

FINA 2203 – Fundamentals of Business Finance

School:	School of Business and Management
Subject Area:	Finance
Course Credit:	3
Instructor:	SAENYASIRI Ekkachai
Pre-requisite/co-requisite:	Nil

Notes:

- The syllabi provided here is for reference only and may be subject to changes and adjustments as determined by the course instructors.

1. GENERAL INFORMATION

Instructor:	Ekkachai Saenyasiri, Associate Professor of Business Education, Dept of Finance
Email:	Esaenyasiri@ust.hk
Office & office hours:	Room LSK 5082, by appointment
Teaching assistant:	Alan NG
Email	ngwinglun@ust.hk
Office & office hours:	By appointment
Class dates and venue:	15 June 2026 to 10 July 2026
Course prerequisite(s):	N/A
Course exclusion(s):	FINA 2303
Course add/drop deadline:	20 June 2026 (Any late add/drop will not be considered, please contact your program office)

2. COURSE DESCRIPTION

For BIBU and non-SB&M students. This course provides an introduction to corporate finance for students who may not have background in accounting and business statistics. Topics include financial statement analysis, time value of money, bond and stock valuation, capital budgeting, risk and return concepts and cost of capital.

This course aims to introduce students to key basic financial concepts and theories, and showed students how to apply them in real life. It also provides students important foundations in finance for those who plan to study intermediate and advanced-level courses in finance covering areas such as corporate finance and investments.

3. COURSE LEARNING OUTCOMES

On Successful completion of this course, students are expected to be able to

Course Learning Outcomes (CLOs)	Aligned Program Intended Learning Outcomes
CLO1. Analyze firm financial performance through basic financial statement analysis	PILO 1, 3
CLO2. Apply the concept of time value of money to make correct financial decisions	PILO 1, 3
CLO3. Analyze the attractiveness of investment projects using various capital budgeting techniques, and understand the merits and drawbacks of each technique.	PILO 1, 3
CLO4. Explain the fundamental principles underlying asset valuation, and compute asset prices using a variety of approaches	PILO 1, 3
CLO5. Explain the key concepts of risk, return, and diversification	PILO 1, 3
CLO6. Explain the key concepts and implications of cost of capital	PILO 1, 3

4. COURSE TEACHING AND LEARNING ACTIVITIES		
Course Teaching and Learning Activities	Expected contact hours	Study Load (% of study)
In-class lecture	50	50%
Homework assignments	20	20%
Self-study and review	30	30%
Total	100	100%

5. Assessment Methods			
Assessment Methods	Corresponding CLO	Weight (% of total)	Due date
A. Class participation	1,2,3,4,5,6	5%	Day 1 to 10
B. 5 MyLab Finance (MLF) homework assignments (best 4)	1,2,3,4,5,6	20%	Week 1 to 4
C. Midterm Exam	1,2,3,4	25%	29 June 2026
D. Final Exam	1,2,3,4,5,6	50%	10 July 2026
Total	Total	100%	

6. STANDARDS FOR ASSESSMENT	
Course Grade Descriptors	
A+, A, A-	Excellent Performance
B+, B,	Good Performance
B-, C+, C	Satisfactory Performance
C-, D	Marginal Performance
F	Failure

This course will be assessed using criterion-referencing and grades will not be assigned using a curve.

Assessment Rubrics For Each Assessment

Class Participation

Class participation is an important part of your learning experience and is highly encouraged. Active participation helps you think critically rather than passively and keeps you engaged and motivated instead of detached or disinterested. You can earn participation points by answering questions or asking relevant, on-topic questions that demonstrate engagement with the course material during class.

MFL Assignments

There are two key features in MyLab Finance (MLF): **STUDY PLAN** and **HOMEWORK**.

- The **STUDY PLAN** contains ungraded exercises designed to help you learn. It offers step-by-step guidance, input-specific feedback, hints, and links to spreadsheets or sample problems that align with the learning objectives. You're strongly encouraged to use the Study Plan to practice each chapter before attempting the graded Homework assignments.
- The **HOMEWORK** section includes graded assignments. While there are 5 assignments in total, only the best 4 scores will count toward your final grade.

