



Corporate Training International Limited

In Collaboration With



West Africa Business School

PRESENTS

Capital Market Executive Masterclass

on

Equity Capital Markets and Equity Valuation

Best practice in equity valuation process and equity capital market innovation strategy



Date: 25th, 26th, 27th & 28th February 2020

WELCOME • AKWAABA • BIENVENUE

INTRODUCTION

This interactive programme is designed to offer a practical insight into today's Equity Capital Markets, from the different viewpoints of the full range of participants – Investment Banks, Institutional Investors, Private Equity Houses, Corporates & Regulators. The programme will cover both the Primary New Issuance process & the subsequent Secondary trading & investing activity. With the latter, today's Equity Markets are increasingly influenced by both Derivatives & Electronic trading across multiple platforms.

The Price/Earnings Ratio is the most over-used valuation tool in today's global Equity Markets. Simple & intuitive yes, overly useful, maybe not? On its own, it is not the most appropriate tool for valuing Insurers, Banks, Real Estate or Oil & Gas Companies. It also does not travel well in terms of cross border, global sectoral comparisons.

What practitioners need to know therefore is which tools to use for which sectors as they navigate today's globally interconnected electronic Equity markets. Price to Sales, Price to Book Values, Enterprise Values, Embedded vs Appraisal Values, Returns on Equity, Dividend Yields, EBITDA multiples, Reserves/Production ratios, Tier One Equity vs Risk Weighted Assets. The list is long, but selecting the right methodology is the starting point for a thorough & transparent analysis.

Finally, every Investment professional also needs to be confident enough to be able to build & operate simple Dividend Discounting & Discounted Cash Flow valuation models, understand how the inputs are derived, appreciate the dangers of 'garbage in, garbage out' & crucially, understand how to interpret the outputs.

The programme will be interactive, with the emphasis on the practical rather than theoretical. Participants will require access to laptops on the fourth day for the Excel-based Valuation modelling Case Studies.

LEARNING OBJECTIVES

- What drives a Corporate's decision on where to list.
- What does it cost to list on Exchange & how is this broken down.
- Why would a Corporate use Depositary Receipts & how do they work exactly.
- Understanding who is populating the IPO pipeline – The Unicorn Club.
- Does it matter from a Corporate's perspective to being listed in an Index.
- The role of the Regulator in today's Markets.
- An appreciation that there is more out there than a Price-Earnings ratio.
- Assets – From tangible to intangible.
- Dividends – Real cash flows; but how to value them.

- Sales – Revenues are easier to forecast than profits, but how to value them.
- Enterprise Values – do not forget your Creditors in the equation.
- How do Investors value Financials like Banks & Insurers.
- How do Investors value Oil & Gas Companies.
- Discounted Cash Flow modelling – Be careful with your forecasting assumptions.

KEY BUSINESS BENEFITS

- How the Investment Bank syndicates organise and price the New Issuance process.
- What Institutional Investors are looking for with newly listed businesses.
- The importance of Exchange Traded Funds in the secondary Markets.
- Investing or Trading? The rise of High Frequency Trading & Dark Pools.
- The importance of the Derivatives Markets in determining the values of underlying share prices.
- An understanding that valuing a business is driven by what it does not where it lists.
- Real appreciation of the advantages & limitations of modelling in Excel.
- Understanding where to look in the absence of Earnings or Dividends.

SKILLS ACQUIRED

- Understanding the difference between Order Driven & Quote Driven Price Discovery,
- Understanding how a New Issue is priced in a Tender Offer,
- Understanding how the mechanics of the Greenshoe option work,
- Understanding the Margin calculations behind Short Selling,
- Understanding the pricing of Equity Option contracts,
- Knowing where to look to generate the inputs to derive a Company's Cost of Capital,
- Running DCF & Dividend Discount Models: Sensitivity Analysis,
- Understanding which metrics to use in the absence of Earnings data,
- How to value a Privately held unlisted Company.

