

Corporate Transformation, Turnaround and Restructuring

By Wong Kah Teck, CFA, MBA (Chicago Booth), BSc (Wharton School) and BA (University of Pennsylvania)

Program Overview

“How can financial tools and metrics be used to facilitate an effective corporate transformation?” “What are the key ingredients of successful turnaround plan for an underperforming business?” “How fair is a debt restructuring to shareholders and lenders?” “What is the impact on shareholder value from conglomerate breakups and spin-offs?” “How can proceeds from asset sales and divestitures be optimized?”

This Program will give participants practical insights into addressing the above issues and more. In this Program, we will extensively integrate finance with strategy to effectively address the issues above. We will thoroughly examine corporate transformation, turnaround and restructuring and what they mean for shareholder value creation. In addition, we will analyze what these corporate exercises mean for shareholders, bondholders and the other stakeholders of a firm.

This Program emphasizes application and critical thinking over theory. Time-tested case studies based on real companies and spreadsheet simulations will form the core of the learning experience.

Program Objectives

Upon successful completion of this Program, participants will be able to:

- Compare and contrast corporate transformation, turnaround and restructuring
- Discuss the impact of corporate transformation, turnaround and restructuring on shareholder value
- Propose, justify and communicate a large scale corporate transformation plan to create shareholder value
- Evaluate how publicly-stated, long-term financial goals can be a key part of the corporate transformation process to create shareholder value
- Decide, from the perspective of shareholder value creation, if an underperforming firm should be turned around
- Recommend a corporate turnaround plan to preserve and create shareholder value and prioritize between financial and strategic turnarounds
- Propose and justify a debt restructuring scheme that preserves or creates shareholder value
- Estimate the effect of a debt restructuring scheme on equity and bond investors
- Propose, justify and analyze a conglomerate breakup or a spin-off to unlock shareholder value
- Justify asset sales and divestments as a means to unlock shareholder value

How Will You Learn

- Case studies and exercises
- Interactive lectures and group discussion

Date and Venue

25-26

November

Mon-Tues 09:00 – 17:30

Perdana Room,
Royal Lake Club, Kuala Lumpur

Fee (excluding service tax)

Standard	RM 3,800
Early Registration*	RM 3,600

10% discount applies for group registration of 3 or more from the same organization

* by **25 October 2019**

Target Audience

- CEOs and CFOs
- Corporate Finance professionals
- Investment Banking professionals
- Investment analysts
- Management consultants
- Credit professionals
- Private equity professionals
- Legal and compliance professionals

Others

10 SIDC CPE points

Eligible for HRDF claim

Prerequisites

- A strong desire to challenge oneself and participate via case-based learning
- Fundamental knowledge of financial ratios and valuation
- Collected and read the assigned cases before the program

Participants are required to bring along their laptops equipped with Microsoft Excel 2007 or higher

Enquiries

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Outline

Day 1

Session 1: Introduction

- Defining corporate transformation, turnaround and restructuring
- The scope of corporate transformation, turnaround and restructuring
- The impact of corporate transformation, turnaround and restructuring on shareholder value creation

Session 2: Corporate Transformation

- Why embark on a corporate transformation? A shareholder value creation perspective
- Using internal financial metrics and publicly-stated long-term financial goals to drive corporate transformation to create shareholder value
- Evaluating a large scale corporate transformation plan
- Drawbacks of over-relying on financial benchmarks to evaluate a corporate transformation

Case Study: Propose, justify and evaluate a large scale corporate transformation to create shareholder value

Session 3: Corporate Turnaround

- Determining if an underperforming company can be turned around
- Why embark on a corporate turnaround? A shareholder value creation perspective
- The dimensions of a corporate turnaround plan to create shareholder value
- Challenges in corporate turnaround and how to overcome them
- Which comes first? Financial or strategic turnaround?

Case Study: Propose, justify and evaluate a corporate turnaround to create shareholder value

Session 4: Day 1 Wrap Up and Summary

- Wrap up and summary of Day 1
- Question and answer

Day 2

Session 1: Debt Restructuring

- Financial distress-causes, direct and indirect costs
- Options available for a firm facing financial distress
- Rationales for debt restructuring and how it impacts shareholder value
- Valuing a firm in financial distress and the role it plays in debt restructuring
- Debt restructuring mechanics and terminology
- Incentives of equity and bond investors in a debt restructuring
- Conflicts of interest that arise in the debt restructuring process between equity and bond holders

Case Study: Evaluating a debt restructuring scheme from the perspective of bondholders and equity investors

Session 2: Equity Restructuring 1: Breakups

- How does equity restructuring create value?
- Causes of conglomerate discounts
- Rationales for conglomerate breakups and spin-offs
- Estimating shareholder value created from a conglomerate breakup and spin-off

Case Study: Propose, justify and evaluate a conglomerate breakup to create shareholder value

Session 3: Equity Restructuring 2: Asset Sales and Divestments

- Why sell assets or divest?
- How can asset sales and divestments unlock shareholder value?
- Analytical tools for evaluating asset sales and divestments
- Optimizing proceeds from an asset sale and divestment

Case Study: Maximizing shareholder value from an asset sale and divestment

Session 4: Program Summary and Conclusion

- Program wrap-up and summary
- Question and answer

Trainer's Profile



Kah Teck has more than a decade of capital markets experience. He was a portfolio strategist in CIMB Investment Bank and Am Investment Bank where he was responsible for spearheading investment advisory and product development initiatives and also played an active role in evaluating numerous plain vanilla and hybrid fund raising options. He has also worked for the Securities Commission in research and formulating capital market development policies.

Now the Managing Director and Principal Trainer for FMTCS Sdn Bhd, Kah Teck passionately shares his knowledge and experience with professionals in many of Malaysia's leading financial institutions and government-linked institutions. His trainees frequently credit him with the ability to make finance interesting and demystify complex finance concepts.

Kah Teck graduated *summa cum laude* with a dual degree in finance and economics from the University of Pennsylvania's Wharton School and School of Arts and Sciences, and holds an MBA (with Honors) from the Booth School of Business, University of Chicago. He is also a Chartered Financial Analyst (CFA) charterholder. Kah Teck was also awarded the prestigious ASEAN scholarship to pursue pre-university studies in Singapore.

His teaching and research interests are in corporate finance, derivatives, securities valuation, financial risk management, financial modelling and financial analysis.

Registration Form

Corporate Transformation, Turnaround and Restructuring

on 25-26 November 2019, Perdana Room, Royal Lake Club, Kuala Lumpur

09:00 – 05:30

Registration commences at 08:30

Fee (excluding service tax): RM3,800 (RM3,600 by 25 October 2019)

Name : _____

Designation : _____

Company : _____

Contact Tel. No. : _____

Fax No. : _____

Email Address : _____

Training Dept. : _____

Name: : _____

Contact Tel. No. : _____

Email Address : _____

Payment Details

BY CHEQUE Cheques should be made payable to “FMTCS Sdn Bhd”. Please indicate the following details at the back of your cheque.

- Your Full Name as per registration detail
- Contact Number & Email Address

BY TELEGRAPHIC TRANSFER

- Participants will bear all bank telegraphic transfer charges.
- Once we receive your registration form, we will provide you with an invoice and bank-in details.

Cancellation and refund policy

Cancellations are allowed up to 15 working days before the date of the program.

Cancellation made with less than 15 working days will not receive a refund but may nominate a substitute.

Enquiries

Please contact +6 016 633 2883 or email us at fmtcs.sb@gmail.com

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Fee includes tuition, documentation, lunch and refreshments. Participants are responsible for their own flights and accommodation. An invoice will be sent upon receipt of registration form.