

WILSON H.S. TONG

Professor
School of Accounting and Finance
Faculty of Business
Hong Kong Polytechnic University
Hung Hom, Kowloon
Hong Kong

EDUCATION

Ph.D. (Arizona State University)
M.B.A. (The Garvin School of International Management, Thunderbird)
B.Soc.Sc. (The Chinese University of Hong Kong)

RESEARCH INTEREST

Privatization, China Market, Corporate Takeovers, Return Anomalies

TEACHING INTEREST

International Finance, Financial Management, Investment

PUBLICATIONS

1. "Changes in the Incentive Contracts of Takeover Targets after Merger Failures" (with Lin Li and Peter Cheng), **Journal of Accounting, Auditing and Finance** 2019, accepted.
2. "Information Uncertainty and Target Valuation in Mergers and Acquisitions" (with Jack Li), **Journal of Empirical Finance** January 2018 v45, 84 – 107.
3. "Information Asymmetry, Bid Premium and Merger Gain" (with Peter Cheng and Jack Li), **Journal of Business Finance and Accounting** 2016 v43n7-8, 976 – 1016.
4. "Institutional Environment, Firm Ownership and IPO First-Day Returns: Evidence from China" (with Yibiao Chen, Wei Li, Qian Sun, and Steven Shuye Wang), **Journal of Corporate Finance** June 2015 v32, 150 – 168.
5. "How Cross-listings from an Emerging Economy affect the Host Market?" (with Qian Sun and Xin Zhang), **Journal of Banking and Finance** 2013 v37n7, 2229 – 2245.
6. "Trading on inside information: Evidence from the share-structure reform in China" (with Shaojun Zhang and Yanjian Zhu), **Journal of Banking and Finance**, 2013 v37n5, 1422 – 1436.
7. "Overseas Listing as a Policy Tool: Evidence from China's H-shares" (with Qian Sun and Yujun Wu), **Journal of Banking and Finance**, 2013 v37n5, 1460 – 1474.
8. "A Corporate Governance Explanation of the A-B Share Discount in China" (with Wayne Yu), **Journal of International Money and Finance**, 2012 v31n2, 125 – 147 (leading article).
9. Audit Fee Determination in Singapore: A Comprehensive Analysis (with Qiao Qin and Qian Sun), **China Accounting and Finance Review**, 2011 v13n4, 127 – 160.
10. "Risk and the January Effect" (with Qian Sun), **Journal of Banking and Finance**, 2010 v34n5, 965 – 974.
11. "Market Liberalization within a Country" (with Qian Sun and Yuxing Yan), **Journal of Empirical Finance**, 2009 v16n1, 18 – 41.
12. "What Triggers Top Management Turnovers in China" (with Peter Cheng and Jack Li), **Journal of Contemporary Accounting and Economics** 2008 v4n1, 50 – 87.
13. "Privatization through an Overseas Listing: Evidence from China's H-share Firms" (lead article with Jia Jin and Qian Sun), **Financial Management** 2005 v34n3, 5-30.

