

The Hong Kong University Science & Technology  
**GBUS 3050 Deal Making in Asia and Emerging Markets**

L1 — Tuesdays & Thursdays 4:30 – 5:50PM Venue: LSK 1003

---

**Chris Doran**  
*Adjunct Associate  
Professor*

**Stephen W. Nason**  
*Professor of Business  
Practice*

**Sangeetha. R**  
*IA*

Office:

LSK 5020 (Lift 1-2)

LSK 5025 (Lift 1-2)

Phone:

2358-7759

2358-6296

Email:

[cjsd@ust.hk](mailto:cjsd@ust.hk)

[mnsnason@ust.hk](mailto:mnsnason@ust.hk)

[geeth@ust.hk](mailto:geeth@ust.hk)

**Office Hours:** By appointment

**Course Web page:** <http://canvas.ust.hk>

---

## **COURSE DESCRIPTION**

This course is an intensive study focused on developing, analyzing, and closing deals in Asia and emerging markets. Students will learn how to ...

1. Structure deals and develop term sheets that address core deal components (e.g. price, control, liquidity).
2. Close the deals in a competitive environment where there are other deal options and other players competing for the same deal.

The goals are for students to learn the **basics of M&A deal making, closing those deals** through negotiations, and **building dealmaking and negotiation skills through experiencing an engaging, memorable multi-week simulation.**

The course content is designed for smart, motivated, and competitive students who are interested in applying their knowledge to cross-border deal structuring, negotiating, and closing deals.

## **LEARNING OBJECTIVES**

The main objective of this class is to help develop your ability to successfully complete deals in Asia and other emerging markets. You will have the opportunity to strategize and be the principal negotiator in real world, substantive, international business deals. By the end of this course, students should be able to:

- **Demonstrate** an understanding of the techniques used to effectively structure, negotiate, and close deals in the real world.
- **Critically analyse** a new situation to identify which techniques and contextual factors are the most critical.
- **Design and implement** strategies for structuring, negotiating, and closing deals in a variety of Asian and Emerging Market contexts.
- **Present** deals effectively, work effectively within a group, and enhance understanding of **ethical** challenges.
- **Compare, contrast, and differentiate** between different types of deals, including M&A, PE, and JVs.

**GBUS 3050 Deal Making in Asia and Emerging Markets**

L1 — Tuesdays &amp; Thursdays 4:30 – 5:50PM Venue: LSK 1003

**COURSE FORMAT AND SCHEDULE STRUCTURE**

The course is scheduled for 2 1.5-hour classes (Tuesday and Thursday) every week for 13 weeks. The curriculum is divided into three distinct phases:

Phase	Duration	Content Focus	Instructor
<b>Phase I</b>	<b>5 Weeks (10 Sessions)</b>	Foundational M&A, PE, JVs, and Deal Structuring	Professor Doran
<b>Phase II</b>	<b>5 Weeks (10 Sessions)</b>	Negotiation Basics and Experiential Exercises	Professor Nason
<b>Phase III</b>	<b>3 Weeks (6 Sessions + Evening)</b>	Asian Beauty Deal Simulation Capstone	Jointly run by Professors Doran and Nason

**GRADING WEIGHTS**

The grading scheme emphasises toward applied performance:

Component	Weighting	Assessment Focus
<b>Exam</b>	<b>25%</b>	Testing ability to apply course substance to new situations (short essays/multiple choice)
<b>Team Asian Beauty Performance</b>	<b>25%</b>	Quality of analysis, deal structuring, negotiation prowess, and quality of required team deliverables
<b>Professor Nason Participation/Activities</b>	<b>20%</b>	Preparation for, and participation in, experiential negotiation exercises.
<b>Professor Doran Participation/Activities</b>	<b>20%</b>	Participation in case discussions, group presentations, and case write-ups.
<b>Quizzes</b>	<b>10%</b>	The quizzes will assess you preparation and understanding of course concepts.

