



INSTITUTE OF ASIAN PRIVATE EQUITY INVESTMENT

*Revised
Programme*

Executive Investment Management *Workshop* (XXXVIII)



a 3-day programme that includes

**THE FUNDAMENTALS OF ASIAN PRIVATE EQUITY INVESTMENT
&
INTERNAL FUND MANAGEMENT CONTROL**

29th - 31st
March, 2010

**CONRAD
HONG KONG
HOTEL**





About the Executive Investment Management Workshop (xxxviii)

Private equity has now firmly established itself as a sustainable asset class in Asia, following a period of uninterrupted profitable divestment results. The number of fund management firms has soared to 1,600. This three-day compact and intensive *Workshop* is designed to provide comprehensive understanding of private equity in Asia.

Each session is led by leading and long serving professionals whose wealth of knowledge is valuable to all those who are seeking to better understand the dynamics of Asian private equity.

In these three days, participants will be able to:-

- acquire essential knowledge on Asian private equity
- have insight to live case studies/class assignments
- work in a team on class assignments

The **Executive Investment Management Workshop (xxxviii)** will continue with the standards set in all previous 37 courses. Since launched, the *Workshop* has attracted more than 1,200 managers from more than 38 countries.

About the INSTITUTE and Its Courses

The **INSTITUTE OF ASIAN PRIVATE EQUITY INVESTMENT** is managed by the *Centre for ASIA PRIVATE EQUITY RESEARCH LTD*, a Hong Kong-based research firm that focuses on Asian private equity. The **INSTITUTE's** faculty is drawn from leading Asian private equity/venture capital managers and professionals with profound Asian private equity investment experience. The acclaimed **Executive Investment Management Workshop** was first conducted in Hong Kong in September 1995.

Since 1996, the **INSTITUTE** has worked closely with global development financing agencies and produced training programmes in various markets. Such institutions included:-

- Netherlands Development Finance Company (FMO), which is quasi-owned by the Netherlands government
 - Swiss State Secretariat for Economic Affairs (SECO), the direct investment promotion arm of the Swiss government
 - Proparco: a development finance agency of the French government
- as well as government-related institutions.



INSTITUTE OF ASIAN PRIVATE EQUITY INVESTMENT

Day One - Monday, 29th March, 2010

THE FUNDAMENTALS OF ASIAN PRIVATE EQUITY INVESTMENT

- 8:00 am - 8:45 am **REGISTRATION**
- 8:45 am - 9:00 am **INTRODUCTORY SESSION**
- 9:00 am - 12:00 pm **THE DEAL SOURCING & DUE DILIGENCE PROCESS**
- deal sourcing
 - how to leverage on the partners' networks
 - establishing your deal selection parameters
 - how to create proprietary deals: a case study
 - due diligence
 - establishing the due diligence check list and standards for your institution
 - the financial and legal issues as well as background checks on promoters
 - the due diligence schedule and process
 - case study on hidden hurdles of due diligence
- case study session - class will be divided into groups to assess on an assigned case*
- 12:00 pm - 1:00 pm **LUNCH BREAK**
- 1:00 pm - 5:00 pm **STRUCTURING AND VALUATION**
- structuring
 - understanding the Memorandum and Articles of the company
 - a check list of a structure that would –
 - ensure alignment of interests by all parties
 - provide clear parameters on corporate compliance
 - the number of board seats and the remuneration committee
 - use of various kinds of share structure to maximise returns
 - a structure that would allow a flexible exit plan
 - valuation
 - the various valuation models
 - valuation to achieve expected returns
 - the science and art of valuation
- case study session - class will be divided into groups to work on a case to better understand the correlation between structure and valuation in order to achieve the desired returns*



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*Day Two - Tuesday, 30th March, 2010***THE FUNDAMENTALS OF ASIAN PRIVATE EQUITY INVESTMENT**

- 9:00 am - 12:00 pm **PORTFOLIO MANAGEMENT AND EXIT STRATEGIES**
- portfolio management
 - internal system that reviews the progress of portfolio companies
 - communication channels with companies to ensure an alignment of interest
 - how to enhance value of the companies during the investment holding period
 - preparing to exit from the company
 - exit strategies
 - the importance of determining the appropriate exit strategy before making the investment
 - divestment mechanisms available
 - how to engineer an exit when original exit plans go astray
- case study session - class will be divided into groups to work on an assigned case as to how to help portfolio companies to enhance their value as well as implementing the best exit avenue*

12:00 pm - 1:00 pm **LUNCH BREAK****MARKET INTELLIGENCE**1:00 pm - 1:30 pm **REGISTRATION**1:30 pm - 3:30 pm **BRIEFING ON ASIAN PRIVATE EQUITY**