- The submission schedule is available on both MFL and Canvas.
- Each Homework assignment consists of approximately 10 questions. Each question allows unlimited attempts. Be sure to complete the entire assignment before the deadline.
- Homework is an individual assessment. You must complete it on your own without help from others. Any violation will be treated as plagiarism and may result in penalties.
- You are welcome to seek help from the TA and discuss concepts or calculation methods with others while working on Study Plan exercises.
- Solutions to end-of-chapter problems will not be posted, as detailed solutions are already available in the Study Plan during your practice.

MLF Access Code requirement

- Each student must have their own individual Access Code to register for MyLab Finance, the web-based homework and tutorial platform that accompanies the course textbook.
- Without a valid Access Code, you will not be able to access or submit homework assignments, and you will receive zero points for those tasks.

Examinations

- There will be two closed-book examinations.
- Questions are designed to test your understanding of core finance concepts and principles as well as your ability to solve numerical problems using the core principles and techniques.
- There will be no alternative arrangement for the midterm exam. Students who miss the exam will receive “zero” mark.
- If you miss the final exam, an arrangement will follow HKUST guidelines.
- According to HKUST’s announcement, all UG classes will be delivered face-to-face on-campus. This policy will apply to exams as well.

Communication and Feedback

Assessment marks for individual assessed tasks will be communicated via Canvas within two weeks of submission. Feedback on assignments will include [specific details, e.g., strengths, areas for improvement]. Students who have further questions about the feedback including marks should consult the instructor within five working days after the feedback is received.

7. COURSE CONTENT AND TENTATIVE TEACHING SCHEDULE

Chapter 1: Corporate Finance and the Financial Manager (exclude 1.2)
 Chapter 3: Time Value of Money: An Introduction
 Chapter 4: Time Value of Money: Valuing Cash Flow Streams
 Chapter 5: Interest Rates (exclude 5.3)
 Chapter 8: Investment Decision Rules (exclude MIRR)
 Chapter 6: Bonds
 Chapter 7: Stocks
 Chapter 2: Financial Statement Analysis (exclude 2.5-2.7)
 Chapter 9: Fundamentals of Capital Budgeting (exclude 9.6 and MACRS)
 Chapter 10: Stock Valuation: A Second Look
 Chapter 11: Risk and Return in Capital Markets
 Chapter 12: Systematic Risk and the Equity Risk Premium
 Chapter 13: Cost of Capital

8. TEACHING MATERIALS

Required Materials: Fundamentals of Corporate Finance, Global Edition, 6/e with MFL Access Code, by Jonathan Berk, Peter DeMarzo and Jarrad Harford

This book is **required** of all students since it will be used extensively in the course. You should also read the assigned chapters in the textbook thoroughly because the lectures will only focus on the core and more difficult concepts instead of every detail in the textbook.

Each student is **required** to have an individual access code to create an account. MFL is a web-based homework and tutorial system accompanied with the textbook.

The access code can be purchased either bundled with the textbook at a special discount price or separately at the bookstore.

9. MEANS/PROCESSES FOR STUDENT FEEDBACK ON COURSE

Student Feedback Questionnaires (SFQ) Survey needs to be completed two weeks before the course end by one of the following methods:

- Canvas website (<https://canvas.ust.hk>)
- SFQ Mobile website (<http://sfq.ust.hk/mobile/>)
- HKUST iLearn app at smartphones / tablets

10. ADDITIONAL COURSE INFORMATION

Calculator

Only HKEAA-approved calculators are allowed in the exams (<https://www.hkeaa.edu.hk/DocLibrary/IPE/cal/CALc2022.pdf>).

Although financial calculator can sometime help you solve some questions faster, you will still be able to solve exam questions without a financial calculator.

