

2021 Value Investment Proposal Competition Handbook

1. Introduction

Sponsored by Overlook Investments Ltd., Lau Chor Tak Institute of Global Economics and Finance (IGEF) is organising the second Value Investment Proposal Competition (“the Competition”) in February 2021, offering undergraduate students a unique experience of learning value investment techniques from top industry experts and applying such knowledge in a competition setting. Participants¹ are expected to attend a series of lectures and then submit an investment proposal; winning teams will receive cash prizes of up to HK\$60,000.

The Competition is open to all full-time students studying an undergraduate degree programme at a local tertiary institution for the 2020-2021 academic year. Students from any discipline are welcome. Participants must apply as teams of up to three members, where **at least one member must be a full-time undergraduate student currently enrolled at The Chinese University of Hong Kong.** Each participant can enter the Competition as a member of only **one** team.

Interested teams should register for the Competition by completing the application form² (available [here](#)) once per team by **19 February 2021**. Due to the limited availability, applications will be processed on a first come, first served basis; successfully registered applicants will be notified through emails.

Key Dates:

19 February 2021	Deadline for registration
24 February – 17 March 2021	Lecture series
16 April 2021	Deadline for proposal submission
Early/Mid May 2021 (Tentative*)	Presentation of proposals by shortlisted teams
Early June 2021 (Tentative*)	Prize presentation and closing ceremony

The schedule is subject to change.

*Further details will be announced on the Competition’s website in due course.

¹ The terms “participant”, “entrant” and “contestant” are used interchangeably.

² Any incomplete application form submitted will be rejected.

2. Prizes

Winner:	Cash prize of HK\$60,000 [#] and a Winner certificate
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First runner-up:	Cash prize of HK\$30,000 [#] and a First runner-up certificate
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Second runner-up:	Cash prize of HK\$15,000 [#] and a Second runner-up certificate
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[#]Cash prizes are awarded on a team basis, with the stipulated cash prizes being the total sums to be split among members of the respective winning teams³.

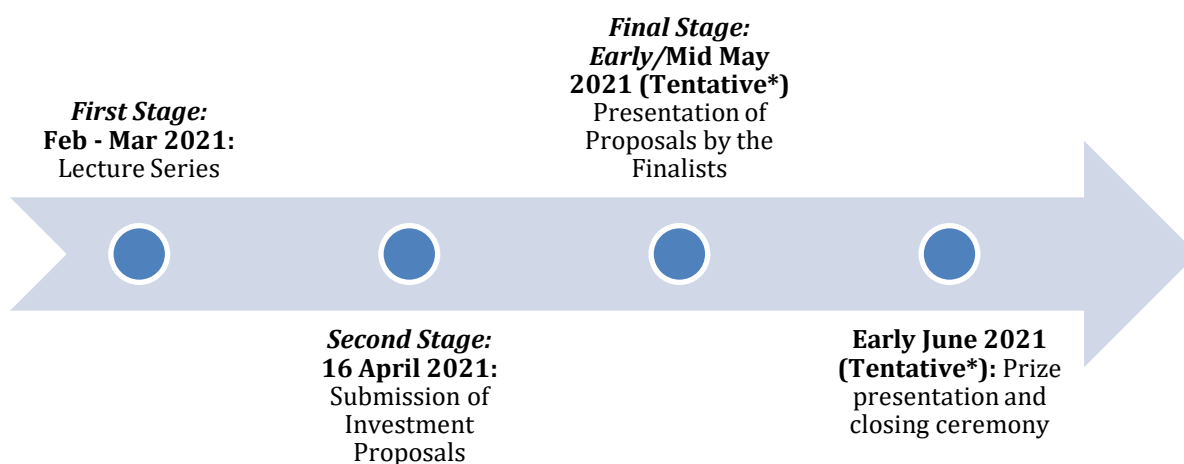
All other teams who have submitted a proposal will also receive a certificate of appreciation.

3. Format of Competition

The Competition will take place over several months, consisting of three stages.

The **first stage** of the Competition will begin on **24 February 2021**, when a series of lectures spanning approximately one month will be presented to introduce participants to the concept of value investment, equipping them with the knowledge and skills necessary to evaluate stocks from the perspective of value investment. Lectures will be delivered by financial experts and seasoned value investors. Contestants are expected to attend all lectures; any team member's absence from more than two lectures without proper justification may result in disqualification of the entire team.