- the latest trends of Asian private equity and its outlook
- developments of selected markets
 - China, India and other markets
- **ASIA PE INDEX** ⁽¹⁾ - the return benchmark for Asian private equity
 - historical returns of private equity investing in Asia
 - return profiles for
 - buyout and non-buyout funds
 - selected markets and industries
 - analyses on the top quartile performers

3:30 pm - 4:00 pm **BREAK**4:00 pm - 5:30 pm **PLENARY SESSION - RECOVERY & OPPORTUNITIES IN ASIAN PRIVATE EQUITY**

- crisis management
 - how have investors managed the past crisis
 - what have been the lessons learnt
- green investment
 - the implications of a “green” theme in private equity
 - what are the opportunities and obstacles
- future market trends & hurdles
 - regulatory issues
 - market trends

6:00 pm - 8:30 pm **COCKTAIL RECEPTION**

⁽¹⁾ **Asia PE Index** - the first return benchmark for private equity investment in Asia. Researched and produced by the pool of analysts from *Centre for ASIA PRIVATE EQUITY RESEARCH LTD.*, **Asia PE Index** tracks returns of transactions made since 1998. As at the end of August 2009, **Asia PE Index** covers 46% of the invested capital since 1998, covering divestment results of over 500 fund management firms



INSTITUTE OF ASIAN PRIVATE EQUITY INVESTMENT

Day Three - Wednesday, 31st March, 2010

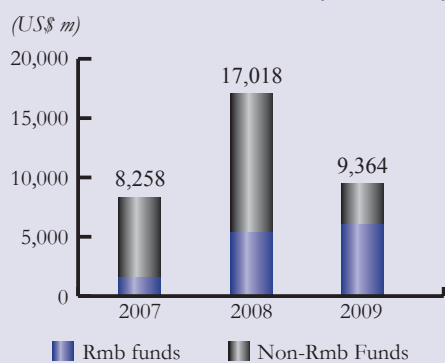
INTERNAL FUND MANAGEMENT CONTROL

8:30 am - 9:00 am	REGISTRATION
9:00 am - 10:30 am	INTERNAL FUND MANAGEMENT <ul style="list-style-type: none">• functions of internal fund management control• the critical importance of internal fund management to support the overall fund management structure• the internal control process – compliance matters<ul style="list-style-type: none">◦ setting up policies over investments of securities◦ conflict of interest issues• regulatory complexities facing internal control managers
10:30 am - 10:45 am	BREAK
10:45 am - 12:15 pm	CAPITAL CALLS AND DISBURSEMENT PROCESS <ul style="list-style-type: none">• the checklist for investment approvals<ul style="list-style-type: none">◦ legal, tax and regulatory issues• preparing for capital call notices• internal and external sign-offs and disbursement of funds
12:15 pm - 1:15 pm	LUNCH BREAK
1:15 pm - 2:30 pm	POST INVESTMENT PROCESS <ul style="list-style-type: none">• record maintenance of<ul style="list-style-type: none">◦ investments◦ fees/cost structures◦ custody of legal and title documents• the importance of adhering to such principles
2:30 pm - 3:45 pm	REPORTING PROCESS <ul style="list-style-type: none">• preparing for quarterly reports to the limited partners• valuation of portfolio companies: adopting fair value accounting• calculating the IRR• foreign exchange impact and hedging policies
3:45 pm - 4:00 pm	BREAK
4:00 pm - 5:15 pm	EXTERNAL FUND MANAGEMENT ADMINISTRATION <ul style="list-style-type: none">• the pros and cons of an external fund management administrator• defining the roles of a in-house controller and an external fund management firm• managing relationships between in-house and external fund management teams

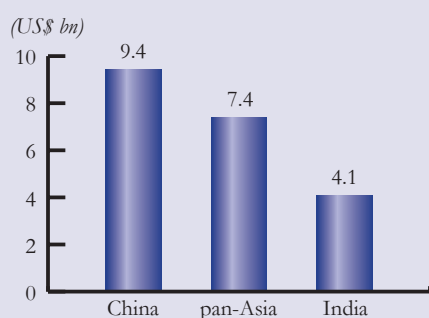
*** All programmes subject to change without prior notice ***

Private Equity in Asia 2009 – Storms & Rainbows

In 2009, the changes in the Asian private equity industry have been extensive and monumental. For the first time since the technology meltdown in the early years of the last decade, the industry recorded substantial declines in both fresh capital raised as well as transaction totals. In these 12 months, an additional US\$22.3 billion has come into the market that represented a 55% drop, compared to the same period in the preceding year. Similarly,

Growth of Rmb-Dominated Funds (2007 - 2009)

Source: ASIA PRIVATE EQUITY REVIEW

Private Equity Fund Pool Profile (2009)

