

**THINSOFT (HOLDINGS) INCORPORATED:
'DUMB' IS THE WORD FOR THIS COMPANY**

It was not too long ago that the term for a computer with extremely limited capabilities and very little cache memory, '*dumb terminals*', was as common as today's term for the high-speed transmission of data, '*broadband*'.

But, today, it appears that the term, '*dumb terminal*', has been replaced with the more modern version of the same concept, '*thin client device*'.

With slight variations and definition changes, TARGET cannot tell the difference between, what used to be known as the '*dumb terminal*', and the modern version of '*thin client device*', '*ultra thin client*', and/or all the other toffy names, which, just about, mean the same things, with variations on the same, general theme.

ThinSoft (Holdings) Incorporated (Code: 8096, The Growth Enterprise Market [The GEM] of The Stock Exchange of Hongkong Ltd) appears to be a company, which is trying to re-invent the slide rule.

Unless, of course, TARGET is unable to understand the Company's Placing Prospectus, dated February 19, 2002.

ThinSoft describes itself, at Page One of the Placing Prospectus, as follows:

'The Group ... commenced the build-to-order PC (Personal Computer) business in September 1996 ... By August 1998, all marketing activities in respect of the build-to-order PC business ceased when the Group changed its focus to the research, development, sales and marketing of Thin Computing solutions products and the provision of related engineering work.'

'In June 1998, the Group first launched its Thin Computing solutions and products under the brand name "Buddy". The Buddy series of products comprise hardware and software enabling additional users to be connected to a PC running on the Windows operating system. It allows up to five users to share the resources of a single PC concurrently instead of purchasing four additional PCs ...'.

The term, '*Thin Computing*', is defined at Page 28 of the Prospectus as follows: '*A computing solution, which is aimed at cost savings for multi-user environments.*'

That explanation of the functions of this Company appear to be very close to 3-decade old idea of using dumb terminals to create a Local Area Network (known in the parlance as LAN).

Whatever, today, ThinSoft is a fact of life on The GEM – and it wants money from investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

The Company Placed 125 million, 5-cent shares at a Premium of 35 cents per share, collecting about \$HK33 million.

This cash injection, the Prospectus states at Page 111, is to be used as follows:

1. \$HK9.60 million to conduct new feasibility studies of new products;

2. \$HK7 million to be used for marketing purposes;
3. \$HK2.60 million to upgrade research and development facilities;
4. \$HK2.10 million to be used for the enhancement of the Company's software system;
5. \$HK8.70 million for the repayment of a Convertible Note; and,
6. \$HK3 million to be used as General Working Capital.

The Convertible Note, mentioned in Item Number 5, above, relates to a \$US1-million Note that was issued by ThinSoft (USA) Incorporated, a company that was incorporated in the US State of Delaware and which became an indirect, wholly owned subsidiary of ThinSoft (Holdings) Incorporated upon the corporate reorganisation of ThinSoft.

The Note was issued in June 2000 *'in favour of an independent third party as settlement of part of the development fees payment ...'*.

The repayment of this Note leaves ThinSoft without any appreciable ... [CLICK TO ORDER FULL ARTICLE](#)

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