Who Should Attend - Professionals working in -

- Investor Relations
- Corporate Communications
- Stock Exchanges
- Corporate Finance
- Brokerage Research
- Fund Management
- Investment Banks
- Institutional Investors
- Private Equity Houses
- Corporates & Regulators

CONTACT

Tel: +234 8027922649

e-mail: wabs.edu@gmail.com, info@westafricabusinessschool.com

AGENDA/COURSE CONTENT:

DAY ONE

Session 1: Structuring a New Equity Listing – The Primary Markets – An Issuer & Investor perspective

- Public offering or Private placement? What sort of shareholders do you want?
- Pros and cons of going public.
- Syndication, Underwriting and the Greenshoe option.
- Pricing methodology - Bookbuilding or Tender, Money left on the table.
- Role of the Lead Manager and Bookrunner.
- What does it cost? What attracts Investors? Cornerstone Investors.
- **Case Study - A walk through a New Issue in practice**

Session 2: Cross Border Listings & Follow-on Funding

- Considering the case for Cross Border Listings.
- Catalysts – Valuation, Liquidity, Cost, Corporate reputation.
- Which Exchanges dominate the IPO statistics?
- Depositary Receipts for Emerging Market Corporates.
- **Case Study – What separates 'Emerging' from 'Frontier' Markets?**

Session 3: Private Equity involvement in today's Equity Capital Markets

- Who is populating the IPO Pipeline? Private Equity Funds
- From Venture Capital through to Buyout Funds
- Private Equity Fund structures; Fees & Hurdle Rates
- Private Equity involvement with Mergers and Acquisitions
- Public to Private – Leveraged Buyouts
- Private to Public - Looking for the exit – Listing, Trade Sale, Secondary Sale
- A look at the membership of the 'Unicorn' Club

Session 4: Life as a listed entity - The Secondary Equity Markets

- Corporate Actions – Dividends, Scrip Issues, Share Splits.
- Dark Pool Crossing Networks vs the established Exchanges.
- High Frequency Trading – rise of the machines.
- Case Study – A look at Share Turnover Velocities across the World's Exchanges.
- Order vs Quote Driven Trading, Market-Marking & Securities Lending.
- Short Selling – The impact of Hedge Funds in the secondary Markets.
- Day One wrap-up Quiz.

DAY TWO

Session 1: Exchange Traded Funds – the new paradigm for Equity Investing & Trading

- Basket Trading - ETFs & traditional Index Funds compared
- Understanding ETFs, the replication mechanism (Physical vs Synthetic)
- Primary (Redemption, Creation process) & Secondary markets
- Core vs Satellite investing
- ETF Variations on a theme - Inverse, Leveraged - & the problems they bring
- A look at some Regional Emerging & Frontier Market ETFs already trading

Session 2: The role of the Regulator In Equity Capital Markets

- Enhancing Market integrity, Protecting consumers, Promoting competition.
- Principles of good Regulation.
- Tasks for Regulated Firms.
- Market Abuse Regulation.
- The London market's 'Cleanliness' Index.
- Short Selling Notification & Disclosure.

Session 3: Equity Derivatives - An introduction to Options

- Options defined & terminology.
- The asymmetry of risk; Intrinsic vs Time Value.
- Call & Put Option Pay-off profiles.
- In, At & Out of the Money Options.
- What are the inputs for Option Pricing?
- Case Study – A look at Equity Options in practice.

Session 4: Equity Derivatives – Index Futures, Contracts for Difference & Swaps

- Key features of Futures contracts.
- Initial & Variation Margin payments; Leverage.
- Function of the Exchange Clearing House.
- Equity Index Futures – The Index multiplier; Hedging requirements.
- Equity Index Swaps – A tool for Equity Fund Managers.
- Contracts for Difference explained.
- Day Two wrap-up Quiz.

CONTACT

AGENDA/COURSE CONTENT:

DAY THREE

Session 1: Traditional Earnings-based Methodology

- The (doomed) love affair with the Price/Earnings ratio
- What is an appropriate Multiple?
- Comparable company analysis, the effect of Cyclicity
- Shortcomings of this valuation metric
- A more useful tool - PEGs
- Do share buybacks make a Company's shares cheaper?

Session 2: Asset Based Valuations - Valuing Real Estate, Insurance, Natural Resources

- Return on Assets (RoA)
- Price to Book Values (premiums and Discounts) – The Real Estate sector
- Resource Companies – Net Asset Values
- Embedded and Appraisal Values – The Insurance sector
- Case Study - Intangible Assets – What are Brand names worth?