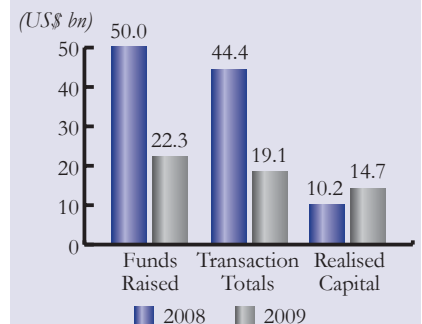
Source: ASIA PRIVATE EQUITY REVIEW

investment aggregate also plunged to a new low, with investors having committed to less than US\$20 billion in total, a staggering 57% decline. It was however the exit performance that reaffirmed Asian private equity's promises. In 2009, at least US\$14.7 billion has been returned to investors' coffers, exceeded that for 2008 by an impressive 44%.

China has firmly consolidated its position as the central market in Asian private equity. In 2009, it led in attracting the largest pool of fresh capital as well as in transaction total. With US\$9.4 billion raised from both domestic and international investors, it is the first time that a single country fund pool has surpassed those with a pan-Asian focus. Yet the surging pool of renminbi or yuan funds has become one of the most discussed subject matters, especially with a landmark regulatory regime that is due to come into effect in March this year.

During 2009, China's domestic currency funds emerged from the background and for the first time, they commanded the lion's share in the country's 2009 fund pool profile. It is also the first time that an Asian country has successfully introduced its own currency as the mainstay of its own private equity fund pool.

As the private equity industry greets a new decade, China will be the driving force that will shape the future course of private equity development not only in Asia, but also worldwide.

Asian Private Equity Landscape (2008 - 2009)

Source: ASIA PRIVATE EQUITY REVIEW

About the Centre for ASIA PRIVATE EQUITY RESEARCH LTD

The *Centre for ASIA PRIVATE EQUITY RESEARCH LTD* is a Hong Kong based organisation that focuses on the Asian private equity investment industry. Core activities include:-

- the **ASIA PRIVATE EQUITY REVIEW**, a monthly report on the development of the Asian private equity industry
- the **APER - Greater China Edition**, the first private equity journal that covers the Greater China market
- **ASIA PRIVATE EQUITY REVIEW ON-LINE DIRECTORY**, a web-based database that lists over 2,000 private equity venture / capital fund management firms throughout Asia
- The **ASIA PE INDEX**, the return benchmark of Asian private equity
- the planning, programming and marketing of conferences/seminars to promote globally the Asian private equity/venture capital industry
- undertaking research, consulting, placement and other special projects relating to the private equity/venture capital industry in Asia
- managing the **INSTITUTE OF ASIAN PRIVATE EQUITY INVESTMENT**, inclusive of the development of its training programmes, course content and all related materials

Partial list of speakers

Mr Patrick Alexander, *Managing Partner*, Batavia Investment Management Ltd.

Mr Alexander is a Managing Partner of Batavia Investment Management Ltd., a private equity firm based in Indonesia. He has operated as a private equity manager and venture capitalist in Indonesia since 1992. He currently develops companies on a venture capital basis with various partners. In that context he has since 2004 partnered with companies including Sound Oil PLC, an oil and gas company listed in London; PT. Ilthabi Bara Utama, a coal mining company; Ephindo-Ilthabi CBM Holding Inc., a company which develops coal bed methane resources in Indonesia; and Pan Asia Resources Corporation Ltd, a gold mining development company.

Mr Adam Bornstein, *Vice President*, CDIB Capital Limited

Mr Bornstein is a Vice President at CDIB Capital, a Hong Kong-based US\$1 billion pan-Asia private equity fund, where he shares responsibilities for direct investment activities across multiple asset classes. Mr Bornstein is also the founding partner of Ymer Venture Capital Asia, an early stage venture capital fund located in Shanghai, where he focuses on IT-enabled services in the multi-media, gaming, consumer services, and telecom verticals.

Dr Sylvia Chan, *Managing Director & Co-founder*, Entropy Ventures

Dr Sylvia Chan is Managing Director and co-founder of Entropy Ventures which has launched a US\$75 m private equity fund focused solely on Asian clean energy. Prior to co-founding Entropy Ventures, Sylvia had been following renewable energy for 5 years, having also spent 10 years in the energy infrastructure area, 8 in strategy consulting at McKinsey & Co and KPMG as well as her own firm and 2 in investment banking as Head of Utilities at Macquarie.

Mr Elton TM Cheong, *CFO and DGS*, Chinese YMCA of Hong Kong

Mr Cheong is the Chief Financial Officer and Deputy General Secretary at Chinese YMCA of Hong Kong, a centennial organization with over a thousand employees. He previously worked for Natexis Private Equity Asia Ltd. and Suez Asia Holding Singapore Ltd. as Chief Financial Officer and Financial Controller respectively, both well known Asian private equity arms of renowned French Banks. With over 20 years in the field, he is the member of the Institutions of Certified Public Accountant in Singapore, Hong Kong and United Kingdom.

