

Investment Series

(February to March 2023)

Investment is of critical importance to an investor, be it an individual or institution. Investors must gain a thorough understanding of the nature and structure of different financial products in order to create a strategy for investments that matches their needs, make investment decisions to enhance returns as well as to maximize the value of their investment portfolio.

HKICPA's Investment Series of workshops equip participants with knowledge of various financial products, including stocks, bonds, derivatives and alternative investments, so as to further enhance their investment decision-making. Speakers will also share the applications and practical issues on investment in the evolving capital market and their implications to investors.

Topic/ Programme code	Date and time	Rating*	Speakers
Identifying High Risk Stocks in Times of Uncertainty: Session 1 – Red Flags for Corporate Failure (WSHP23020801) Session 2 – Understanding Protective Terms and Conditions in Credit Facilities (WSHP23022801)	Wednesday, 8 February 2023 7:00 p.m. – 10:00 p.m. Tuesday, 28 February 2023 7:00 p.m. – 10:00 p.m.	Intermediate to advanced Intermediate to advanced	Mr. Duncan Tang Managing Director, iFinance (Asia) Limited
Financial Gimmicks I (WSHP23030901) Financial Gimmicks II (WSHP23031501) Financial Gimmicks III (WSHP23032901)	Thursday, 9 March 2023 7:00 p.m. – 10:00 p.m. Wednesday, 15 March 2023 7:00 p.m. – 10:00 p.m. Wednesday, 29 March 2023 7:00 p.m. – 10:00 p.m.	Foundation Foundation Foundation	Mr. M. K. Lai PhD, CFA Principal Consultant, Executive Training and Management Consultancy Company Limited
Hedge Fund Fundamentals (WSHP23032101)	Tuesday, 21 March 2023 7:00 p.m. – 10:00 p.m.	Intermediate to advanced	Mr. Duncan Tang Managing Director, iFinance (Asia) Limited



Hong Kong Institute of
Certified Public Accountants
香港會計師公會

Venue	Hong Kong Institute of CPAs 27/F, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong
Format	Face-to-face workshop
Language	Cantonese
Fee (for each session)	HKICPA member or student or IA: HK\$750 (Online enrolment: HK\$740) Non-member: HK\$1,500
Participants	Chief Financial Officers (CFOs); Accountants; Auditors; Analysts; Investors; Finance professionals; Bank officers; Credit analysts; Equity analysts; Bond analysts; Relationship managers; Anyone who is interested in enhancing their understanding of financial gimmicks
Competency*	Corporate and strategic finance; Industry knowledge; Risk management and internal control; Corporate governance; Ethics, integrity and professionalism
Sub-competency*	Understanding of capital market and financial instruments/ hedging products; Business and product knowledge; Identifying and managing risks; Compliance with legal and regulatory requirements and corporate governance best practices; Understanding business ethics
CPD hours (for each session)	3

* Please refer to the [competencies and ratings for CPD events](#).



About the programme

Identifying High Risk Stocks in Times of Uncertainty

During the past few years, many investors and fund managers suffered from investing in Mainland China and Hong Kong companies, especially those with profit warning or the shares being suspended. Many investors are still puzzled and struggle to understand the rationale behind the corporate failure of many Mainland China and Hong Kong listed companies. In fact, there are early "Red Flag" signals revealed from various corporate actions of Mainland China and Hong Kong listed companies. In the workshops, the speaker will unveil the essential red flags of high risk stocks from both qualitative and quantitative perspectives, including the industry-wide and company-specific risk metrics.

Session 1 – Red Flags for Corporate Failure (WSHP23020801)

Topics of this session include:

- Major categories of corporate risk
- Common "Red Flag" syndromes of corporate failure
- Common window dressing techniques for Hong Kong listed companies
- How to "Hide" debt under carpet for highly-g geared Hong Kong listed companies
- Case studies

Session 2 – Understanding Protective Terms and Conditions in Credit Facilities (WSHP23022801)

Topics of this session include:

- Analysis on key credit protective terms in credit facilities
- Reviewing 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:

- Understand the Red Flag warning signals of Mainland China and Hong Kong listed companies
- Gain insight of structural analytical red flag screening framework from credit risk perspectives
- Be able to identify the common covenants undertaking in the credit facilities and the event of default (EOD) triggers



Financial Gimmicks

These financial gimmicks workshops aim to provide participants with the knowledge of financial shenanigans and in understanding the nature of financial gimmicks through the use of corporate actions.

