

A Natural Market

According to member John Maguire, the Hong Kong exchange offers opportunities that can't be found anywhere else in the world, meaning securities-related professionals can count on growth – and excitement – in the years to come.

The corporate finance industry may not conjure up thrilling images, but for Hong Kong Securities Institute (HKSI) member John Maguire, it's provided an ample amount of adventure. After spending five years as a solicitor in London – a profession he says he was drawn to by the portrayal of lawyers as “swashbuckling heroes of the courtroom” on TV – Maguire moved to Hong Kong in 1991.

According to Maguire, the early 1990s was an exciting time to practise corporate finance law in Hong Kong. He worked on a number of takeovers of Hong Kong listed companies by large Mainland Chinese state-owned enterprises and numerous IPOs. Four years later, he moved into a new role as a director for Worldsec Corporate Finance. The company's collegiate atmosphere and the support of CEO Henry Cheong and fellow director Ernest She making Maguire's transition from lawyer to corporate financier a painless one. After five years at Worldsec, Maguire was approached by Ernst & Young in 2000 for advice on devising a business plan for their own public company corporate finance advisory business – an event that soon presented Maguire with an unexpected opportunity.

“Once I had explained to them how to go about it, they asked me to head it up for them – I honestly had not seen that one coming. It seemed like a good idea and I thought it would be challenging and fun to set up a business from scratch with the support of Ernst & Young,” he says.

The New Horizon

Maguire became managing director and co-founder of Ernst & Young Corporate Finance Limited (EYCFL) a joint venture between him, Ernst & Young, and Cecilia Ng, a colleague from his Worldsec days. The firm provides a range of corporate finance advisory services to listed companies engaging in acquisitions, disposals, takeovers or other transactions, as well as private companies seeking a listing. It is a busy – and sometimes stressful – practice in what the former lawyer sees as one of the world's most dynamic markets, with a unique set of geographical and cultural advantages.

“In terms of development of the market, I believe that the future lies to the north. Most of the large corporations in Hong Kong are already listed on the Stock Exchange. The growth in the Hong Kong stock market has to come from Mainland businesses. Hong Kong is a natural market for such companies to list and attract international investors and enjoys certain advantages over other international markets in this respect,” he says. “Hong Kong is itself part of China, geographically we are close, share a common written language and many professionals in the securities industry here speak Putonghua. Other markets do not have these advantages and some have their own particular disadvantages – for example, Mainland companies wishing to list on NASDAQ or the New York Stock Exchange are now faced with the daunting prospect of having to comply with Sarbanes-Oxley.”

But Maguire adds that with Hong Kong's advantages come challenges that necessitate a delicate regulatory balancing act.

“The opportunity presented by Mainland Chinese businesses seeking to raise funds in Hong Kong also involves greater risk. Mainland China is still developing and standards there may not yet be up to international standards, particularly in the areas of corporate governance, accounting and legal matters. This may mean that there is more risk of problems occurring with such companies post-listing. It is vital that we in Hong Kong not lower our standards, but it is also important that we do not fall into the trap of over-regulating our market.”

Some of the more interesting assignments handled by Maguire at EYCFL include the debt restructuring of Paliburg Holdings Limited, the successful defence of an unwelcome takeover bid for Quality HealthCare Asia Limited and acting for DVN (Holdings) Limited in respect of an investment from Motorola in DVN.

Because most listed companies in Hong Kong are family controlled, unwelcome takeover bids come along once in a blue moon. The

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Mr John Maguire
麥若航先生

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bid for Quality HealthCare was even rarer in nature because it was an unwelcome takeover attempt led by one of the directors of Quality HealthCare itself. Maguire says: "This was fantastically exciting - because we were responding to the offer, we had very little time to analyse the bid, whereas the bidder had the luxury of being able to take as much time as it needed to plan and prepare. Whilst this meant working under some pressure, it was an exciting experience."

Professional Affiliation with HKSI

Maguire says the HKSI, which he joined in 1998, has a critical role to play in maintaining the Hong Kong market's high standards, and positioning it for future growth. Having served as a member of the working group on HKSI's licensing examination project, he is well aware of the institute's ability to contribute to the professional development of its members.

"I joined HKSI fairly early on. It seemed to me that the securities industry in Hong Kong sorely lacked a body to represent it and to act as a forum for practitioners," he says. "The HKSI has risen to the task admirably."

"I would encourage everyone to get involved with the work of the HKSI, it exists for all of us. In addition, the HKSI runs some very good seminars. I have attended a number of these seminars and have been impressed with the quality of the speakers. I encourage all my team to attend seminars that they might find interesting," Maguire adds.

In between steering EYCFL and participating in HKSI activities Maguire manages to find time to serve on the Takeovers and Mergers Panel and the Takeovers Appeal Committee of the Hong Kong Securities and Futures Commission. He is also a member of the Hong Kong Institute of Certified Public Accountants' recently formed Corporate Finance Committee.

But he takes the most pride in his relatively recent role as a parent.

"My most recent and most difficult challenge is being a father. I have a little girl (Caitlin) who is just two years old and a little boy (Joe) who is eight months old. Playing with them puts everything else that is going on into perspective," he says.

