

# Mergers and Acquisitions– Learning Expedition in Malaysia (Tailor-made for Nepalese Bankers)



## Background

NBI is pleased to announce program on **"Merger and Acquisition Learning Expedition in Malaysia"** in association with Malaysian Institute of Management (MIM) .

In this regard the announcement made in the budget speech for the fiscal year 2019/20, Nepal Rastra Bank has sought commitments from the commercial banks for their readiness to go for 'big' merger and acquisition (M&A). The recently released Monetary Policy for 2019/20 has indicated that merged entities are to commence joint operation by mid-July 2020.

Are the banks ready for the **'BIG' merger**? Are the banks able to build its competitive advantage and create increased shareholder value from this merger exercise?

Are the BFIs ready to **LEAD** the economic growth and **BE THE CAUSE FOR CHANGE**?

The Malaysian Institute of Management (MIM) in Merger & Acquisition is the key to guide you in the M&A process.

This **"Learning Expedition on M & A"** is a tailor made program for Nepal's Banking Industry.

## Program Details:

Date: 20th to 24th January 2020

Venue: Malaysia.

# WHAT WILL YOU LEARN ????

Developing your skills on the M&A process cycle by going through a structured and practical programme to build confidence in handling all facets of M&A – Strategic, Technical, Financial, People, Regulatory & Compliance Risks.

## Strategic

- Introduction to Banking M&A
- Growth Strategies in Banking
- Concept of Strategic Focus
- Measuring success of M&A
- Why Merges fail
- Growth opportunities
- Selecting Targets
- Identifying M&A Business Benefits, Synergy Targets and Financial Performance Targets

## Technical

- Due Diligence
- Execution of a successful M&A Implementation Process
- Merger Integration Office (MIO)
- Execution of Merger Integration Roadmap and “Day 1” of merged entity
- Importance of Integration
- Critical Success Factors
- Achieving Synergies
- Avoiding common missteps
- Best Practices of M&A

## Regulatory and compliance risk

- Regulatory & Compliance Risks
- Risk Concentration
- Operational Risk Potentials
- Systemic Risk Potentials
- Conflict of Interests
- IT Systems / Data Integration
- Regulatory Reporting
- Relevant Backup Plans
- Augmented / Third Party Services

## Financial

- Valuation methods

## People

- Conducting Due People Diligence
- Culture - Integration and Not Merging
- Moving Forward with Successful Steps

## Industry Visits

As part of the industry visits, you will have the privilege in visiting some high profile corporations in Malaysia. This provides you with the opportunity to learn from some of the very best that Malaysia has to offer in the following areas:



### - Shared Service Centre

Companies looking to consolidate and centralise their core functions (i.e. finance, accounting etc.) are typically wanting to do so for process standardisation and efficiency. Setting up shared service centres (SSCs) can help companies to save money and operate more effectively.



### Digital Technology

Financial technologies (FinTech) have become an integral part of banking. These days, banks have started to compete beyond financial services as they face increasing competition from non-financial institutions. Start-up service providers have expanded their services “interfering” and “disrupting” the fields traditionally covered by banks.



### Next-Gen Workplace

Creating enriching and engaging experiences for employees is the new norm. The world has seen a paradigm shift in the way

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# What Will you Experience

You will experience a wide array of offerings. These multi-offering is put together to create a holistic experience on the salient aspects of a M&A.

# 1

## Masterclass sessions

Be prepared to learn from experts who are experienced leaders in the banking industry.

# 2

## Expert sessions

Gain insights on M&A best practices from leaders through the sharing of their experience in the corporate and banking sector.

# 3

## Plenary sessions

Come learn from the experts through their sharing of knowledge on various pressing matters in the banking industry and engage the experts through the Q&A session

# 4

## Visit to banks

Witness and experience innovative environments through immersive visits to banks in Malaysia.

# 5

## Industry visits

Be prepared to join and learn from visits to some key industries in Malaysia that provides you with a unique experience focused on current trends.

# 6

## Networking & Partnerships

Explore potential partnership opportunities in Malaysia and network with bankers and leaders from various organisations.

# 7

## Cultural visits

Immerse yourself in the Malaysian culture with a mix of unmissable and out-of-the-box visits.



"Banks need a large capital base to compete globally and this could be achieved through mergers."

- Tun Daim Zainuddin, Former Finance Minister of Malaysia

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## Mergers and Acquisitions creates synergy and increases banks' value generation

**Bank mergers and acquisitions (M&A)** can be an effective strategy for growing the bottom line. Banks consolidate to remove excess capacity, increase market access, acquire technology more quickly than it could be built, develop new businesses, and improve the target company's performance. Most often, banks merge or acquire because they want to grow, with the goal of providing new top line revenue or bottom line profitability. When the market perceives a M&A strategy sound, a bank's stock price usually appreciates. Banks today exist in a global marketplace and are no longer bound by region or country. Today's most successful banks merge and acquire businesses across country borders.

