

INSTITUTE OF ASIAN PRIVATE EQUITY INVESTMENT

The Fundamentals of Asian Private Equity Investment

April 18 - 20, 2005 Hong Kong

Day One (April 18)	Day Two (April 19)	Day Three (April 20)
<p>9:00 a.m. - 11:00 a.m. An Overview of Venture Capital/Private Equity in Asia & an Orientation on Data Analysis Overview of private equity in Asia • its characteristics and the latest trends • the evolution of various investment segments</p> <p>An orientation on data analysis • the complexity, data sources and definitions applied • how data collection is affected by the diverse Asian Private Equity scene</p> <p><i>Morning Break</i></p> <p>11:30 a.m. - 12:30 p.m. Corporate Governance • investors' expectations and demands • the problems and solutions to obtaining transparent reporting • concerns of fund investors and fund managers (an open discussion & class assignments)</p>	<p>9:00 a.m. - 5:30 p.m. Investment Structuring and Valuation 9:00 a.m. - 11:00 a.m. The fundamentals of Investment structuring and valuation • parameters of structuring an investment • various commonly used instruments • factors governing a successful investment structure • relationships between investment structuring and valuation • valuation models commonly employed, their pros/cons in various situations • valuation, is it an art or science?</p> <p><i>Morning Break</i></p> <p>11:30 a.m. - 12:30 p.m. Legal framework of investment structuring and valuation • structure to capture upside potential and protect downside risk</p>	<p>9:00 a.m. - 10:15 a.m. Portfolio Management • effective portfolio management that could enhance investment returns • monitoring while guiding entrepreneurs to align your interest • warning signals that private equity investors ought to be aware of</p> <p><i>Morning Break</i></p> <p>10:45 a.m. - 12:15 p.m. Implementation and Execution of Divestment Procedures • the various exit channels that can be employed • the options when the original divestment agenda goes off the rails</p>
<p><i>Luncheon Break</i></p> <p>1:45 p.m. - 5:45 p.m. Sourcing / Screening Deals & Performing Due Diligence 1:45 p.m. - 2:45 p.m. Overview of Sourcing / Screening Deals • channels to source "bankable" companies • basic criteria to select "bankable" opportunities</p> <p>2:45 p.m. - 4:00 p.m. Overview of Performing Business Due Diligence • the importance of performing due diligence • due diligence check list</p> <p><i>Afternoon Break</i></p> <p>4:15 p.m. - 5:00 p.m. Performing Legal Due Diligence • legal issues in performing due diligence</p> <p>5:00 p.m. - 5:45 p.m. Case Study • groups to present and discuss findings on case study</p>	<p><i>Luncheon Break</i></p> <p>1:45 p.m. - 3:30 p.m. Traditional Model (non-buyout) • typical investment structure and valuation models used in non-buyout transactions • class assignment or case study designed to better understand viable models in growth companies</p> <p><i>Afternoon Break</i></p> <p>3:45 p.m. - 5:30 p.m. Buyout Model • differences between buyout model and traditional model • class assignment or case study designed to better understand viable models in buyout situations</p>	<p style="text-align: center;">Closing & Certificate Presentation</p>



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Partial List of Course Faculty Members

Mr Andrey Berzins Mr Berzins is the Managing Director of Suez Asia, a private equity fund management group with offices in Hong Kong and Singapore. Mr Berzins has been resident in Asia since 1984 and has worked in the private equity industry, with the Suez Asia group, since 1989. He is currently managing his third private equity fund which is focused on later-stage investments in the Greater China region. During his career with the Suez Asia group, Mr Berzins has been involved in approximately 100 private equity investments in companies operating in a diversified range of industries. These investments have been located both in the Greater China region and the majority of the ASEAN countries.

Mr Doug Coulter Mr Coulter is based in Hong Kong, the IFC's regional headquarters for the Asia Pacific, where he is responsible for sourcing, structuring, monitoring and exiting investments for IFC in the Asia Pacific region. He develops new business in the TMT, retail and consumer products, pharma and tourism sectors. Mr. Coulter has 8 years of experience in direct investments and investment banking, and previously worked at Nomura Securities in Hong Kong and as a lawyer at Fasken Martineau DuMoulin LLP in Toronto, Canada. He holds an MBA from INSEAD in France, an M.Sc. from the London School of Economics and a law degree from the University of Western Ontario in Canada.