14. "Do Government-Linked Companies Necessarily Underperform?" (with Qian Sun and Feng Fang), **Journal of Banking and Finance** 2004 v28n10, 2461-2492.
15. "China Share Issue Privatization: The Extent of its Success" (with Qian Sun), **Journal of Financial Economics** 2003, v70n2, 183-222.
16. "Malaysian Privatization – A Comprehensive Study" (with Qian Sun), **Financial Management** 2002, v31n4, 79-105.
17. "Market Structure and Return Volatility: Evidence from the Hong Kong Stock Market" (with K.S. Maurice Tse), **Financial Review** 2002, v37n4, 589-612.
18. "The Impacts of Mass Delisting: Evidence from Singapore and Malaysia" (with Qian Sun and Yuen Kin Tang), **Pacific-Basin Finance Journal** 2002, v10n3, 333-351.
19. "Another New Look on the Monday Effect" (with Qian Sun), **Journal of Business Finance and Accounting** 2002, v29n7&8, 1123-1147.
20. "How Does Government Ownership Affect Firm Performance? Evidence from China's Privatization Experience" (lead article with Qian Sun and Jing Tong), **Journal of Business Finance and Accounting** 2002, v29n1&2, 1-27.
21. "Determinants of Foreign Direct Investments across China" (with Qian Sun and Qiao Yu), **Journal of International Money and Finance** 2002, v21n1, 79-113. (Most requested article of the journal in 2003)
22. "Why Chinese Firms would Like to List Overseas" (with Qian Sun), **Corporate Finance Review** 2001, v4n6, 5-7.
23. "Cointegration, Efficiency and Forecasting in the Currency Market", **Journal of Business Finance and Accounting** 2001, v28n1&2, 127-150.
24. "Profitability of Momentum Strategies in the International Equity Markets" (with Kalok Chan and Allaudeen Hameed), **Journal of Financial and Quantitative Analysis** 2000, v36n2: 153-172.
25. "The Effect of Market Segmentation on Stock Prices: the China Syndrome" (with Qian Sun), **Journal of Banking and Finance** 2000, v24n12, 1875-1902.
26. "International Evidence of Weekend Anomalies", **Journal of Financial Research** 2000, v23n4, 495-522.
27. "The Effect of U.S. Trade Deficit Announcement on the Stock Prices of US and Japanese Automakers", (with Qian Sun) **Journal of Financial Research** 2000, v23n1, 15-43.
28. "Interdaily Volatility in a Continuous Order-driven Market" (with Hong-leung Lam), **Journal of Business Finance and Accounting**, 1999, v26n7&8: 1013-1036.
29. "An Examination of Dynamic Hedging", **Journal of International Money and Finance**, 1996, v15n1: 19-35.
30. "An Analysis of the January Effect of United States, Taiwan and South Korean Stock Returns", **Asian Pacific Journal of Management**, 1992, v9n2: 189-207.

WORKING PAPERS

- Restricting CEO Pay Backfires: Evidence from China (with Kee-Hong Bae and Zhaoran Gong)
- Is High Cash Flow a Blessing or a Curse? Evidence from Bidder's Long-term Performance (with Jack Li and Peter Lam)
- Manager Attribute and CEO Selection (with Jack Li)
- Economic Freedom and IPO Underpricing (with Yibiao Chen, Steven Wang, and Flora Zhu)
- How weak governance and dysfunctional capital market destroy firm productivity: The China evidence (with Warren Bailey, Huiwen Lai, and Zhaoran Gong)
- Seasoned Equity Offerings and Return Volatility (with Flora Zhu)
- Executive Pay Disparity and Internal Control Material Weaknesses (with Zhu Hui)
- Divergence of Investor Opinion, Target Valuation and Merger Gain (with Jack Li)