Course website: <https://canvas.ust.hk>

You should visit the website regularly because a lot of important information will be available on the course website including Announcements, Syllabus, Lecture Notes and Grades.

Attendance

You are strongly recommended to regularly attend the lectures for two main reasons. First, lecture notes only contain brief outlines and do not include detailed explanation of the concepts nor step by step solutions to numerical examples. So simply reading the lecture notes may not enable you to fully understand the concepts. Skipping classes will definitely hurt your performance because the assignments and exam questions are heavily based on materials covered in class.

AI Policy

In this course, you are allowed to use generative AI to aid you in any manner. However, you must give proper credit for any use of generative AI.

Academic Integrity

Students are expected to adhere to the university's academic integrity policy. Students are expected to uphold HKUST's Academic Honor Code and to maintain the highest standards of academic integrity. The University has zero tolerance of academic misconduct. Please refer to Academic Integrity | HKUST - Academic Registry for the University's definition of plagiarism and ways to avoid cheating and plagiarism. <https://registry.hkust.edu.hk/resource-library/academic-integrity>

Communication and Feedback

Assessment marks for individual assessed tasks will be communicated via Canvas within two weeks of submission. Feedback on assignments will include comments on strengths and areas for improvement. Students who have further questions about the feedback including marks should consult the instructor within five working days after the feedback is received.

Class Conduct

Students are expected to observe common classroom etiquette such as punctuality, respect for others, and non-disruptive behaviors.

Class Participation: Class participation is important for your learning experience and highly encouraged. It helps you to think actively rather than passively, keeps you involved and motivated rather than removed and disinterested.

Course website: <https://canvas.ust.hk>

You should visit the website regularly because a lot of important information will be available on the course website including Announcements, Syllabus, Lecture Notes and Grades.

Rubric: Participation and In-class Engagement

Criteria	Excellent	Good	Satisfactory	Marginal	Fail
Frequency of Participation	Participates in nearly every session; consistently active	Participates regularly in most sessions	Participates occasionally; meets minimum expectations	Rarely participates; minimal engagement	No participation
Quality of Contributions	Contributions are insightful, relevant, and advance discussion	Contributions are relevant and show understanding	Contributions are basic but on-topic	Contributions are vague or off-topic	No meaningful contributions
Engagement in In-Class Exercises	Completes all exercises with accuracy and thoughtfulness	Completes most exercises with care	Completes exercises with some errors or minimal effort	Incomplete or careless work	Does not attempt exercises
Preparedness	Always well-prepared; demonstrates deep understanding	Usually prepared; shows good grasp of material	Sometimes prepared; basic understanding	Often unprepared or lacks understanding	Consistently unprepared
Respect and Collaboration	Actively listens, respects others, and encourages dialogue	Respectful and cooperative	Generally respectful but passive	Occasionally disruptive or inattentive	Disrespectful or disruptive

Rubric: Assignments

Criteria	Excellent	Good	Satisfactory	Marginal	Fail
Completion and Accuracy	All or nearly all questions completed correctly; demonstrates strong mastery of assigned topics	Most questions completed correctly with minor errors	A reasonable portion completed correctly; basic understanding evident	Few questions answered correctly; significant conceptual or calculation errors	Little or no correct work completed

Rubric: Midterm Exam

Criterion	Excellent	Good	Satisfactory	Marginal	Fail
Correctness of Answers	Nearly all answers are correct; demonstrates full mastery of course content	Most answers are correct; strong understanding with minor errors	Some correct answers; basic understanding shown	Few correct answers; limited grasp of material	Incorrect or missing answers; fails to meet learning outcomes

Rubric: Final Exam

Criterion	Excellent	Good	Satisfactory	Marginal	Fail
Correctness of Answers	Nearly all answers are correct; demonstrates full mastery of course content	Most answers are correct; strong understanding with minor errors	Some correct answers; basic understanding shown	Few correct answers; limited grasp of material	Incorrect or missing answers; fails to meet learning outcomes