

RIVERHILL HOLDINGS LTD :
THIS IS THE COMPANY THAT STYLAND HOLDINGS FUNDED

Two publicly listed companies are among the main backers of the latest company to seek a listing on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd.

Riverhill Holdings Ltd (Code: 8127), the latest company to issue its Prospectus in order to raise some money, is owned as to 28.63 percent by Styland Holdings Ltd (Code: 211, Main Board, The Stock Exchange of Hongkong Ltd) and 3.58 percent by Digital World Holdings Ltd (Code: 109, Main Board, The Stock Exchange of Hongkong Ltd).

Between these 2, Main Board companies, they are, collectively, the largest single shareholders of Riverhill.

Styland Holdings, as at December 31, 2000, was owed, via its wholly owned subsidiary, Global Eagle Investments Ltd, about \$HK21.50 million by Riverhill, that debt, being unsecured and non-interest-bearing up to June 30, 2001.

Note (e) at Page 163 of the Prospectus states:

'An amount of HK\$13,591,000 due to Global Eagle Investments Limited ("Global Eagle") is unsecured and non-interest bearing up to 30th June, 2001. The amount is unsecured, interest-bearing at Hong Kong prime rate per annum and is repayable in twelve equal monthly instalments starting from 1st July, 2001. Accordingly, the instalments of HK\$6,795,500 repayable within one year are classified under current liabilities at 31st December, 2000. Had interest been charged on the outstanding balance with Global Eagle based on the prevailing market rate (Hong Kong prime rate plus 2% per annum), the Group would have paid interest of approximately HK1,020,000 and HK\$788,000 to Global Eagle for the periods ended 30th June, 2000 and 31st December, 2000, respectively ... '.

In the Annual Report of Styland Holdings for the Financial Year, ended March 31, 2000, it is stated that the Company had made a \$HK151.16-million investment, labeled at Page 31 of Styland Holdings's Annual Report as being 'Long term investments and related advance'.

Note 19, located at Page 53 of this Styland Holdings's Annual Report, states:

'Company	Place of Incorporation	Class of Shares Held	Percentage of Equity Attributable To the Group
'Cyber World Technology Limited ("Cyber World")	British Virgin Islands	Ordinary	40%

'Pursuant to the sale and purchase agreement dated 13th January, 2000, Global Eagle Investments Limited ("Global Eagle"), a wholly-owned subsidiary of the Company, acquired a 40% equity interest in Cyber World from an independent third party for a consideration of HK\$132 million. The principal asset of Cyber World is its 100% equity interest in Beijing Spatial

Port Network Technology Limited, a wholly foreign owned enterprise established in the People's Republic of China which is engaged in the field of geographic information system, global positioning system, remote sensing and internet related services.

'In the opinion of the directors, the Group is not in a position to exercise significant influence over Cyber World, and accordingly, such investment is treated as a long term investment and not as an associate.

'The advance to Cyber World is unsecured, interest-free and has no fixed terms of repayment.'

Note 19, on the same Page of the 2000 Annual Report, shows that Styland Holdings paid \$HK135,159,000 for its shares in Cyber World, and that it had made a \$HK16-million advance to that company.

Beijing Spatial Port Network Technology Ltd is, today, a wholly owned subsidiary of Riverhill, via Cyber World, another wholly owned subsidiary.

The \$HK151-million investment exceeded the Turnover of Styland for the 2000 Financial Year by about \$HK4 million.

No doubt, Management of Styland Holdings informed its shareholders, at the time of this investment, of its determination to make such a material inroad into a company that could, rightly, be termed, a highly speculative corporate entity.

Styland Holdings earned a Net Profit Attributable to Shareholders of about \$HK12.53 million for the 2000 Financial Year, having made losses, in aggregate, of about \$HK242.70 million for the 1998 and 1999 Financial Years.

The Riverhill Float

Riverhill launched its 100-million, share Prospectus, just last Friday ... [CLICK TO ORDER FULL ARTICLE](#)

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