Session 3: Valuing Consumer Goods, Services - Price to Sales & Enterprise Values

- Price to Sales, the basics
- Enterprise Values - What are they and why were they developed?
- EV Multiples - EBITDA, Sales
- Pricing the future – a look at Tesla vs Ford
- Case Study – Price to Sales in practice

Session 4: Valuing Banks

- Financial structure of Assets vs Liabilities
- Net Interest Income vs non-Interest Income
- Capitalisation & Liquidity – Tier 1 Ratios (Equity vs Risk Weighted Assets)
- Asset Quality – Non-performing Loans
- Cost-Income Ratios, Returns on Equity (RoE)
- **Day Three Wrap-Up Quiz**

Day Four

Session 1: Valuing Oil & Gas Companies

- What is relevant for an Energy Company? Not Revenues or EPS
- Reserves Terminology – Proved, Probable, Possible
- Production Terminology – Barrels of Oil Equivalent
- Reserves/Production Ratios, Price per Flowing Barrel
- Enterprise Values vs EBITDA (X); Reserves; Production
- Case Study – Comparing sample listed E&P Companies

Session 2: Discounted Cash Flow Valuations – Market wide

- Risk Free Rates, Betas & the Equity Risk Premium
- Deriving the Cost of Equity & Debt; CAPM
- The Discount Rate - Weighted Average Cost of Capital
- Terminal Value derivation - forecasting into Perpetuity or exit multiples
- Case Study (Excel based) – DCF in practice – Sensitivity analysis

Session 3: Dividend Based Valuations – Market wide

- Dividend Yields and Cover – who pays them and how much
- Dividend Discount Models – The Bank sector revisited
- Advantages and Disadvantages of this approach
- Case Study (Excel based) – Dividend Discounting in practice (Financials)

Session 4: Valuing Privately held Companies

- Estimation problems unique to Privately-owned businesses
- Who needs to know a Value & why? All parties to an IPO
- Applying Earnings based valuation techniques to Private Companies
- Using Sales &/or Dividend based methodology - Public Market benchmarking
- Estimating the inputs for DCF modelling
- Typical Venture Capital methodology – Pre & Post-Money calculations
- Blue Sky thinking

Day Four Wrap-Up Quiz



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e-mail: wabs.edu@gmail.com, info@westafricabusinessschool.com

MEET YOUR TRAINERS

Mr. Paul Meadows, ASIP & Member of CFA Institute



Paul started his Investment Management career at Royal Insurance in 1983. Following successful completion of the Society of Investment Analysts Associateship, Paul joined the small team managing Royal's in-house long-term UK Equity portfolios. In 1990, following the lifting of exchange controls in Stockholm, he joined the Swedish insurer Trygg-Hansa's London start-up operation to manage its UK Equity exposure.

In 1994 Paul moved into the Private Client arena, as part of the Investment Unit of Lloyds Private Banking & over a two-year period diversified away from an exclusive analytical/Fund Management role to incorporate an extensive presentational package on the Bank's investment strategy delivered 'on the

road' to its network of offices around the country.

In 1996 Paul took the opportunity offered by the Bermuda-domiciled Bank of Butterfield to head up the global Equity research effort in London in support of the Bank's (offshore) private client base.

While his freelance financial training commitments grew, Paul had a spell with an international high-risk security company analysing the operations of quoted oil & mining corporates worldwide. In 2000 Paul moved into full time training with DC Gardner, the in-house tailored training arm of Euromoney Institutional Investor, specialising in Fund Management, Equity Markets, Private Banking & Hedge Funds.

In 2004 he set up his own company, Chadley House Training Limited, structured to work with existing training providers in the market place. The business has grown & diversified the Client base, establishing fresh local relationships with providers in Asia, the Middle East & West Africa. Clients trained include Citigroup, Man Investments, Axa Investment Managers, Barclays Global Investors, Brevan Howard, Hoare & Co, Renaissance Capital, Nigerian Stock Exchange, Kuwait Investment Authority, Bank of China, Huarong Securities.

Paul is also a member of the London Stock Exchange Academy Training Team & an Adjunct Teaching Fellow with the UCL School of Management, delivering a one term Masters level Investment Management module at their newly established location in Canary Wharf.

Mr. Obasi Ngwuta

Director General/CEO, West Africa Business School



Mr. Ngwuta is a 22-years veteran of the financial services industry in West Africa having worked in consulting, stock broking, insurance and banking. He is the Founder & President of Africa Bancassurance Academy Limited and also the Director General/Chief Executive Officer of West Africa Business School, the foremost regional training institution for business, leadership and management education in Sub-Saharan Africa. In this role for the past 9 years, he is responsible for the regional institution's leadership and business strategy execution including Knowledge Management, Executive Education, Certification Training, Development and Implementation of Corporate Training Programmes, Marketing of International Conferences, Workshops and Seminars, Research & Development, Consultancy,

International Business Alliance Networks Development, Feasibility Study and Business Research Projects.

