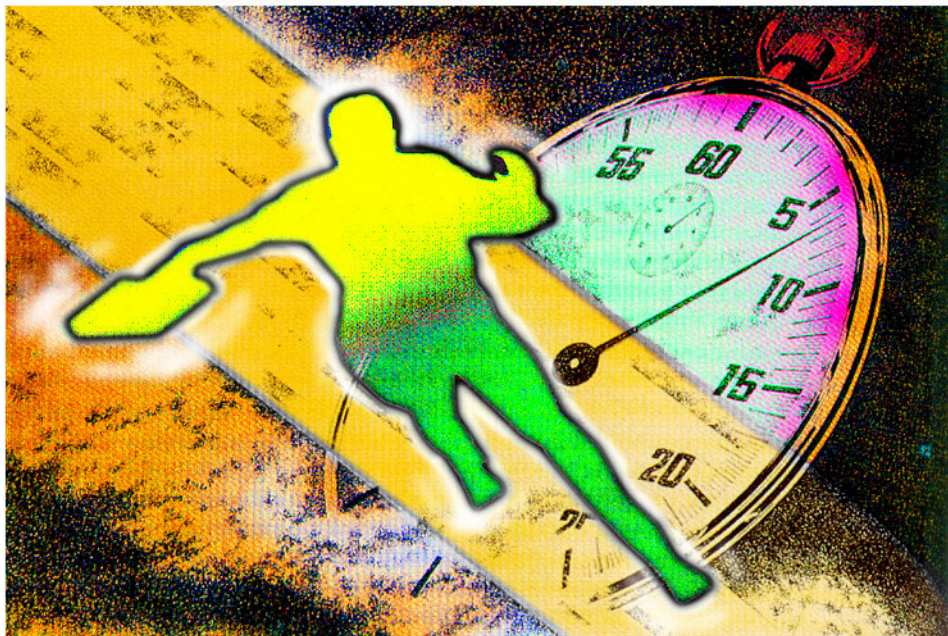




CASH FLOW MANAGEMENT





STRATEGIC INNOVATION CONSULTING PTE LTD
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From: C.W. Watson

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Pages: 2

SPECIMEN

RE: STRATEGIC SURVIVAL SEMINAR - 16 NOVEMBER 2001

In the current economic climate, both locally and globally, increasing numbers of companies are going bust. To some, these bankruptcies are a function of the economy. Others particularly investors, believe that the bankruptcy could have been averted. Management on the other hand, typically seems surprised that their entity has entered into financial distress. Even with the usual financial barometer, the traditional financial measures of performance, and the more recent measures such as EVA, MVA and so on, interested parties are unable to pass a verdict on an entity's financial viability with much confidence. The begging question therefore is WHY? WHY do some failures appear to occur suddenly? WHY does it take management some time to realise that their entity is experiencing severe financial distress? Does financial distress really come as a surprise?

This half-day seminar illuminates the preceding issues. It draws on recent international and Singaporean corporate failures and highlights the issues involved. The seminar provides an insight on why the traditional financial measures of performance did not indicate the impending financial distress. More importantly, the seminar introduces the concept of cash flow as a measure of corporate performance. It stresses that cash flow and profits, and cash flow and EVA are entirely distinct concepts. The seminar illustrates these differences and reassesses the performance of corporates in Singapore and abroad. Specific relationships between innovative cash flow measures (never seen before!) are illustrated. It provides an introduction as to how management, investors, lenders and other interested parties can utilise the information entities currently generate. This is an efficient avenue for effective utilisation of existing information.

Cash flow is king! It is the life-blood of any business entity. Without cash flow, without the capacity to generate cash flow from core operating activities, any organisation will be not be able to enhance its health and would be destined to failure. Without adequate sustainable cash flow and retained cash flow, entities will not be able to achieve their strategic objectives, entities will not be able to implement innovative information systems, entities will not be able to invest in new projects, entities will not be able to service and repay their debt and above all, there will be little or zero returns to shareholders! How long can a company maintain its market value without providing returns to the market? On the other hand, imagine the opportunities you could undertake given a healthy cash flow. Imagine its impact on the market, on the share price of your firm, and ultimately on the demand for your business!

If you want to learn the secrets of Strategic Survival, then this half-day seminar is for you. If you want to have a better understanding of your corporate financial health, then this half-day seminar is for you. If you believe the survival of your organisation is critical to you in the current economic climate then this seminar is for you. If you want to enhance the health of your organisation, then you must not miss this seminar!