Financial Gimmicks I (WSHP23030901)

This workshop discusses financial gimmicks relating to income distributions, such as cash dividends, scrip dividends, bonus issues and distributions in specie, through a number of real-life cases. Last but not least, it discusses the possible early warning signals for financial gimmicks.

After joining the workshop, participants will gain knowledge about:

- Financial shenanigans in terms of accounting tricks and financial gimmicks
- The nature of financial gimmicks
- The five types of corporate actions
- The nature of financial gimmicks relating to income distribution
- The examination of financial gimmicks of cash dividends, scrip dividends, bonus issues and distributions in specie
- The possible early warning signals for financial gimmicks

Financial Gimmicks II (WSHP23031501)

This workshop discusses financial gimmicks relating to capital restructuring and other financial gimmicks, illustrated by real life cases.

After joining the workshop, participants will gain knowledge about:

- The nature of financial gimmicks relating to capital restructuring
- The examination of financial gimmicks of capital reduction, share consolidation, share subdivision and share buy-back
- The nature of other financial gimmicks
- The examination of other financial gimmicks including change of company name, change in board lot size, change in use of proceeds and asset swap

Financial Gimmicks III (WSHP23032901)

This workshop discusses financial gimmicks relating to fund raising and corporate restructuring, illustrated by real life cases.

After joining the workshop, participants will gain knowledge about:

- The nature of financial gimmicks relating to fund raising
- The examination of financial gimmicks of public offerings, private placings, rights issues and stock option schemes
- The nature of financial gimmicks relating to corporate restructuring
- The examination of financial gimmicks of backdoor listing, privatization and change in group structure



Hedge Fund Fundamentals (WSHP23032101)

This workshop reveals the trading strategies, value creation drivers, due diligence checklists, the risk and return analysis, and performance measure from an investment banker's perspective. The speaker will also discuss the reasons to start hedge fund, and the difference between hedge fund and traditional fund. Different types of hedge fund strategy, such as equity long-short, relative value, event driven will also be analyzed.

After joining the workshop, participants will gain knowledge about:

- The key value and risk drivers of hedge fund investment
- How fund managers pick good hedge fund and their parameters
- Key investment considerations of the hedge fund managers
- New role of hedge fund in merger and acquisition (M&A)

About the speakers

Mr. Duncan Tang

Managing Director, iFinance (Asia) Limited

Mr. Tang has over 25 years of professional experience in corporate financing, credit and product risk analysis at various major US and European international banks, including Bank of America Merrill Lynch (formerly known as Merrill Lynch), UBS, RBS and BNP Paribas. He was previously a Vice President-Finance of a Hong Kong listed company.

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

Mr. M. K. Lai *PhD, CFA*

Principal Consultant, Executive Training and Management Consultancy Company Limited

Mr. Lai provides professional consulting services and quality training programmes to different financial institutions, business firms, professional bodies and academic organizations. He obtained a Doctorate in Finance at London Business School. He is a Chartered Financial Analyst (CFA) charterholder and has published a number of professional books and articles.

Remarks

In view of the continuing risks posed by COVID-19, the Institute is adopting the following precautionary measures at the workshop (subject to change):

- Due to the constantly evolving COVID-19 pandemic situation, the Institute may reschedule or cancel the workshop at a short notice via email and SMS
- All speakers and participants will be required to:
 - Wear face mask at the venue and throughout the workshop
 - Submit a health declaration form and use sanitizing gel provided for disinfection of hands before entering the classroom
- No refreshment or drinks will be provided
- Eating and drinking are not allowed at the venue



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HKICPA Event Enrolment Form (For Support Programme)

Finance & Operations Department,
Hong Kong Institute of CPAs,
37/F, Wu Chung House, 213 Queen's Road East, Hong Kong

Payment & Enrolment Status Enquiry: 2287 7381
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Course Information Enquiry:
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FOR OFFICE USE

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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- Notes:**
- Membership Status: **NP** = Non-Practising, **P** = Practising, **IA** = International Affiliate, **S** = Student, **GAA** = GAA Passport holder, **NM** = Non-Member.
 - 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. Unsuccessful enrolment will be notified with full refund.
 - NO ADMISSION TICKET will be issued. Please bring your HKICPA membership card or confirmation email for admission purpose.
 - All applications are on a first-come-first-served basis.
 - 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.
 - For credit card payment, the card should be valid with expiry date at least 1 month from the date of event.
 - Please issue SEPARATE CHEQUE for each event.
 - 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.
 - 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.
 - The Institute reserves the right to change the venue, date, speaker or to cancel the event due to unforeseen circumstances.
 - 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 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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