In light of the COVID-19 pandemic, some lectures will be delivered entirely online via Zoom while others will be taught in a "Hybrid Mode" where some students are physically present, while the rest attend the lecture remotely via Zoom.



³ The term "winning teams" refers to teams being the winner, the first runner-up and the second runner-up.

In the **second stage** of the Competition, each participating team is required to submit an investment proposal that is guided by the aforementioned value investment principles by **16 April 2021**. Within the proposals, teams should state their value investment philosophy clearly, then select the equity security of only **one** company listed on the Hong Kong Stock Exchange that has a market capitalisation of **at least HK\$ 5 billion** (calculated using the daily closing price of the stock in the Hong Kong stock market on the date of submission of the proposal) and justify their decisions. Proposals will be judged by how consistent the stock pick is with the philosophy stated and **not the performance of the stock per se**. The top five teams will be shortlisted to proceed to the **final stage** of the Competition.

In the **final stage** of the Competition (tentatively scheduled for **early/mid May 2021**), the finalists will be invited to deliver a presentation of no longer than 12 minutes in front of the judging panel, followed by a Q&A session of around 10 minutes.

The list of shortlisted teams and winning teams will be announced on the Competition's website approximately a week after the submission deadline of investment proposal and the **final stage** of the Competition, respectively. Shortlisted finalists and winners will be notified by email from IGEF.

4. Judging:

Evaluation Criteria:

Teams' performance will be assessed according to the following criteria (with roughly equal weighting):

- Description of the investment philosophy
- Knowledge and understanding of value investment
- Adherence of stock-picking to value investing principles
- Clarity of the written proposal, presentation and Q&A session

Although the attendance of lectures is not listed in the aforesaid criteria, any team member's absence from any lecture without reasonable explanation and proper supporting documents could suffer a penalty in marks. The approval of absence and the decision of penalty are determined by the judging panel.

Judges:

The judging panel comprises the six guest speakers delivering the lecture series. Please note that all decisions by the judges are final; no appeal will be accepted.

5. Competition Details:

Lecture Series:

Participants are expected to attend all lectures, which are listed as follows. Teams with any member missing more than two lectures without sufficient justification may be disqualified from the second and the final stage of the Competition⁵. Contestants are expected to be punctual for the lectures and record their attendance at the on-site registration counter; a late arrival of more than 30 minutes without acceptable explanation will be treated as an absence. Participants who intend to apply for absence approval, which can be submitted in advance or **within three days** after the absence, should notify IGEF via email (igef@cuhk.edu.hk) and provide supporting documents as appropriate; approvals will be decided by the judging panel.

Date	Speaker
24 Feb 2021 (10:30am - 12:00pm HKT)	Mr. Richard Lawrence Chairman and Executive Director of Overlook Investments Ltd.
3 Mar 2021 (4:30 - 6:00pm HKT)	Dato' Seri Cheah Cheng Hye Co-Chairman and Co-Chief Investment Officer of Value Partners Group
10 Mar 2021 (10:30am - 12:00pm HKT)	Mr. Ted Seides Founder of Capital Allocators LLC
17 Mar 2021 (4:30 - 6:00pm HKT)	Professor Joseph Yam Former Chief Executive of the Hong Kong Monetary Authority

**Above timetable is subject to revision.*

Proposal:

Each team is required to submit a proposal with **a maximum of 5,000 words** (1.5-line-spaced, excluding cover page but including, if any, footnotes, appendices and references). Proposals should be written in English and can be in well-designed paragraphs or bullet points. We do not have a standard format of proposal. However, contestants are expected to specify their value investment philosophy, their selection of stock and the corresponding rationale; other content can be included at the discretion of contestants. We expect the proposals to be original work of contestants; plagiarism (to be determined by the judging panel) will be severely penalised. Participants are thus advised to provide proper references and citations where appropriate. Submissions must be in Word format (doc and docx files are both acceptable) and sent to IGEF via email (igef@cuhk.edu.hk) by the latest **16 April 2021 23:59 Hong Kong Time**. Late submission will be heavily penalised. Teams should submit the proposal with the file name in the following form: Competition_proposal_“team_number”. Only one submission is allowed per team, and no changes to the proposal will be accepted once it is submitted.

