

NEOLINK CYBER TECHNOLOGY (HOLDING) LTD
THIS COMPANY IS ABOUT AS HI-TECH AS A CONDOM

About \$HK24 million of the moneys, raised in the flotation of Neolink Cyber Technology (Holding) Ltd (Code: 8116), has gone straight into the pockets of the Founders of Company, with the 2 Founders' friends, also getting a little bit of the goodies.

This is stated, only too plainly, on reading the Prospectus of the Company, the allotment of shares of which, having closed last Friday.

Neolink Cyber went for a listing on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd by Placing a total of 140 million, 10-cent shares at a Premium of 33 cents per share.

Of these 140 million shares, 56 million shares were legally owned by the British Virgin Islands company, Infonet Group Company Ltd.

Infonet, in turn, is owned by the following 9 parties:

Name of Individual	Percentage Equity Held
Mr Wong Chi Kit, Chairman of Neolink Cyber	45.93
Mr Cai Zu Ping, Vice Chairman of Neolink Cyber	45.93
Mr Wan Qiu Sheng, Vice President of Neolink Cyber	2.59
Mr Zhang Zheng, Vice President of Neolink Cyber	1.73
Mr Lu Chun Ming, General Manager of a wholly owned subsidiary of Neolink Cyber	0.86
Mr Chen Huan Ming, General Manager of a subsidiary of Neolink Cyber	0.52
Mr Mi Lei, head of research at one of the subsidiaries of Neolink Cyber	0.18
Mr Peter Pun Kam Wai, Financial Controller and Company Secretary of Neolink Cyber	0.18
Two Independent Parties, not identified	2.08

At the end of the day, however, Infonet will still be holding onto 75 percent of the Issued and Fully Paid-Up Share Capital of Neolink Cyber after the Company's shares are quoted on The GEM.

Neolink Cyber describes itself as being '*a telecommunication solutions and services provider with research and development, equipment production, software development, systems integration and information content supply capabilities.*' (Page One of the Prospectus)

It raised about \$HK31.10 million for the following purposes:

1. \$HK8 million to be used for research and development of digital trunking system and terminal equipment;
2. \$HK1.50 million to be used to expand the Group's technical centre in Shenzhen, the People's Republic of China (PRC);
3. \$HK1.50 million to be used to try to obtain an ISO9001 Certificate and '*other expenses*' (unspecified);
4. \$HK7 million to be used for research and development and corporate development of telemedia-related technical services;
5. \$HK4 million to be used for research and development of the integrated information services network;
6. \$HK6 million to be used to try to make investments in complementary entities, and;
7. \$HK3.10 million to be added to the General Working Capital Account.

But the money that the Company has just raised will be nowhere near enough, according to the Prospectus, since Management will have a shortfall of about \$HK22 million if it is to carry out its stated intentions.

This, too, is plainly stated in the Prospectus.

One cannot help but recall, at this juncture, that which TARGET wrote in Paragraph One of this analysis: That the Messrs Wong and Cai, Chairman and Vice Chairman, respectively, plus some of their friends in Neolink Cyber, dragged \$HK24 million out of the investing public by selling shares in this Company, those shares, having been held by the 2 Founding members, via the private holding company, which they control.

If those 56 million, privately owned shares in the Issued Share Capital of Neolink Cyber could be placed to investors, with the proceeds, coming back to Messrs Wong and Cai and friends, then there appears to be no good reason that ... [CLICK TO ORDER FULL ARTICLE](#)

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