CONFERENCE PRESENTATION

- “Restricting CEO Pay Backfires: Evidence from China”, the AFA 2019 Annual Meeting, Atlanta, Georgia, January 4 – 6, 2019.
- “Restricting CEO Pay Backfires: Evidence from China”, the 2018 FMA Annual Meeting in San Diego, October 10 - 13; the 45th EFA Annual Meeting in Warsaw, August 22 – 25, 2018; 2018 CFCF Annual Meeting, July 10 – 13, Tianjin, China
- "Is High Cash Flow a Blessing or a Curse? Evidence from Bidder’s Long-term Performance", the 29th Asian Finance Association Annual Meeting, Seoul, South Korea, July 6 – 8, 2017; 23rd European Financial Management Association (EFMA) conference, Rome, Italy, June 25 – 28, 2014; and Hawaii International Conference on Business, May 25th, 2014.
- “Trading Restriction, Tick Size and Price Discovery of Cross-listed Firms: Evidence from a Natural Experiment in China” 2013 Asian Finance Association Annual Conference July 15-17, Nanchang, Jiangxi, China (Best Paper Award on China Capital Markets).
- “Overconfident Manager, CEO Selection and Corporate Investment: An Empirical Analysis”, 2013 FMA European Conference (Neumunster Abbey, Luxembourg), 12-14 June, 2013.
- “How Cross-listings from an Emerging Economy affect Host Markets?” 2012 Asian Finance Association Annual Meeting, Taipei, Taiwan, July 7-9, 2012.
- "Evidence of Trading on Inside Information in China". IFABS 2011 Conference (International Finance and Banking Society), Roma, Italy, 30 June - 2 July (2011)
- “How Cross-listings from an Emerging Economy affect Host Markets?” 2011 Finance Association Meeting European Meeting, Porto, Portugal, June 8-10, 2011.
- “Overseas Listing as a Policy Tool: Evidence from China’s H-shares”. Invited paper at the 4th Financial Management Association Asian Meeting, Queenstown, New Zealand, 5-8 April 2011.
- “Overseas Listing as a Policy Tool: Evidence from China’s H-shares”. Invited paper at 23rd Australasian Banking and Finance Annual Conference, Sydney, Australia, 15-18 December 2010.
- "Heterogeneous Institutional Environment, Firm Ownership, and IPO First Day Return: Evidence from China". 2010 AFAANZ Conference (Accounting and Finance Association of Australia and New Zealand), Christchurch, New Zealand, 4-6 July, 2010.
- "Proceeds, Over-Valuation, Over-Investment and IPO Long-Run Underperformance”, 17th Annual Meeting of the Multinational Finance Society, Barcelona, Spain, 2010.
- "Strategic Trading by Informed Investors: Evidence from China", 17th Annual Meeting of the Multinational Finance Society, Barcelona, Spain, 2010.
- “Risk and the January Effect”, 2008 Annual Meeting of the Financial Management Association International, Dallas, Texas.
- "Does Corporate Governance Affect Firm Value? Evidence with Corporate Governance Indices". 2008 Annual Meeting of American Accounting Association (AAA), Anaheim, U.S.A., 3-6.
- “Why Would Chinese Firms List Overseas”, 2008 European FMA Conference, Athens, Greece, June 2008.
- “Information Asymmetry in the Takeover Market”, 2008 European FMA Conference, Athens, Greece, June 2008.
- “Market Liberalization within a Country”, 2007 Asian Finance Association Conference, Hong Kong, July 2007.
- “What Triggers Top Management Turnovers in China”, 2007 European FMA Conference, Vienna, Austria, June 2007.
- "A Corporate Governance Explanation of the A-B Share Discount in China", 2007 European FMA Conference, Vienna, Austria, June 2007.
- "What Triggers Top Management Turnovers in China?", 2007 European FMA Conference, Vienna, Austria, June 2007.
- “Why China State-Owned Enterprises List Abroad”, 2007 China International Conference in Finance, Chengdu, China, July 2007.

- “Bonding Premium as a General Phenomenon”, 2006 FMA annual conference, Utah, USA, October 2006.
- “Bonding Premium as a General Phenomenon”, FMA Europe, Stockholm, Sweden, June 2006.
- “Why China State-Owned Enterprises List Abroad”, AsianFA/FMA 2006 conference, Auckland, New Zealand, July 2006.
- “A Corporate Governance Explanation of the A-B Share Discount in China”, AFAANZ 2006 conference, Wellington, New Zealand, July 2006.
- “Market Liberalization within a Country”, FMA Europe, Zurich, Switzerland, June 2004.
- “Privatization via Overseas Listing: Evidence from China’s H-share Firms”, FMA Annual Meeting, Denver, Colorado, October 2003.
- “Privatizing State-Owned Enterprises: How Successful the China Path is”, Conference on Privatization, Corporate Governance, and Financial Market Development, Milan, Italy, July 2002
- “Privatization via Overseas Listing: Evidence from China’s H-Share Firms”, FMA European Conference, Copenhagen, June 2002.
- “The Impact of Mass Delisting: Evidence from Singapore and Malaysia”, Thirteenth Annual PACAP/FMA Finance Conference, Seoul, Korea, July 5-7, 2001.
- “The Impacts of Mass Delisting: Evidence from Singapore and Malaysia”, FMA International Conference, Toronto, Oct 2001.
- “Privatization Does Not Always Work: An Empirical Study Of Malaysia Share Issue Privatization”, FMA European Conference, Paris, France, 30 May – 1 June 2001.
- “How Does Government Ownership Affect Firm Performance? Evidence from China’s Privatization Experience”, 7th Annual Asia Pacific Finance Association Conference, July 2000.
- “Determinants of Foreign Direct Investment across China”, FMA European Conference, May 2000.
- “The Effect of Market Segmentation on Stock Prices: the China Syndrome”, FMA European Conference, June 1999.
- “The Impact of U.S. Trade Deficit Announcement on the Stock Prices of US and Japanese Automakers”, Annual PACAP Finance Conference, 1998.
- “Profitability of Momentum Strategies in the International Equity Markets”, 58th Annual American Finance Association Conference, Jan. 1998.
- “An Examination of Dynamic Hedging”, Annual Finance Management Association Conference, Sept. 1993.

