

**GOLDEN DRAGON GROUP (HOLDINGS) LTD :  
IT IS A CRACKER-JACK, SELLING ORGANISATION**

If one can believe the New Listing Prospectus of Golden Dragon Group (Holdings) Ltd (Code: 329, Main Board, The Stock Exchange of Hongkong Ltd), the 3 Founders of this Company have made mind-boggling, medical discoveries, the likes of which deserve to be shared with the medical societies, the world over.

Best of all, not one of the 3 Founders has any medical training in an accredited university.

Page 91 of the Prospectus of this Company makes claims, inter alia, to the medical product, Transgenosis  $\gamma$ -tpA, which is *'recommended to be used for treatment of blood vessel embolism in the heart and brain'*.

This is exactly the medicine that the US medical authorities and UK medical authorities have been searching for the past 2 centuries.

For what reason has not this Company, the latest company to join the ranks of the Main Board of The Stock Exchange of Hongkong Ltd, sold the patent of this product for squillions and scad-sesquillions (that is a squillion to the squillionth power) of US dollars, instead of floating off the Company in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC)?

But, it gets better.

This Company has the chutzpah to make claims in respect of one of the world's biggest killers: Diabetes.

Page 91, also, states that Golden Dragon Group manufactures *'Piglyketone'*, a pharmaceutical product that is *'recommended to be used for treatment of diabetes.'*

Jumping jackfish!

Such a product must be considered the *'Holy Grail'* for tens of millions of sufferers of diabetes.

For what reason has not this Company shared its medical secrets with the world in order to eliminate the scourge of sufferers of this debilitating disease, for which the world claims, clearly erroneously, that there is no cure?

The *'Fountain of Eternal Youth'* is at hand, folks ... if one can believe the *'medical'* twaddle, contained in the Prospectus of this Company.

**In The Beginning: The Trinity**

Golden Dragon Group was founded on November 27, 1992 by Messrs Wong Yin Sen, Hon Lik and Wong Hei Lin. (Page 65)

In 1992, Mr Wong Yin Sen was just 39 years old and had just settled down in the HKSAR, leaving his home in the PRC where, since the age of 19 years, he had had *'experience in operating enterprises with business in the PRC ... accumulated abundant knowledge in the medical and health care product industry ...'* (Page 115)

There is no indication in the Prospectus that Chairman Wong Yin Sen attended any university or took a medical course in Stanford University at any other illustrious school of higher learning, and so one must assume that the gentleman was honest enough to own up to the fact that he has had little to no formal, academic training.

This is not to suggest that he is not a genius in his own right, of course, because the Company that he controls, today, is said to have made outstanding discoveries in the medical field and, one would hope, the countries of the world will gather around him in order to take full advantage of its innate intellectual faculties.

As for Mr Hon Li, in 1992, he was 36 years old and had had formal academic training, having graduated from Liaoning College of Traditional Chinese Medicine in 1982 – when he was 26 years old.

He is described as a ‘*senior pharmacist*’ and the Vice Chairman of Golden Dragon Group.

The third member of the triumvirate is Mr Wong Hei Lin, described as an economist. He is the Vice President of the Company.

Mr Wong is said to hold ‘*a diploma of professional management from Shenyang United Workers’ University.*’

TARGET notes that not one member of the managing triumvirate has any medical training, at all, but by luck or magic, this Company is about to cause the world to sit up and to take note of this entity’s achievements in medical science.

### **The Financials**

One might be tempted to scoff at the claims, contained in the Prospectus in respect of claims of the ‘*medical*’ products, alleged to have been discovered by the holy trinity, but one cannot scoff at the financial achievements of Golden Dragon Group over its relatively short history.

According to the Prospectus at Page 147, the Profits Attributable to Shareholders for the Financial Year, ended December 31, 2000, amounted to about \$HK73.21 million, up about 128 percent, compared with the Bottom Line in the 1998 Financial Year.

The following table is lifted, directly, from the Prospectus, with certain exceptions, which TARGET’s financial analyst has indicated with an asterisk:

	Financial Year ended December 31		
	1998	1999	2000
	All Figures are Denominated in \$HK’000 (unless otherwise stated)		
Turnover	130,142	152,163	248,498
Cost of Goods Sold	(35,471)	(51,757)	(96,295)
Gross Profit	94,671	100,406	152,203
<b>Gross Profit Margin*</b>	<b>72.74 percent</b>	<b>65.99 percent</b>	<b>61.25 percent</b>
Other Revenue	2,859	330	284
PRC Sales Tax Refunds	5,618	5,989	1,102
Distribution Costs	(45,521)	(41,962)	(49,419)
Administrative Expenses	(8,966)	(12,458)	(18,735)
Profit from Operations	48,661	52,305	85,435
Financing Charges	(3,674)	(1,118)	(2,137)
Profit before Taxation	44,987	51,187	83,298
Taxation	(4,832)	(3,881)	(5,597)
Profit before Minority Interests	40,155	47,306	77,701
Minority Interests	(8,108)	(7,161)	(4,492)
Profit Attributable to Shareholders	32,047	40,145	73,209
<b>Net Profit Margin *</b>	<b>24.62 percent</b>	<b>26.38 percent</b>	<b>29.46 percent</b>

\* These are TARGET’s calculations

One cannot help but be impressed by the above statistics, especially considering that this Company was only established in the final 2 months of 1992.

Even the great mogul, Mr Li Ka Shing, and his partially educated, Number Two Son, Mr Richard Li Tzar Kai, must have been surprised on reading the records of this Company, which has made startling medical discoveries – without having to borrow hundreds of squillions of dollars from banks to finance operations or mergers and takeovers.

There are, however, a couple of points, which need to be addressed, before handing the wreath of victory to the managing triumvirate... [CLICK TO ORDER FULL ARTICLE](#)

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