Mr. Ngwuta was at various times Head of Bancassurance and subsequently Relationship Manager SME Banking at Standard Chartered Bank; Group Head, Business Solutions Development at UBA Insurance Limited; Head, Products, Branding & Marketing Support at UBA Metropolitan Insurance Limited; Head, Corporate Planning & Risk Management at Sovereign Trust Insurance Plc; and General Manager at Intellbank Consulting Ltd. He is an expert in Bancassurance, Insurance, Risk Management and SME Banking. He has extensive experience with large-scale financial products development, including the successful United Bank for Africa rollout of mass market insurance products in Nigeria in 2006.

Mr. Ngwuta is a graduate of University of Science and Technology, Enugu and Obafemi Awolowo University, Ile-Ife where he obtained his Bachelor of Science (B.Sc.) in Insurance & Risk Management and Master in Business Administration (MBA) degrees respectively. Mr. Ngwuta is a longtime member of the British Project Management Professionals (BPMP), Centre for Management Development (CMD), Nigerian Institute of Management (ANIM), Chartered Insurance Institute of Nigeria as well as Risk and Insurance Managers Society of Nigeria where he was the chairman of technical and education committee for many years. Mr. Ngwuta is the Author of many books including the 546-page bestselling professional insurance book titled "Modern Insurance Business Management" published in 2007 by Nigeria Insurers Association. He is happily married with grown up children.

CONTACT

Tel: +234 8027922649

e-mail: wabs.edu@gmail.com, info@westafricabusinessschool.com

HOW TO REGISTER FOR THE COURSE

Send the names of nominees selected to participate in this masterclass by e-mail to:
wabs.edu@gmail.com, info@westafricabusinessschool.com You can also call and speak with
the Programme Manager on Tel: +2348027922649, +2348143002943 (Obasi) by 8.00am – 5.00pm Monday - Friday.
Register today and enjoy early-bird discount on regular course fee.

Event Date & Venue

Date: 25, 26, 27 & 28 February 2020

Time: 9:00 am - 5:00 pm daily

Venue: Fiesta Royale Hotel, North Dzorwulu, Accra-Ghana

Course Fee

The course fee is structured in a way to make it affordable to companies/ organisation and very easy to make payment for all delegates as follow:

1. Ghana Residents:

- **Early Bird** – GH¢ 6,500 per delegate (Book & Pay Before 30th January 2020)
- **Group Rate** – GH¢ 5,500 per delegate for 2 or more delegates from one company/organisation (Book & Pay Before 30th January 2020)
- **Normal Rate** – GH¢ 7,000 per delegate (Book & Pay After 30th January 2020)

2. Nigerian Residents:

- **Early Bird** – N450,000.00 per delegate (Book & Pay Before 30th January 2020)
- **Group Rate** – N400,000.00 per delegate for 2 or more delegates from one company/organisation (Book & Pay Before 30th January 2020).
- **Normal Rate** – N500,000.00 per delegate (Book & Pay After 30th January 2020).

3. Other Africa Countries/Foreign Delegates:

- **Early Bird** - US\$1,250 per delegate (Book & Pay Before 30th January 2020)
- **Group Rate** - US\$1,100 per delegate for 2 or more delegates from one company/organisation (Book & Pay Before 30th January 2020)
- **Normal Rate** - US\$1,500 per delegate (Book & Pay After 30th January 2020)

4. Euro Countries/Foreign Delegates :

- **Early Bird** – Euro 1,250 per delegate (Book & Pay Before 30th January 2020)
- **Group Rate** - Euro 1,100 per delegate for 2 or more delegates from one company/organisation (Book & Pay Before 30th January 2020)
- **Normal Rate** - Euro 1,500 per delegate (Book & Pay After 30th January 2020)

NOTE:

- **Early bird fee applies to registration and payment made on or before 30th January 2020.**
- Registration & payment of course fee must be received by closing date to enable organizers list the delegate/participants in the appropriate programme brochure.
- The course fee does not include VAT, hotel accommodation, airfare and dinner.
- Participants are therefore expected to be responsible for their respective airfare, accommodation and dinner where necessary.

The course fee covers the following:

- ✓ Four full days quality training,
- ✓ 2 Tea/coffee breaks and refreshments daily,
- ✓ Buffet Lunch,
- ✓ Printed course notes or Flash drive loaded with course notes or both,
- ✓ Leather folder,
- ✓ Certificate of attendance

How to make payment of course fee:

1. Nigerian Residents should make payment of course fee in local currency by Bank draft, e-transfer or Cash deposit issued in favour of:

