

**PI ETA CONSULTING COMPANY**

# **Corporate Risk Evaluation**

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## **OUTLINE FOR CORPORATE RISK EVALUATION PROGRAM, A 3-DAY PROGRAM**

- **Credit Process**
- **Understanding the Concept of Credit Risks**
- **Risk Evaluation Tools**
  - CAMPARI Model
  - Credit Evaluation Framework
    - Purpose
    - Amount
    - Sources of Repayment
    - Business Viability
      - Economic and Industry Factors
      - Track Record
      - Products
      - Customers
      - Strategy
      - Operational Efficiency
      - Management Assessment
  - Porter's 5 Forces
  - BCG Matrix
  - PESTLE Analysis
- **Risks of a Company in the Various Stages of Growth of a Business**
  - Understanding the Characteristics and Risks of Each Stage of Growth
  - Bank's Involvement in the Various Stages
  - Stages that Banks Avoid
- **Types of Legal Structure of a Business Entity**
  - Sole Proprietorship
  - Partnership
  - Co-operative
  - Incorporated Company
- **Selecting the Right Borrowing Entity**
- **Risks of Different Businesses**
  - Manufacture
  - Wholesale
  - Retail
  - Service
- **Operating Cycle and How it affects Cashflow**
- **Project Risk Analysis**
  - Types of Risk
  - Mitigating Factors

- **Quantitative Analysis**
  - General Methodology
  - Earnings Capacity Analysis
    - Profitability Indicators
    - Interest Coverage Indicators
    - Debt Services vs. Debt Capacity
  - Financial Health Analysis
    - Leverage Indicators
    - Liquidity Indicators
    - Working Capital Efficiency Indicators
    - Operating Efficiency Indicators
    - Shareholders' / Investors' Return Indicators
    - Coverage Ratios
  - Use and Limitation of Ratio Analysis
  - Limitation of Financial Statements
  - Creative Accounting
  
- **Cash Flow Analysis**
  - Sources and Application of Cash
  - Cash Flow Measures
    - EBIT
    - EBITDA
    - Operating Cash Flow
    - Net Operating Cash Flow
  - Application of Cash Flow Statements
  
- **Relationship between Various Financial Statements**
  - Profit and Loss
  - Balance Sheet
  - Cash Flow Statement
  
- **Financial Projections**
  - Constructing a Projected Profit and Loss Statement
  - Constructing a Projecting Cash Flows
    - Business Plan
    - Past Performance / Ratios
    - Selecting Key Variables
    - Sensitivity Analysis
    - Sensitivity Tables
  - Constructing a Projected Balance Sheet
  
- **SWOT Analysis**
  
- **Financial Distress Predictor Models**
  - Z Score
  - Fulmer Score
  - CA Score
  - Springate Score
  - A Score

- **Quantification of Credit Risks**
  - Default Probability
  - Recovery Rate
  - Credit Exposure
  
- **Determinants of Expected Loss**
  - Obligor Risk Rating
  - Transaction Risk Rating
  
- **A sample credit rating model**

**For more information, please contact PI ETA Engagement Resource (PEER) Group at**  
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## **PROGRAM FACILITATOR**

### **Mr. Adam K. K. Wong** **B.Acc., FCPA, Certified Professional Trainer**

**Mr. Adam K. K. Wong** is a Business Domain Expert Facilitator with PI ETA Consulting Company. He is also an adjudicator of the Financial Industry Disputes Resolution Centre in Singapore.

Prior to his current appointments, he was a General Manager with Standard Chartered Bank and other international banks with 22 years of successful track record in Cash Management, eCommerce, Corporate Banking and Trade Finance and Small & Medium Enterprises.

Having strong strategic orientation and regional exposure in South East Asia and Hong Kong, he is credited with significantly growing global banks' SME assets by 450% and net profit by 140% over a 3-year period in Singapore. He also started a new cash management business for a leading bank in Asia and grew it to a USD35 billion business annually.

Mr. Wong graduated in Accountancy and is a Fellow Certified Public Accountant. He is also a Certified Credit Risk Management Professional and a Certified Professional Trainer.

Mr. Wong has contributed actively to the development and training of professionals in the financial services sector for the past 17 years by sharing his expertise regularly through The Institute of Banking and Finance, Singapore and various other organizations in Malaysia and Indonesia.

He has also conducted programmes in the area of banking and finance for Australian and local universities.