GRANTS & AWARDS

- Public Policy Research (PPR) Grant RGC/Gov no. 2014.A6.045.15A, 2015-2017 of \$ **898,840** (with Shaojun Zhang, Project title: Does Dual-class Share Structure Create Value for Shareholders in the Long Run? Evidence from an Empirical Study of Global Markets with Implications for Hong Kong Stock-listing Policies)
- RGC Competitive Earmarked Research Grant PolyU 5974/13H, 2014-2016 of \$ **314,957** (with Jack Li, Justin Law, and Peter Lam, Project title: CEO Turnovers upon Poor Industry Performance)
- Theme-based Research Scheme No.: T31-717/12-R of \$15 million (with HKU as the principle coordinator, Project title: Enhancing Hong Kong’s Future as a Leading International Financial Centre).
- Departmental Research Grant 4-ZZ8V, 2011-2013 of \$ **90,000** (Project title: Institutional Investors and Corporate Investment Behaviour)
- RGC Competitive Earmarked Research Grant PolyU5496/10H, 2010-2011 of \$ **215,175** (with Qian Sun as Co-PI, Project title: Does Overseas Listing Benefit the Host Market?)
- Departmental Research Grant 1-ZV2N, 2008-2011 of \$99,250 (Project title: Overinvestment Versus the Q-theory)
- Departmental Research Grant 4-ZZ6S, 2009-2011 of \$38,000 (Project title: Share Repurchases and Acquisitions)

- Fund for CERG Project Rated 3.5 G-U380, 2007-2011 of \$ 150,000 (Project title: Overseas Listing of Chinese State-Owned Enterprises)
- Departmental Research Grant G-U211, 2005-2011 of \$38,000 (Project title: Impact of Cross Listings on the Host Market Quality)
- ICRG Grant G-YE75, 2006-2011 of \$ 56,000 (Project title: Market Quality after Liberalization)
- ICRG Grant A-PE85, 2003-2006 of \$ 99,000 (Project title: Market Liberalization within a Country)
- RGC Competitive Earmarked Research Grant 2003-2005 (with Wayne Yu as Co-PI, PolyU 5334/03H) of \$344,774.
- Outstanding Faculty Research Award, 2003
- ASD Grant 2003-2004 (with Wayne Yu as Co-PI) of \$459,220
- ASD Grant 2003-2004 (with Judy Tsui and Peter Cheng as Co-PI) of \$332,270
- ASD Grant 2003-2004 (with Peter Cheng as PI and Judy Tsui as Co-PI) of \$476,270
- ASD Grant 2003-2004 (with Peter Cheng as P.I.) of \$441,290
- DRC Grant 2002-2003
- Internal Competitive Research Grant 2002-03
- Direct Allocation Grant 2001-02
- UGC Research Travel Grant 1999
- RGC Competitive Earmarked Research Grant 1995-96 (with Warren Bailey, HKUST605/96H)
- RGC Competitive Earmarked Research Grant 1994-95 (with K.C. Chan and Hong-leung Lam, HKUST494/94H)
- Direct Allocation Grant 1993-94