Beneficiary: West Africa Business School

Account Number: 1014282576

Bank Name: Zenith Bank Plc

Sort Code: 057150534

Branch: Plot 149 Iju Road, Fagba Lagos

CONTACT

Tel: +234 8027922649

e-mail: wabs.edu@gmail.com, info@westafricabusinessschool.com

2. Other Africa Countries/Foreign delegates should make payment transfer through the following bank account details:

Beneficiary: West Africa Business School

Account Number: 5070520959

Bank Name: Zenith Bank Plc

Swift Code: ZEIBNGLA

Bank Address: Plot 84 Ajose Adeogun Street, Victoria Island
– Lagos

3. Euro currency payment of course fees should be made by swift transfer through the following bank account details:

Beneficiary: West Africa Business School

Euro Account Number: 5080132168

Bank Name: Zenith Bank Plc

Swift Code: ZEIBNGLA

Bank Address: Plot 84 Ajose Adeogun Street, Victoria Island
– Lagos

Terms and Conditions

- Completed nomination form will be taken as confirmation of nominations and must be returned no later than 5 working days before programme commencement date.
- Payments of fees is by e-transfer, certified cheque or bank draft in favour of West Africa Business School before programme commencement date.
- The course fee is payable without deduction of withholding tax or any other tax thereof.
- The information contained herein is only for nomination purposes. This will help in producing all relevant course materials for the nominee(s). West Africa Business School (WABS) and its personnel will protect any personal data entrusted to us through the completion of our registration form in a way that respects the privacy of individual or entity completing the form.

- **Hotel Accommodation for programme participants.** WABS will reserve a sufficient block of rooms for registered delegates under our name and at preferential rates at a hotel of international standard (equivalent to no less than three-star rating) convenient to the event venue during the programme delivery dates, provided that each delegate shall be responsible for the payment of his/her hotel accommodation, incidentals and other expenses directly to the hotel.
- Participants shall be solely responsible for the payment of their travel, lodging, meals (dinner) and other travel expenses related to their participation in this programme.
- **Cancellation and Substitutions Policy.** For any reason whatsoever, participants who have registered for the programme, may decide to cancel their registration. Cancellations must be submitted in writing by email to wabs.edu@gmail.com. All cancellations received on or before 30 January, 2020 are entitled to a refund of 50% of the course fee paid. No refunds or credits will be given to registrants who cancel after 30 January, 2020 or who fail to attend the conference. Substitutions for paid registrants may be made at any time up to 20 February, 2020. No changes will be accepted after this date.
- **International Participants:** Course attendees arriving from outside Accra, Ghana may require a letter of invitation to enter Ghana. If you require a letter of invitation, please submit your request in writing by email to wabs.edu@gmail.com. Once you have submitted your request and completed registration and payment of course fee, we will provide you with a Letter of Invitation.



Further enquiry in respect of this course should be addressed to:

Director of Programme
West Africa Business School
Office Address:
2nd Floor Suite B201 Trinity Mall,
#81 Obafemi Awolowo Way, Ikeja, Lagos - Nigeria
Phone: +2348027922649
E-mail: wabs.edu@gmail.com;
info@westafricabusinessschool.com
Website: www.westafricabusinessschool.com

Managing Director
Corporate Training International Limited
C/o Dyaneez & Co. office
10 Kamina Close, Off Ndele Street by
Aswan Street Behind Zenith Bank after S
heraton Hotel Junction Wuse Zone 3,
Abuja – Nigeria

GHANA
West Africa Business School
C/o HR Perspectives Office
P. O. Box LG 320, Legion, Accra
116 Agbawe Avenue, Adenta,
Accra, Ghana
Tel: +23354290299



West Africa Business School
...democratizing knowledge that links business with intelligence

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PRESENTS

Equity Capital Markets and Equity Valuation

Venue: Fiesta Royale Hotel, North Dzorwulu, Accra-Ghana

Date: 25, 26, 27 & 28 February 2020

REGISTRATION FORM

Participating Company/Organisation Details:

Name of Company/Organisation:.....

Address of Company/Organisation:.....

Telephone Number of Company/Organisation:.....

Email Address of Company/Organisation:.....

Participants/Delegates Details:

Delegate 1:

Full Name:.....

Designation:.....

Contact Tel Number:.....

Email:.....

Delegate 2:

Full Name:.....

Designation:.....

Contact Tel Number:.....

Email:.....

Delegate 3:

Full Name:.....

Designation:.....

Contact Tel Number:.....

Email:.....

AUTHORIZED/APPROVED BY THE PARTICIPATING COMPANY OR ORGANIZATION

Name of Authorizing Officer/Head HR:.....

Telephone Number/GSM: Email:

Authorizing Officer/Head HR Signature: Date:

FOR OFFICIAL USE ONLY

Authorized By..... Signature: Date:.....

Approved By..... Signature: Date:.....