香港市場：當然之選

學會會員麥若航認為，香港證券交易所提供別的地方所沒有的機會，這意味著與證券業相關的專業人士，可望在今後的日子取得更佳業績，更令人振奮。

企業融資行業或許不能令人有興奮的聯想，但對香港證券專業學會會員麥若航來說，該行業卻提供了豐富的探索體驗。麥先生在倫敦當了五年律師（他說自己是在電視上看到「在法庭上雄辯滔滔」的律師形象後被吸引而加入律師行業），隨後於1991年遷居香港。

麥若航認為，90年代初是在香港擔當企業融資律師的輝煌時期。他參與多宗中國內地大型國有企業收購香港上市公司以及多個首次公開招股項目。四年後，他換了角色，擔任和昇企業融資顧問有限公司的董事。該公司學院式的氣氛，加上行政總裁張英潮先生和公司董事余超舜先生的支持，讓麥若航從容地從律師轉而成為企業融資人。在和昇工作五年後，安永會計師事務所於2000年找上門來。安永正在為自己的上市公司企業財務顧問業務制定商業計劃，他們請麥若航就此提供意見 - 這件事不久給他帶來了意想不到的機會。

「我向他們解釋了如何著手處理後，他們馬上請我替他們主管這個業務。老實說，我沒料到會出現這樣一個機會。我認為在安永的支持下創立業務，既富挑戰性，亦很有趣味，這似乎是個好主意。」他說道。

新的視野

麥若航成為安永企業融資顧問有限公司的董事總經理和共同創始人，那是他、安永和吳慧玲女士（他在和昇工作期間的同事）合夥創辦的公司。公司向開展收購、出售、接管或其他交置的上市公司，以及尋求上市的私營公司提供一系列企業融資顧問服務。在這位前律師的眼中，這是全球最有活力的工作，在一整套獨特地緣及文化優勢的市場中開展業務，工作既繁忙又有壓力。

「說到市場發展問題，我認為未來的商機會向內地發展。香港大部分大公司都已經在證券交易所上市。香港證券市場的增長必須依靠內地企業。香港為此類公司要上市之一個自然市場並吸引國

際投資者，同時享有更勝其他國際市場之優勢。」他說：「香港本身是中國的一部分，我們地緣臨近，擁有共同的書面語言，本港證券行業中的許多專業人士會講普通話。其他市場並不具備這些優勢，有些市場還自縛於不利的條件 - 例如，希望在納斯達克或紐約證券交易所上市的內地公司，目前需面臨令人卻步的情況，即必須遵守 Sarbanes-Oxley 法案。」

但麥若航補充說，香港在具有優勢的同時也面臨挑戰，這需要細緻的規管行動平衡。

「中國內地企業尋求在香港籌集資金，這既帶來機會，同時也包含更大的風險。中國內地尚處發展中階段，當地的標準可能未達至國際水平，在企業管治、會計和法律事務等方面尤為如此。這可能意味著，此類公司上市後出現問題的風險較大。至為重要的是，香港不可降低自己的標準，同時也不可落入對本身市場過度規管的陷阱。」

麥若航在安永企業融資顧問有限公司處理過某些印象較深刻的項目，其中包括：百利保控股有限公司債務重組；成功保護卓健亞洲有限公司免遭惡意收購；以及就摩托羅拉公司在天地數碼公司的投資事項擔當天地數碼(控股)有限公司腔測桶。

由於大部分香港上市公司由家族控制，出現惡意收購的情況不多。這項針對卓健公司的惡意收購性質更為罕見，因為該惡意收購是由卓健公司本身的某位董事所發起。麥若航說：「這實在緊張刺激 - 因為我們要對提議作出反應，我們只有很少的時間去分析出價，而買家卻能夠從容地地上充足時間進行計劃和籌備。雖然這意味著要在一

定壓力之下工作，那卻是一場令人興奮的經歷。」

與學會的專業聯繫

麥若航早於1998年加入香港證券專業學會，他認為學會在維持香港市場的高水準及於長遠發展方面正確定位，扮演著關鍵的角色。他曾擔任學會資格考試工作小組的成員，非常瞭解學會具備促進其會員專業發展的能力。

「我相當早就加入了香港證券專業學會。在我看來，香港的證券行業一度缺少能代表本行專業的機構，讓同業溝通交流。」他回顧言道：「香港證券專業學會恰如其份地挑起了這副重擔。」

「我願鼓勵每個人積極參與香港證券專業學會的工作。學會是為我們大家而存在的。此外，香港證券專業學會還舉辦一些非常出色的研討會。我參加過好些研討會，對講者的質素留有深刻印象。我常鼓勵自己的同事參加他們可能感興趣的研討會。」麥若航補充道。

在掌管安永企業融資顧問有限公司並參與香港證券專業學會多項活動之餘，麥若航還抽出時間出任香港證券及期貨事務監察委員會轄下的收購及合併委員會與收購上訴委員會。他還是香港會計師公會最近組成的企業財務委員會的委員。

但令他最驕傲的是他較近期所擔任的父親角色。

「我最近期也是最艱難的挑戰是當個好父親。我的小女兒 Caitlin，今年才兩歲，還有個八個月大的小男孩 Joe。跟他們玩耍讓我忘卻煩憂，把所有事情都拋諸腦後。」他說道。

HKSI Membership

The ability of Hong Kong to remain competitive as a leading international financial center depends on the professional knowledge, skills and integrity of the individuals working in the industry.

As a leading professional association in the industry, HKSI welcomes practitioners to join our ranks and become involved in some of the many HKSI activities aimed at further enhancing the professional standards and competency levels of practitioners.

For further inquiries regarding the membership admission requirements and progressive routes, please call the membership hotline on 3120 6170.

香港證券專業學會會籍

香港可以保持其作為領先國際金融中心的競爭力，端賴從業員的專業知識、技能與品格。

作為行業中重要的專業學會，香港證券專業學會歡迎從業員加入我們的行列，積極參與學會的培訓及專業活動。學會籌辦的各項活動，旨在進一步提升從業員的技能及專業水平。

有關入會資格及會籍晉升的查詢，請致電會籍熱線：3120 6170。