ACADEMIC REFEREE

- Editor of the Journal of Economics and Business
- Reviewing papers for the following journals:
 - Journal of Banking and Finance
 - Journal of Corporate Finance
 - Journal of Empirical Finance
 - Journal of Financial and Quantitative Analysis
 - Journal of Financial Research
 - Journal of International Money and Finance
 - Journal of International Financial Management & Accounting
 - Journal of Multinational Financial Management
 - Quarterly Journal of Economics
 - Review of Financial Studies
 - Financial Management
 - Financial Review
 - Pacific-Basin Finance Journal
 - Journal of Comparative Economics
 - China Economic Review
 - Corporate Governance: An International Review
 - Asian-Pacific Journal of Accounting and Economics
 - China Accounting and Finance Review
 - International Review of Economics & Finance
 - Journal of Economics and Business
 - Journal of Financial Studies
 - Hong Kong Journal of Business Management
- Reviewing CERG proposals for University Grant Committee
- Panel Reviewer of the National Natural Science Foundation of China

- External referee for tenure/promotion cases in Lingnan University and University of Macau (Dr. Lei Cheuk Hung, Adrian)

WORKING EXPERIENCE

Professor The Hong Kong Polytechnic University 2007-present

Academic Work

* Teaching

- Corporate Finance (PhD)
- Advanced Financial Management (DBA)

* Thesis Supervision

- **Chief supervisor of following PhD student:**

- Zhaoran Gong, 2013
- ZHU Hui, 2012

- **Co-supervisor of following PhD students**

- ZHAO Xue Zhou, 2011
- CHEN Yibiao, 2010
- LI Gao, 2009
- LI Lin, 2008

- **Joint supervisor** of Li Bao (Xiamen University) (Thesis title: Sources of IPO Underpricing in China)

- **Chief supervisor of following DBA students:**

- Darren Zhang, 2015
- Olivier Don Goc, 2013
- Yin Toa Lee, 2013
- Eric Ho, 2012
- Stephanie Fan, 2011
- Juanita Lai, 2011
- Francis Cheung, 2009
- LEE Kwok Fai, Davy, 2008

* External PhD Thesis Examiner

- Cai ZHU, Hong Kong University of Science and Technology, 2016.
- Ho Ming HO, City University of Hong Kong, 2014.
- Jing LUO, University of Hong Kong, 2014.
- Qiangqian Du, Hong Kong University of Science and Technology, 2012.
- Kun, JIANG, Hong Kong University of Science and Technology, 2010.
- Ravichandran K. Subramaniam, University of Malaya, Malaysia, 2009.
- Quang Ngoc Nguyen, University of New South Wales, Australia, 2008.
- Qin CAO, Nanyang Technological University, Singapore, 2007.
- Yujun WU, Nanyang Technological University, Singapore, 2005
- Ling ZHANG, Chinese University of Hong Kong, 2005.

* External Validation

- Validation Panel member of the Programme Area Accreditation of Accounting, Finance and General Business Administration for Chu Hai College of Higher Education, 2014
- Validation Panel member of the program in Financial Analysis for Hang Seng Management College (HSMC), 2012

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- External academic advisor of the MSc in International Banking and Finance for Lingnan University, 2012 - 2015
- Member of the validation panel of the BBA program for Tung Wah Hospital Community College, 2010
- Chairperson of the validation panel of the BSc in Finance Program for the University of Macau, 2008.

Administrative Services

- * Associate Head (Research) of the School of Accounting and Finance
- * Member of the University Research Committee
- * Member of Faculty Board
- * Member of the Faculty Management Committee
- * Chairman of the Faculty Staffing Committee
- * Member of the Faculty Research Committee
- * Chairman of the Department Research Committee
- * Member of the Department Management Committee
- * Member of the Department Staffing Committee
- * Member of the Department Research Council
- * Program director of the part-time Master in Corporate Finance/Master of Finance program
- * Program director of the full-time Master of Finance program

Professional Services

- * Assessment Panel Member (Business Studies) of Research Grants Council Competitive Research Funding Schemes for the Local Self-financing Degree Sector, 2016.
- * Hong Kong PhD Fellowship Scheme Selection Panel, UGC, 2014.
- * As expert witness for the Commercial Crime Bureau of Hong Kong Police Force on the Constellation Credit-Linked Notes, 2010.
- * Participating in the training program for Ernst & Young.
- * FMA Asian Conference Program committee member, Xiamen 6 - 8 May, 2009