# GBUS 3050 Deal Making in Asia and Emerging Markets

L1 — Tuesdays & Thursdays 4:30 – 5:50PM Venue: LSK 1003

**SAMPLE EXAM GRADING RUBRIC** (10 points) for an essay question after a case.

- 10 points:** *Critically analyses* the impact of the *answer/selected concept* in a precise manner with solid evidence and shows how a better understanding would have contributed to resolving the issue.
- 9 points:** Demonstrates an *excellent* understanding and ability to *correctly apply* the *answer/selected concept* in a *specific* manner with solid evidence that would improve the individual's/team's performance.
- 7 points:** *Solid Application*. Demonstrates an accurate understanding and ability to *correctly apply* the *answer/selected concept* in a *general* manner that would improve the individual's/team's performance.
- 5 points:** Demonstrates some understanding but in a *general, imprecise manner*.
- Superficial use of class concepts.
  - Weak evidence to support the answer.
  - Provides an *answer/selected concept* that does *not apply well*.
- 3 points:** *vague/incomplete* understanding of class concepts and the analyses contains *inaccuracies*.
- *Few* class concepts.
  - *Little evidence* to support the answer
  - Provides an *answer/selected concept* that has only a *tenuous application* to the question.
- 2 points:** defines the *answer/selected concept* but *without applying* it to an actual situation.
- Provides an *answer/selected concept* that does *not apply* to the specific question.
- 0 points:** does *not demonstrate* an understanding of the *answer/selected concept*.

## CAPSTONE CASE GRADING RUBRIC

- A+:** *Critically analyses* and *Excellent application* of the deal, offers, and counter offers. Develops *innovative* solutions to structure and close the deal that demonstrate *both* an
- excellent understanding of class concepts
  - excellent ability to apply class concepts
- A:** *Excellent understanding* and *application*. Develops solutions to structure and close the deal that demonstrate *both* an
- excellent understanding of class concepts
  - excellent ability to apply class concepts
- A-:** *Some Excellent components*. Develops solutions to structure and close the deal that demonstrate *either* (but not both) an
- excellent understanding of class concepts
  - excellent ability to apply class concepts
- B+:** *Good understanding* and *application*. Develops solutions to structure and close the deal that demonstrate *both* a
- good understanding of class concepts
  - good ability to apply class concepts
- B:** *Some Good understanding* and *application*. Develops solutions to structure and close the deal that demonstrate *either* (but not both) a
- good understanding of class concepts
  - good ability to apply class concepts
- B-:** *Average understanding* and *application*. Develops solutions to structure and close the deal that demonstrate an
- average understanding of class concepts
  - average ability to apply class concepts
- C+:** Demonstrates a *partial* understanding and ability to *correctly apply* class concepts to structure and close the deal.
- C:** *active participation* but does *not demonstrate* an understanding of course concepts or an ability to use them to construct and close a deal.
- C-:** does *not actively participate*. *Does not demonstrate* an understanding of course concepts or an ability to use them to construct and close a deal.

**GBUS 3050 Deal Making in Asia and Emerging Markets**

L1 — Tuesdays &amp; Thursdays 4:30 – 5:50PM Venue: LSK 1003

**PHASE I: FOUNDATIONAL DEAL STRUCTURING (PROFESSOR DORAN)****(5 Weeks / 10 Sessions)**

Professor Doran's sessions will cover the basics of M&A, PE, JVs, and contracts using cases.

Students must be able to understand and apply the mechanics of a **Term Sheet** (Deal structure, Price, Control, Liquidity, legal terms (e.g. Indemnities, warranties)).

<b>Wk</b>	<b>Session (T/Th)</b>	<b>Cases &amp; Exercises</b>	<b>Topics</b>	<b>Assignment</b> <i>(completed before class)</i>
1	Tues. Feb 3	HP-Autonomy case	Course Introduction Introduction to M&A Strategy overview	
	Thurs. Feb 5	HP-Autonomy case	Financials and merger integration overview	<b>Quiz 1</b>
2	Tues. Feb 10	Netflix-WBDiscovery	Corporate strategy: Organic vs JV vs Contract vs Acquisition?	
	Thurs. Feb 12	Netflix-WBDiscovery	<i>Synergies – How does 1+1=3?</i>	
3	Tues. Feb 17	Chinese New year	No Class!	
	Thurs. Feb 19			
4	Tues. Feb 24	China Paradise model/case	Valuation – 3 methods Introduction to DCF Valuation	<b>Quiz 2</b>
	Thurs. Feb 25		Introduction to PE LBO Calculations	
5	Tues. Mar 3	Netflix-WB Discovery case	Deal structuring Shares vs cash Deferred payments	<b>Quiz 3</b>
	Thur. Mar 5		Due Diligence Term sheets Indemnities, Representations and Warranties	

**GBUS 3050 Deal Making in Asia and Emerging Markets**

L1 — Tuesdays &amp; Thursdays 4:30 – 5:50PM Venue: LSK 1003

**PHASE II: NEGOTIATION BASICS AND APPLICATION (PROFESSOR NASON)****(5 Weeks / 10 Sessions)**

Professor Nason's sessions will cover the basics of closing deals through negotiations with in-class negotiations and debriefs. Every Tuesday involves an experiential negotiation, with debriefs on Thursday.