### **M&A in Malaysia**

Guided mergers are widely accepted by Malaysian and other Asian policy-makers as a strategy to resolve banking problems. In the case of Malaysia, such an initiative came from the Malaysian government and the Central Bank of Malaysia in the aftermath of the 1997 Asian financial crisis. The massive Malaysian banking consolidation during the 1999-2002 was successfully completed in less than 2 years. About 50 financial institutions were coerced to merge into 10 large banking groups. Today, there are only EIGHT. Was it a successful practice? Today, banks in Malaysia, some of which are the largest in Southeast Asia, offer some of the most comprehensive range of banking and financial services in the region. Therefore, it is fair to conclude that this meticulously executed M&A exercise benefited the banking landscape of Malaysia.

### **The 'BIG' merger in Nepal**

Over the past few months, Nepal Rastra Bank (NRB) has sought commitments from the commercial banks for their readiness to go for 'big' merger and acquisition (M&A). This is in line with the announcement made in the budget speech for the fiscal year 2019/20. The recently released Monetary Policy for 2019/20 indicated that merged entities are to commence joint operation by mid-July 2020. Question is, are the banks ready for the 'BIG' merger? Are the banks able to build its competitive advantage and create increased shareholder value from this merger exercise? Keeping in mind the economic agenda of Nepal, are the BFIs in Nepal prepared to merge to keep pace with Nepal's growth or do the BFIs LEAD the growth and BE THE CAUSE FOR CHANGE?

### **MIM's M&A programme**

This programme is a must if your organisation is embarking on mergers – it gives you practical insights to use mergers and acquisitions to build your business and add real long-term value. But it's also relevant if you have already been involved in M&A activity, as the systematic, focused approach enables you to codify your knowledge and pass it on to your peers – as well as benefiting from fresh insights and research.

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## Program Details

### Objective

- Gain insights on M&A best practices from leaders through the sharing of their experience in the banking sector.
- Learn from the experts through their sharing of knowledge on various pressing matters in the banking industry and engage the experts through the Q&A session.
- This programme also provides you the opportunity to learn methods that recognize differences in the two companies' corporate cultures and integrate them for greater synergy.

### Methodologies

- Master class Session
- Expert Sessions
- Plenary Sessions
- Visits to Banks, Industry Visits, Networking and Partnerships, Cultural Visits.

### Target Audience

- Senior Banking Executives from BFIs (i.e. Commercial Banks, Development Banks, Finance Companies and Micro-Credit Development Banks) who are, or are about to become involved in any or all stages of the M&A process.
- From a range of job roles, including CEOs, Deputy CEOs, General Managers, Business Development and Marketing Heads, Strategic Planners and HR Directors.

### Benefits to you and your organization.

The programme broadens your understanding of the role of M&A in your corporate strategy. You are then able to assess possible targets realistically and approach the negotiation process with the skill and confidence to come away from it with the best deal for your organization.

While the success of a merger is defined in profit numbers, the people are the driving force behind the performance. This programme provides you the opportunity to learn methods that recognizes differences in the two companies' corporate cultures and integrate them for greater synergy. This would help your organization to have in place a positive work culture post merger. This drives the bank towards successfully achieving its financial goals.

Acquiring another bank or merging two banks brings into play all kinds of rules and regulations about what is permissible and the processes you must undertake in order to do so. This programme will provide you insights into managing Regulatory & Compliance risks. Complying to respective regulations and managing risks, benefits the bank's operations post merger.

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## Facilitator's Profile



Ganesh has a proven 29 years track record and experience in Banking and Finance, of which 18 years was in senior leadership roles in AmBank Group. As an Executive Vice President, he has held various leadership roles in Group Finance, Business & Management Performance and Investor Relations (IR), Head of Retail Banking Products (Financial Solutions) and Head of Group Strategic Planning & Finance. Ganesh was involved in several key projects which included mergers, various integration and consolidation exercises.

Among his notable achievement include helping Am Bank achieve "Best Investor Relations - Malaysian company" in Corporate Governance Asia-Asian Excellence Recognition awards for years 2011, 2012, 2014 & 2016 and "Best of Asia" award in Corporate Governance Asia Annual recognition awards for years 2011, 2012, 2013 and 2014.

**Ganesh Kumar Nadarajah**

Joey has more than 20 years of experience in managing and operating various functions of the front, middle & back office for the Global Market, Capital Market & Treasury Banking businesses of top tiered International Investment & Commercial Banks across Singapore, Malaysia, Thailand and Indonesia. Among the various leadership roles Joey had held include Head of Business Management -Global Treasury OCBC Bank Malaysia, Senior Advisor of Group Operations & Technology for OCBC NISP Indonesia, Head of Group Treasury Operations for OCBC Singapore and Head of Corporate Security & Controls - DBS Thai Danu Bank Thailand.

In addition, Joey served as Chairman for Clearing & Payment Services Pte Ltd Singapore, a shared services utility company jointly owned by 3 Singapore banks.



**Joey Lam Tuck Keong**



Asohan is an International Best Selling Author, Award Winning HR Practitioner, International Speaker, Educator, HR Coach and Consultant. He has developed progressive and innovative HR experience through leadership roles in multinational corporations for over 27 years.

He has presented papers at both local and international conferences. for over 10,000 people. He authored "A+B=C™ Practical Guide for Students to Develop Attitude and Behavior for Character Building" aimed at providing root cause solutions to organisational behavior issues. He also co-authored "Are YOU the Missing Piece?" which went on to become an international best seller. Asohan is a receiver of the "Pride of HR Profession" from the World HRD Congress, India.

**Asohan Satkunasingham**

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