Associate Professor The Hong Kong Polytechnic University 2001-2006

Academic Work

- * Teaching
 - Mergers and Acquisitions (Master degree)
 - Financial Planning Process (Master degree)
- * Project advisor of PGDCA students on the following project:
 - “Corporate Governance and Price Disparity of Dual-Class Shares”
- * Project moderator of MCF students on the following projects:
 - “An M&A Case Study of DBS and Vickers Ballas Limited”
 - “Alternative Hedging Strategy under Extreme Market Conditions”
- * Co-supervisor of PhD doctoral dissertation on the following topic:
 - “A Study of Tax Evasion in China”
- * External examiner for a MBA candidate of Nanyang Technological University on:
 - “Privatization via Overseas Listing, Ownership Structure and Firm Performance”
- * External examiner for PhD candidates of Nanyang Technological University on:
 - “Overseas Listing of China’s Companies --- Causes and Consequences”
- * External examiner for PhD candidates of Chinese University of Hong Kong on:
 - “Overseas Listing of China’s Companies --- Causes and Consequences”

Professional Services

- * HKICPA CPD Seminar on “Implications of Google’s IPO”

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- * Session presentation in the “Corporate Performance & Shareholder Value Conference: HK & China”, organised by the HK Productivity Council and the Capital, HK Convention Centre, Jan 25, 2002.
 - “The impact of privatization on the performance of SOEs in China”
- * Participating in the conversion program for Ernst & Young, 2001, 2002, 2003, 2004.

Administrative Services

- * Associate Head (postgraduate programs) of the School of Accounting and Finance
- * Member of the Faculty Management Committee
- * Member of the Faculty Staffing Committee
- * Program director of the Master in Corporate Finance
- * Member of the Faculty Research Committee
- * Member of the Department Research Committee
- * Member of the BBA Program Planning Committee

Assistant Professor Hong Kong University of Science and Technology 1992-2001

Academic Work

- * Teaching
 - International Finance (MBA and Undergraduate)
 - Macroeconomics and Global Economy (MBA)
 - Investment and Portfolio Management (Undergraduate)
 - Financial Management (Undergraduate)
 - Principles of Macroeconomics (Undergraduate)
- * Supervising MBA projects:
 - “Investment Management in the Asian Market”
(summer intern project for Merrill Lynch Asset Management, 1998)
 - “Financial Analysis and Credit Evaluation of Asian Financial Institutions”
(project of an exchange student from UC, Berkeley, done for the Capital Markets Credit Division of Bank of America, 1996)
 - “Portfolio Selection on Asian Bond Markets”
(project of four full-time MBA students, done for the Economics Research Group of Chase Manhattan Bank, co-supervised with Dr. Maurice Tse, 1995)
 - “A Study of Asian Securities Markets”
(project of three part-time MBA students, 1995)

Administrative Work

- * Associate Director (UG Programs, SBM Dean’s Office)
- * Member of the Committee of Undergraduate Studies
- * Member of the Committee of Teaching and Learning Quality
- * Member of the Scholarship Committee
- * Member of the School Administrative Committee
- * Member of the Committee of Undergraduate Program of the School of Business
- * Undergraduate program co-ordinator and program advisor of the department
- * Liaison officer of the department

Professional Services

- * Participating in the following training programs:
 - “Diploma Course in Derivatives and Risk Management”, jointly organised by the Stock Exchange of Hong Kong and the Hong Kong University of Science and Technology.
 - “Stock Option Training Program”, jointly organised by the Stock Exchange of Hong Kong and the Hong Kong University of Science and Technology.

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“Training Course for Unit Trust Practitioners III”, jointly organised by the Hong Kong Economic Times and the City University of Hong Kong.

“Professional Development Program for Forex Investment Consultants”, jointly organised by the Hong Kong Economic Times and the City University of Hong Kong.

- * Panel examiner of the following examinations:
 - SEHK Broker’s Representative Examination
 - HKSI Foundation Program Examination