<b>Wk</b>	<b>Session</b>	<b>Cases &amp; Exercises</b>	<b>Topics</b>	<b>Assignment</b> <i>(completed before class)</i>
6	Tues. Mar 10	International Lodging Merger	US and Brazilian JV Deal.	<b>Quiz 4</b>
	Thur. Mar 12		Fundamentals of Strategy, Tactics, & Culture in deals.	
7	Tues. Mar 17	Aerospace Investment	VC Deals in Asia.	<b>Quiz 5</b>
	Thur. Mar 19		VC Negotiations: Equity, Price, Term Sheets, & Total Value.	
8	Tues. Mar 24	Pacific Link	HK & Taiwan M&A.	<b>Quiz 6</b>
	Thur. Mar 26		Complex Counter-party Relations, Deal Closure Techniques, & Power Imbalance.	
9	Tues. Mar 31	Prudential-AIA case	Deal process and PMI	<b>Quiz 7</b>
	Thur. Apr 2	<i>Mid-term break</i>		
	Thur. Apr 9	Prudential-AIA case	Post merger integration (cont) Review	
10	Tues. Apr 14	Henry Emanuel Mayer (HEM)	Korean & US IB Merger.	<b>Quiz 8</b>
	Thur. Apr 16		Closing Deals: The Final Minutes.	

**GBUS 3050 Deal Making in Asia and Emerging Markets**

L1 — Tuesdays &amp; Thursdays 4:30 – 5:50PM Venue: LSK 1003

**PHASE III: ASIAN BEAUTY DEAL SIMULATION****(3 Weeks / 6 Sessions + 1 Evening Session)**

This simulation is mandatory and serves as the capstone experience, requiring teams to apply all learned skills in a competitive M&A environment.

**Simulation Coaching:** A dedicated WhatsApp chat group for each team will be created and used by students and Professors Doran and Nason for Q&A for the duration of the simulation.

Wk	Session	Synchronous Activity (1:20 Hours, unless noted)	Key Deliverables Due (before class)
11	Tues. Apr 21	<b>General Briefing on Exercise</b> (Launch of the deal process)	
	Thur. Apr 23	<b>Meet with Board/IC (Deal Plan Sign-off)</b> (20 minutes per team)	<b>Deal Plan submission</b> <b>Buyers:</b> deal strategy/analysis <b>Sellers:</b> deal process/analysis
12	Tues. Mar 28	<b>Scheduled First Meetings</b> between buyers and sellers	<b>Buyers:</b> Letter of Intent <b>Sellers:</b> Process Letter
	Thur. Apr 30	<b>Indicative Term Sheet Sign Off</b> from Board/IC (20 minutes per team)	<b>Buyers:</b> Indicative Term Sheet and Financial Submission <b>Sellers:</b> Process update and seller analysis
	Thur. Apr 30 <b>Evening Session</b>	<b>4-Hour Session:</b> <u>Starting with</u> <b>Scheduled Final Meetings</b> between buyers and sellers Boards in contact in person/WhatsApp <u>Ending with</u> <b>final term sheet submission</b>	Last time to ask for additional information
13	Tues May 5	<b>Debrief 1:</b> <b>Declare Final Offers</b> <b>Deal Analysis</b> Teams share insights Q&A	<b>BUYERS ONLY:</b> <b>Final Term Sheet Submission</b> (every buyer MUST submit at least one) <b>SELLERS ONLY:</b> <b>Recommendation to Board</b> (summarise offers, analyse strengths/weaknesses)
	Thur May 7	<b>Debrief 2:</b> <b>Reinforce Key Learning Points</b> <b>Wrap-up</b>	Final Debrief Submission (Deal story, lessons learned)
<b>Final Exam</b> (conducted during the normal exam period May 16-29)			

The exam component accounts for 25% of the final grade. The exam will test students' ability to apply the substance of the course, including the key structural concepts and negotiation strategies, to new fact situations. Specific timing and structure will be announced later.