

**CARDLINK TECHNOLOGY GROUP LTD :
THE COMPANY HAS ONLY FIVE 'REAL' CUSTOMERS**

It will be interesting to watch trading in the shares of Cardlink Technology Group Ltd (Code: 8066, The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd) to see whether or not Dickson Group Holdings Ltd (Code: 313, Main Board, The Stock Exchange of Hongkong Ltd) starts to unload its holdings in Cardlink Technology.

Because Dickson Group has been a major financial backer of Cardlink Technology since May 2000, when it lent The GEM Company some \$HK14 million.

This is stated in the Placing Prospectus of Cardlink Technology, dated December 13, 2001. (Page 52)

Cardlink Technology went to The GEM in order to raise \$HK29 million, net of expenses, by Placing 80 million, 10-cent shares at a Premium of 37 cents per share.

Dickson Group is the second-largest shareholder of Cardlink Technology, holding 18.30 percent of the Issued and Fully Paid-Up Share Capital.

Dickson Group's May-2000 loan to Cardlink Technology was by way of a Convertible Note, issued to a wholly owned subsidiary of Dickson Group: i-Concepts Investment Ltd.

The Convertible Note bears interest at the Prime Lending Rate at the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), as quoted by The Hongkong and Shanghai Banking Corporation Ltd.

Dickson Group, on June 11, 2001, converted \$HK8.75-million worth of its Convertible Note into Common Shares of Cardlink Technology, representing about 62.50 percent of the total, May-2000 issue of the Convertible Note. (Page 101)

When interest rates in the HKSAR are at their lowest levels of the past 3 decades, at least, Dickson Group opted to convert a performing loan into a non-performing equity stake, in terms of yields, that is.

Also, it was a fairly safe bet to assume that, soon after the commencement of trading in the shares of Cardlink Technology on The GEM, its share price would sink from its Placement Price of 47 cents per share (it started trading on December 20, 2001).

Yet, in spite of that distinct probability, Dickson Group converted a large slice of its Convertible Note into Common Shares of Cardlink Technology.

Dickson Group is not short of a bob so there had to be another reason for that company's determination with regard to its actions in respect of its \$HK14-million investment in Cardlink Technology.

Cardlink Technology's History

Cardlink Technology can trace its history back to June 1995 when it started manufacturing plastic cards.

In January 1997, it is stated in the Prospectus that the Company launched its first contactless smart card (a smart card is defined as being a plastic card with an embedded microprocessor, containing an operating system and

erasable, non-volatile memory).

Following this launch, Mr Raymond Mak Kin Yee took control of the Company, following the sales and purchases of all of the shares of Intercard Ltd to this gentleman by the initial shareholders, now long gone.

Those shares were, then, transferred to Carkey Ltd, a company that, today, is the largest single shareholder of Cardlink Technology, owning 47.90 percent of the Issued and Fully Paid-Up Share Capital of the Company.

The consideration, in order to satisfy the sales and purchase agreement, paid by Carkey to Mr Raymond Mak Yin Yee, was said to be \$HK7 million and, by virtue of that sale, Mr Wong Chi Ming, today, beneficially owns all of the Share Capital of Carkey Ltd ... [CLICK TO ORDER FULL ARTICLE](#)

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