⁵ In the event of violation of the minimum attendance requirement (four lectures for each team member), the Organiser (IGEF) reserves the right to refuse any entry, to disqualify any entrant or to withhold the presentation of any award/cash prize to any entrant without advance notice.

Presentation:

Each shortlisted team should compile a PowerPoint presentation (in ppt, pptx or pdf format) in English and submit the file to IGEF via email (igef@cuhk.edu.hk) by **noon of the day preceding the scheduled presentation**. Each team is permitted to submit only one PowerPoint file; no resubmission is allowed. Late submission will be subject to a mark penalty, and any changes to the submitted PowerPoint file will not be accepted. Teams should submit the PowerPoint with the file name in the following form: Competition_pre_“team_number”. There is no slide limit; teams are free to insert multi-media files in the PowerPoint, but they are advised to ensure the absence of technical issues pertaining to the PowerPoint file. The submitted PowerPoint must be participants’ original work; as aforementioned, plagiarism will result in a heavy penalty.

On the day of the presentation, all team members⁶ should register (in the case of in-person presentation) / log into the designated Zoom meeting room (in the case of online presentation) **at least 15 minutes** prior to their scheduled presentations. All team members are expected to participate in the verbal presentation, which should be **no longer than 12 minutes** and conducted in English. A Q&A session of approximately 10 minutes will follow. Teams are **not** permitted to attend the presentations of other teams.

6. Other Conditions:

The Organiser is committed to respecting the privacy of contestants. The Organiser will not sell any personal information collected for the Competition to any third parties. Any personal information collected for the Competition shall be used by IGEF solely for the purpose of managing and administering the Competition. By entering the Competition, contestants hereby consent to IGEF’s collection, use and disclosure of his/her personal information, including to IGEF’s affiliates, solely in order to manage and administer the Competition.

Once an application form is submitted, it implies full understanding and agreement of the entrant to all the regulations as set out in the application form and this handbook, as well as those prevailing throughout the Competition. For any matter not covered in these regulations/any updated news, the Organiser may publish the relevant information on the Competition’s website without further notice.

The Organiser reserves the right of final decision on interpreting and amending the regulations and details of the Competition. The Organiser reserves the right to amend the regulations of the Competition without advance notice. Amendment notice will be announced as soon as possible. In the event of any dispute, the Organiser reserves the right of the final decision.

The Organiser also reserves the right to terminate, modify or suspend the Competition without prior notice. If, for any reason, the Competition is not capable of running as planned.

⁶ In the event that some members of the winning teams are absent on the date of the presentation, the Organiser and the judging panel reserve the right of allocation of the cash prizes.

7. Copyright:

The Organiser (Lau Chor Tak Institute of Global Economics and Finance) and the Sponsor (Overlook Investments Ltd.) have the right to use all or any of the materials produced during the Competition (including proposals and PowerPoint files) in any format and reserve the rights to use or allow any party to use the entries for publication, exhibition, and publicity of the Competition for non-commercial purposes at no extra cost to the respective entrants. Such publication, exhibition and publicity need not be limited to the organisation and/or the promotion of the Value Investment Proposal Competition only.

All entrants must be the sole and exclusive owner of the copyright of the entry(ies) or have the consent or endorsements from its property owner/licensor. Entries should not infringe on the rights of any third party. Otherwise, any unearthed infringement of any third party will result in disqualification of the entry(ies) concerned.

All entries submitted must be without infringing on the Intellectual Property Rights (IPR)⁷ of any party. Entrants must acknowledge any authorised use of graphics in the entry(ies) in accordance with the relevant copyright laws. The Organiser shall not be responsible whether directly or indirectly for any liability arising whatsoever or howsoever from any violation of any copyright laws. Entrants shall indemnify the Organiser against all actions, costs, claims and liabilities of whatsoever nature arising out of or in connection with any allegation and/or claim of infringement of any IPR of any party.

8. Enquiries:

Please send all enquiries to IGEF via email (igef@cuhk.edu.hk); we will respond as soon as possible.

⁷ "Intellectual Property Rights" shall mean patents, trademarks, service marks, trade names, design rights, copyright, domain names, database rights, rights in know-how, new inventions, designs or processes and other intellectual property rights of whatever nature and wheresoever arising, whether now known or hereafter created, and in each case whether registered or unregistered and including applications for the grant of any such rights.