Partial list of speakers

Mr Eric R Mason, Senior Vice President, Church Pension Fund

Mr Mason has been in the Asia region for over twenty years. He joined the Church Pension Fund in 2009 as the head of Fund's Asian office based in Hong Kong. He has responsibility for representing the Fund's investment across all asset classes in both the private and public markets, with a focus on private equity, venture capital, real estate, hedge funds and specialised situations.

Prior to joining the Fund Mr Mason was the Fund Head for Carlyle Asia Leverage Finance and before that he spent 12 years with JPMorgan most recently as Asian regional co-head for Syndicated & Leveraged Finance.

Ms Kathleen Ng, Managing Director, Centre for Asia Private Equity Research

Ms Ng is the Managing Director of the Centre for Asia Private Equity Research Ltd., an independent organisation and publisher of the Asia Private Equity Review. Ms Ng joined the Asian private equity / venture capital industry in 1989 and is regarded as a leading authoritative analyst on the Asian private equity investment industry.

Mr Kyle Shaw, Founding Partner and Managing Director, Shaw Kwei & Partners

Mr Shaw is the Founding Partner and Managing Director of Shaw Kwei & Partners, a private equity fund manager investing in Greater China founded in 1999. He has been involved in Asian private equity for 20 years. Mr Shaw had previously worked at Security Pacific National Bank's merchant bank in New York in 1987, and then was transferred to Hong Kong where he founded Security Pacific's Asian private equity business in 1989. In 1993, Mr Shaw left and joined the Tudor Investment Group to open a Shanghai office to manage this hedge fund's proprietary investments in China.

Ms Miranda Tang, Managing Director of Private Equity, CLSA Capital Partners

Ms Tang is the Managing Director of CLSA Capital Partners. She joined the firm in late 1995. Ms Tang focuses on the Pan-Asia market, with concentration on Korea, Greater China and India. She has over 17 years' experience in corporate planning and equity investment in both Asia and the US. From 1991 to 1992, Ms Tang was a tax accountant in Ernst & Young (Denver office). Between 1992 and 1995, she was a treasury accountant and project finance manager with the Century City Group in US and Hong Kong respectively. Ms Tang is a member of the AICPA, an associate of the HKICPA and an associate member of the HKSI.

APPLICATION FORM

Dr./ Mr / Mrs/ Ms (Surname:) _____ (First Name:)

Firm: _____ Position: _____

Tel: _____ Fax: _____ Email: _____

Address: _____

PACKAGE OPTIONS:

Please "✓" to select	29 th March, 2010	30 th March, 2010		31 st March, 2010	Price
		Morning	Afternoon		
	The Fundamentals of Asian Private Equity Investment		Market Intelligence	Internal Fund Management Control	
<input type="checkbox"/> Package A	✓	✓	✓	✓	US\$4,300 / HK\$33,540
<input type="checkbox"/> Package B	✓	✓	✓		US\$3,300 / HK\$25,740
<input type="checkbox"/> Package C				✓	US\$1,980 / HK\$15,444
<input type="checkbox"/> Package D			✓		US\$980 / HK\$7,644

All packages include an invitation to the cocktail reception on 30th March, 2010**FEE PAYMENT:** *(Personal cheques are not accepted. Any bank charges must be prepaid)*

Payment should be made in Hong Kong Dollars or US Dollars only and should be settled by one of the following methods.

 Company Cheque, Bank Draft/ Money Order in HK Dollars or US Dollarspayable to: **Centre for Asia Private Equity Research Ltd** T/T payment to account of: **Centre for Asia Private Equity Research Ltd**

at: Hong Kong and Shanghai Banking Corporation

Honwell Commercial Centre Branch, Hong Kong (**MT103 to HSBCHKHKKH**) in US\$: Acct. No. **173-7-601896** in HK\$: Acct. No. **173-8-014248***(Please attach copy of T/T advice to registration form for verification)* Credit Card: American Express only *(4% surcharge applies on payment by American Express)*

Card No. |_|_|_|_|_| - |_|_|_|_|_| - |_|_|_|_|_| Expiry ____/____

Name on card: _____

Signature: _____

REGISTRATION CONDITIONS:

- 1) Registration is confirmed upon the receipt of payment. Cancellations of confirmed registrations prior to 28th February, 2010 are subject to a cancellation fee of 10% of the tuition fee. Refunds cannot be given for cancellations received thereafter.
- 2) Each registration is meant for one person only. No substitute other than the registrant is allowed to attend any session of the seminar.
- 3) Registration fee includes seminar materials, lunch, coffee breaks and cocktail reception. Fee does not include accommodation. More details will be provided upon registration.