Mr Hugh Dyus Mr Dyus is a director of PPM Ventures (Asia) Limited, the Asian private equity investment arm of the Prudential plc of the UK, which has successfully invested several hundred million dollars in Asia Pacific, primarily in buyouts, since 1998. He has been responsible for the portfolio management of Asia Pacific direct investments since 2002, and has also been involved in deal origination and execution activities. He joined PPM Ventures (Asia) Limited in 2000 from CCF Charterhouse (Asia) Limited, where he was a Director responsible for merger and acquisition advisory services across the Asian region. Mr Dyus has a Bachelor of Economic Science Degree and a Master of Business Administration from the University of the Witwatersrand, South Africa.

Mr Basil Hwang Mr. Hwang is a corporate associate of O'Melveny & Myers LLP based in the firm's Hong Kong office. Mr. Hwang has represented private equity funds and strategic investors in their China and Hong Kong investments and divestments, and has also represented Chinese companies receiving foreign capital. In addition, his private equity experience includes advising on mezzanine finance, management buyout and M&A transactions, and over the last 7 years has been focused principally on technology, telecommunications, the Internet and financial institutions. Mr. Hwang's recent exit experience includes the listings of Shanda Interactive and China Finance on Nasdaq, and the sale of 3721 Network to Yahoo!"

Ms Dandan Liu Ms Liu is vice president of Pantheon Capital (Asia) Limited. She is responsible for evaluating investment opportunities and monitoring existing investments in Asia particularly Japan. She joined Pantheon in 1997 from the Nichimen Corporation in Tokyo where she was responsible for managing international private equity funds and evaluating direct investments. Prior to working in the finance industry, Ms Liu worked as an electronics engineer at BMMRI, a Chinese research institute. She received a B.Eng in Electronic Engineering from Wuhan University, China and an MBA from University of Toronto, Canada. She is fluent in English, Mandarin and Japanese.



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Partial List of Course Faculty Members

Mr Piers Millar Mr Millar is a director of Intermediate Capital Asia Pacific, which is based in Hong Kong and provides mezzanine capital for buyouts, development capital and acquisitions in the Asia Pacific region. Mr Millar has worked for Intermediate Capital Group for 7 years and was based in the London office before moving to Hong Kong in September 2001 to set up the Asia Pacific office. During this time, he has been involved in a wide range of investments in Europe and Asia Pacific. Prior to joining Intermediate Capital Group, he worked for KPMG in London.

Ms Kathleen Ng Ms Ng is the Managing Director of Centre for Asia Private Equity Research Ltd., the publisher of **ASIA PRIVATE EQUITY REVIEW**. Ms Ng joined the Asian private equity / venture capital industry in 1989 and is regarded as a leading authoritative analyst of the Asian private equity investment industry.

Mr Alvin Nie Mr Nie is the Senior Analyst and Vice President at the Centre for Asia Private Equity Research Ltd. Prior to that, Mr Nie was an Investment Manager at DragonTech Ventures, a Greater China focused technology venture capital firm. Mr Nie has over 7 years of experience in the financial industry, including cross-border investment experience in The Greater China region and USA. Mr Nie is also a CFA charterholder.

Mr Jamie Paton Mr Paton is the head of 3i in North Asia, based in Hong Kong. Jamie was the founder of 3i's Hong Kong office and in this role he is responsible for all 3i's North Asia business operations. Mr Paton joined 3i's Asia Pacific team in September 2000, after a career of more than 13 years with 3i in the UK. Prior to joining 3i, Jamie spent 4 years with KPMG in Scotland.

Ms Josephine Price Ms Price is the Managing Director of CLSA Private Equity. Ms Price is currently responsible for managing a private equity fund pool of more than US\$175 million. She has been based in Asia for over 20 years, out of which, for more than 18 years, she has been associated with the Asian private equity industry.

Mr Robert Woll Mr Woll is the managing partner of the Hong Kong office of Morrison & Foerster and has been extensively involved in Asian private equity. He has advised on the formation and structure of a number of Asian private equity funds. Some of his most recent involvements include a China-based fund which enlists Legend Holdings as its limited partner and Google's acquisition of Baidu.com.

