Identify repayment source using cash flow statements
- Case studies

## From Banker's Perspectives: Early Warning Signals for HK Listed Companies

(Session 1) (WSHP19112801)

(Session 2) (WSHP19120501)

In the past years, many investors and fund managers suffered from investing in PRC and HK companies, especially in those companies with profit warning or trading of their shares has been suspended. Many investors are still struggling to understand the rationale behind the corporate actions of HK-listed companies. In fact, there are "early warning signals" revealed from various corporate actions of HK-listed companies.

Topics include:

### Session 1

- Major categories of corporate risk
- Common "Red Flag" syndromes of corporate failure
- Common window dressing techniques adopted by HK-listed companies
- How to "hide" debt under carpet for highly geared HK-listed companies
- Case studies

### Session 2

- Analysis of key credit protective terms in loan facilities
- Review of affirmative and negative undertakings and Event of Default (EoD) triggers
- Various types of collaterals and its credit implications
- Case studies

After joining the workshops, participants will gain knowledge about:

- Red flag warning signals of HK-listed companies
- Structural analytical red flag screening framework
- Common window dressing techniques adopted by HK-listed companies



## Understanding Banking Products – Syndicated Loan (WSHP19121301)

This workshop covers the requirements and procedures of arranging syndicated loan.

Topics include:

- Rationale of arranging syndicated loan
- Formation of senior arrangers in the first tier
- Completion of general syndication in the second tier
- Modus operandi of arranging syndicated loan
- Invitation letters with term sheet to be sent
- Confidentiality agreement to be entered into
- Information memorandum for syndicated loan
- Review of terms and conditions in the term sheet
- Distribution of works between arrangers in the syndicate
- Documentation, signing, completion and drawdown of syndicated loan
- Case studies

## About the speakers

### **Mr. J. Wong** BSc (Hons), MPA, EMBA, FCPA (Aust.), FCPA

Being a master degree holder, Mr. Wong is an informed practitioner with more than 20 years' hands-on experiences in corporate finance, financial management and risk assessments for leading international banks, including UBS and Morgan Stanley.

An in-depth knowledge of accounting and finance, together with solid real-life working experience, has fostered the speaker's successful training approach which blends state-of-the-art practices with unmatched technical skills.

Over the years, Mr. Wong has earned high appreciation for practical training and lectures delivered to major commercial banks, investment banks and professional institutes, including HKICPA, CPA Australia and Hong Kong Institute of Bankers.

### **Mr. Edmond Wong**

Mr. Wong is a graduate of the Chinese University of Hong Kong, major in Finance. In the past 30 years, he has worked in various international banks and financial institutions, including Bank of China HK, Japan Leasing HK, United Overseas Bank Singapore, Deutsche Bank Singapore, Belgian Bank HK, LTCB Asia, HypoVereinsbank HK. He was instrumental in setting up the Raiffeisen Bank International HK branch and was the General Manager and Chief Executive of the branch. Mr. Wong also worked as a part-time lecturer in Singapore Polytechnic.

### **Mr. Duncan Tang**, Managing Director, iFinance (Asia) Limited

Mr. Tang has over 20 years of professional experience in corporate financing, credit and product risk analysis at various major US and European international banks, including Merrill Lynch (now Bank of America Merrill Lynch), UBS, RBS and BNP Paribas.

Mr. Tang also has extensive training experience at various professional institutes, international banks and investment banks. He is also an author of an investment book published in Hong Kong.



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### **Deadline: 7 working days before the date of the programme**

\*The Institute reserves the right to allocate places to enable the enjoyment of more members in this event and the Institute's decision is final.

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2							
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- Notes:
1. Membership Status: **NP** = Non-Practising, **P** = Practising, **IA** = International Affiliate, **S** = Student, **HKIAAT** = HKIAAT Student or Member, **GAA** = GAA Passport holder, **NM** = Non-Member.
  2. Confirmation of enrolment will be sent to you via email. For HKICPA member, you can check your enrolment status at "MyCPA" at [www.hkicpa.org.hk](http://www.hkicpa.org.hk). Unsuccessful enrolment will be notified with full refund.
  3. NO ADMISSION TICKET will be issued. Please bring your HKICPA membership card or confirmation email for admission purpose.
  4. All applications are on a first-come-first-served basis.
  5. Application by fax will ONLY be accepted when payment is made by credit card. Cash is strictly not accepted. Please ensure all the particulars relating to payment are completed, otherwise the application cannot be processed. There is NO need to send in the enrolment form again if it has already been faxed to the Institute.
  6. For credit card payment, the card should be valid with expiry date at least 1 month from the date of event.
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  8. In normal circumstances, the event fee is non-refundable or non-transferrable upon receipt of payment by HKICPA. Should the event be cancelled or postponed due to unforeseeable circumstances, refund will be made according to your payment method. For credit card payment, refund will be made directly to your credit card account. For cheque payment, refund will be mailed to your correspondence address.
  9. All scheduled events will be cancelled and postponed to a date to be announced in the event of typhoon signal no. 8 or above or if a Black Rainstorm warning is hoisted. For details of bad weather arrangement for CPD programmes, please refer to the Institute's homepage.
  10. The Institute reserves the right to change the venue, date, speaker or to cancel the event due to unforeseen circumstances.
  11. No unauthorized audio or video recording is allowed at CPD events.

**Personal Data:** Your personal data collected from the enrolment process and administration of courses/events/activities will be used for the purpose of the administration of the course on which you are enrolled. Such data collected may be accessible by the Institute's officers, persons or committees processing the application and related matters. In addition, the Institute may use the collected data for statistical research and analysis. The Institute intends to use the personal data of your name, email address and correspondence address to inform you, where relevant, of members' benefits, goods, services, facilities and events organized or provided by the Institute or other organizations. Members and registered students may opt out of receiving such materials at any time by logging in via the following link <https://mas.hkicpa.org.hk/mycpa/communication/preference>. Non-members may opt out of receiving such materials at any time by sending an email to the Institute at [privacyofficer@hkicpa.org.hk](mailto:privacyofficer@hkicpa.org.hk) or a letter to the Institute's privacy officer. For more information about the privacy policy of the Institute, please go to <http://www.hkicpa.org.hk/en/service-tools/privacy-policy>.

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