

**HERALD HOLDINGS LTD :
THINGS ARE TICKING AWAY, VERY NICELY, THANK YOU**

What has been very apparent to TARGET, for some time, now, is that Management of publicly listed Herald Holdings Ltd has been buying up its own shares, year, after year, after year.

Just one week ago, Herald Holdings announced that it had, over a period of 8 months, bought up about 2 percent of the Issued and Fully Paid-Up Share Capital of the Company.

The shares were purchased through the open market between April 1999 and March 2000, the Company announced along with its Financial Results for the Year, ended March 31, 2000.

TARGET had noted that, in the 1999 Annual Report, covering the period to March 31, 1999, Chairman George Bloch had engaged in the same kind of activity: Buying up his own company's shares.

The only logical reason for this move was that Management knew of the quality of Herald and went for the proverbial gold ring.

And, it appears, it caught it.

It was clear, as far back as one year ago, that Herald Holdings was heading for bigger and better things.

It hit gold dust, during the past Year, with a record Bottom Line.

The Company announced a record Turnover of about \$HK947.49 million on which it turned in a Profit Attributable to Shareholders of about \$HK39.37 million.

The Year 2000 Net Profit was an improvement of about \$HK16.89 million, or about 75.13 percent over the 1999 Results.

The Company is recommending a Final Dividend of 3 cents per share, after having paid out a one-cent Interim Dividend.

On the basis of Monday's closing level of about 44 cents per share, the yield on this company is not less than 9.09 percent, disregarding any capital appreciation in the price of the shares.

Chairman George Bloch is not, exactly, the easiest person in the world to love, notwithstanding his very rotund shape, but he has, nevertheless, built up what is fast becoming a very sizable company.

Whenever a conglomerate, comprising a toy manufacturing division, a computer head manufacturing division, a household manufacturing division, and a watch manufacturing division, can achieve a Turnover approaching \$HK1 billion, annually, then one has to admit that Management knows something.

Finally, Management has informed its shareholders that, through its subsidiary, Zeon Ltd, it, now, has the rights to manufacture and sell watches under the brand name, '*Pokemon*', a Japanese cartoon character, which is all the rage, today.

All that Chairman Bloch would state about the prospects for the 2000-2001 Financial Year was that he is '*optimistic about the overall prospects*'.

Translation: Things are ticking over very nicely, thank you: Stand by for another record-setting spree!

Herald Holdings Ltd is not a hi-tech company, by any stretch of the imagination, but Management is well aware that the future trend of business, in any and all parts of the world, will, to some extent, be linked to the progress that is achieved in the field of computerisation and faster and faster international communications.

While Herald Holdings still caters for the housewives of the world, manufacturing pots and pans and what-have-you, while it still makes timepieces for the yuppies and puppies and what-have-you of this world, while it still manufactures toys for the young at heart, it, also, manufactures computer heads.

In short, this conglomerate can latch on to any passing fad in a shot: It, also, has a Management with a proven ability.

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