As we are now in the process of confirming the participants' registration, you **must** fax to us your registration form to secure a seat for the programme via our fax no. 8429840 or call me at 8429895 should you need further assistance. The details and registration form of our programme are attached.

However, should you be unable to attend, we strongly encourage a suitable representative such as your Chief Financial Controller, Financial Analyst or Senior Management would be good as they will obtain an insight knowledge on the in-depth mechanism of Strategic Survival.

Thank you and best regards
Yours faithfully,

A handwritten signature in black ink, appearing to read "W. Chong".

Watson Chong
President and Chief Executive Officer
Strategic Innovation Consulting Pte Ltd



STRATEGIC SURVIVAL

(Innovative financial tools for enhancing corporate health)



Conducted By

Divesh Sharma, PhD, GcertHed, C.A. (Aust)
Associate Professor (Division of Accountancy)

NANYANG BUSINESS SCHOOL

ORGANISED BY:

STRATEGIC INNOVATION CONSULTING PTE LTD

Date : 16 November 2001 (1/2 day)
Time : 8.30a.m. – 1.00p.m.
Venue : Sheraton Towers Singapore
Fees : S\$490.00
S\$441.00 for companies
sending 3 and more
participants from the same
organisation.

Seminar Objectives

- Revisit some recent corporate disasters, failures that were not supposed to happen;
- Highlight the pitfalls of traditional financial measures of performance;
- Introduces the concept of cash flow;
- Identifies the differences between profits, EVA and cash flow;
- Illustrates the benefit of including cash flow financial measures of performance;
- Introduces innovative cash flow measures of performance;
- Illustrates how cash flow can be integrated and thus complement traditional financial performance measures and EVA;
- Enhances management and users understanding of financial performance measurement and evaluation;
- Provides a platform for implementing innovative cash flow financial measures of performance.

Who should attend

Chief Executive Officer, Chief Financial Officer,
Chief Operating Officer, Chief Information Officer,
Chief Technology Officer, Financial Controller,
Financial Analyst and Senior Management

About This Seminar

Participants will be given the insight to recent mega corporate failures. They will see for themselves why the common traditional measures of performance did not signal the symptoms of financial distress. Participants will be introduced to the concept of cash flow and some innovative cash flow measures. They will be shown how cash flow measures can be integrated with the more traditional measures of performance. In a nutshell, participants will be provided a better understanding of financial performance measures and how they can utilise them for the benefit of their organisation.

Seminar Presenter

Associate Professor in Division of Accountancy, Nanyang Business School, Nanyang Technological University.

Doctor of Philosophy in Accounting & Finance from Griffith University in Australia.

Master of Commerce with honours and Bachelor of Commerce from University of Canterbury, New Zealand.

Graduate Certificate in Higher Education from Griffith University.

Recipient of the 1994 Award for Teaching Excellence from the Institute of Chartered Accountants in Australia.

Chartered Accountant (Australia).

Three international manuscript awards received in the last four years.

Presented papers at international conferences in USA, France, Belgium, Greece, Australia and New Zealand.

Provided consulting to national and multinational companies in Australia, New Zealand and Fiji on financial performance measures, particularly cash flow measures.

Conducted executive courses on financial performance measures and budgeting in Australia.

Has conducted extensive research on cash flow including cash flow for assessing corporate health, cash flow for predicting takeover targets, cash flow benefits from corporate mergers, and research with Australian lenders on cash flow and the lending decision.

Enquiries: For any enquires please call Mr. C.W. Watson at 8429895 or fax to us at 8429840

REGISTRATION FORM

Reserve via Fax: 8429840

YES! Please register me for the seminar

NOTE: This programme is subject to changes under unforeseen circumstances by the organiser without prior notice.

Name (Dr/Mr/Mrs/Ms): _____ Designation _____

Company: _____ Nature of Business _____

Address: _____

Contact Person (If different from above) _____ Tel No. _____ Fax No. _____

You may register via fax but registration is only confirmed upon receipt of payment. Mail your crossed cheque made payable to "Strategic Innovation Consulting Pte Ltd" and send cheque with registration form to

Strategic Innovation Consulting Pte Ltd
45 Kallang Pudding Road #08-02 Alpha Building Singapore 349317