*Invited: Mr. Hanson Cheah, Managing Partner, AsiaTech Ventures Ltd**

* confirmed



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Mr Ravi Vish, *Manager of IT Investment Division*, International Finance Corp.

About the INSTITUTE and Its Courses

Launched in 1995, the INSTITUTE is managed by **Centre for Asia Private Equity Research Ltd**, publisher of the **ASIA PRIVATE EQUITY REVIEW**. Its courses are designed to provide a comprehensive and in-depth understanding of the fundamentals of Asian private equity investments.

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 **FUNDAMENTALS** course was first conducted in Hong Kong in September 1995. Since then 21 courses have been conducted and over 450 managers from more than 30 countries have attended these courses.

The INSTITUTE is privileged to have received sponsorship from the Netherlands Development Finance Company (FMO) for Indian training courses held in 1996 and 2002, and a course in Korea in 1999. It is honoured that the Swiss State Secretariat for Economic Affairs (SECO) has sponsored a training course in China in 2003.

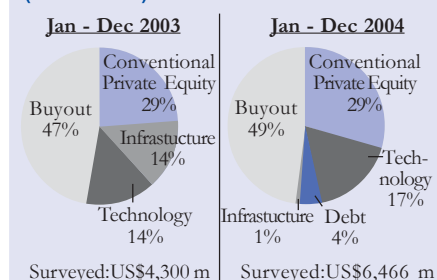
Centre for Asia Private Equity Research Ltd (previously known as Asia Pacific Communications Limited) is a Hong Kong based organisation that focuses on the Asian private equity investment industry. Core activities include:-

- the **ASIA PRIVATE EQUITY REVIEW**, a monthly report on the development of the Asian private equity industry
- the **APER Greater China**, the first monthly journal published in Chinese that focuses on private equity activities in the Greater China region
- the annual publication of the **asia pacific Private Equity Bulletin's Directory of Private Equity/Venture Capital Funds Sources in the Asia Pacific Region**
- 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

Private Equity Investment in Asia

After experiencing its worst consolidation, 2004 is the second consecutive year that the Asian private equity industry recorded an upsurge of activities. The industry attracted an additional US\$6.5 billion of fresh capital, an increase of 50% compared to the US\$4.3 billion recorded for 2003. In 2004, private equity investors have committed to transaction total that amounted to US\$12.4 billion. Outside of Japan which is Asia's largest private equity market, both China and India have emerged as the most favourite investment destinations. The trend underscores a return of the Asian emerging market growth story which came to a halt since the 1997-1998 Asian Financial Crisis. 2004 marks the beginning of a new epoch for the Asian private equity industry.

Distribution of Private Equity Funds (2003 - 2004)



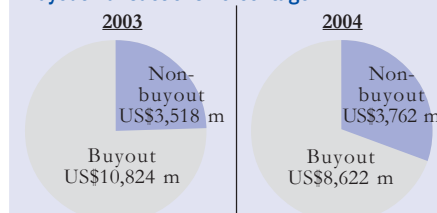
Nature of Fund by Amount
N.B. Survey excludes funds in Australia and New Zealand

Source: ASIA PRIVATE EQUITY REVIEW

Buyouts in Asia

Since 2000, buyouts have boasted an aggregate transaction total of US\$30.1 billion, accounting for 63% of these five years' grand total. In 2003, buyouts overshadowed all other segments when its transaction total soared by 2.7-fold to US\$11 billion. The trend continued into 2004 which registered US\$8.6 billion.

Buyout Transactions Percentage



Source: ASIA PRIVATE EQUITY REVIEW

About the XXIII Executive Management Workshop

As the Asian private equity industry matures and moves to a new phase of development, this **XXIII Workshop's** curriculum is intended to impart a new set of knowledge to all participants. For the first time, the Workshop will:-

- highlight the role of mezzanine financing
- discuss the inter-relevance of an investment structuring as well as its valuation, especially in buyout situations
- examine in depth the skills required in effective portfolio management
- an orientation on how Asian private equity data is being interpreted to effectively apply on the varying Asian economic landscape

The **XXIII Workshop** continues with the tradition that was established in 1995, featuring:-

- Open discussion format
- Close team spirit with intensive dialogues
- Case studies or assignments

Since 1995, the INSTITUTE has provided such education programme to more than 550 executives coming from over 30 countries.