

**INNOVIS HOLDINGS LTD:
THIS GEM COMPANY COULD BE A WINNER IN YEARS TO COME**

No reasonable man or woman should want to debate the fact that the majority of listings of The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, since its inception, are rubbish.

Since its establishment as '*A Buyers Beware Market for Informed Investors*' of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), it has sported, mainly, bust companies, or companies, on their last legs.

Only a few of The GEM's Initial Public Offerings (IPOs) have ever made a cracker, and those that have showed a positive Bottom Line, only managed to do so for a very short space of time, by and large.

Things have not changed over the past few years, but, on occasions, along comes an IPO, which, on the surface, at least, appears to have some merit.

Based on the type of business, in which Innovis Holdings Ltd is engaged, and taking into account its most recent financial history, it looks as though, in the fullness of time, it could be a winner.

However, a lot will depend on Management's ability to obtain new orders for its products and services.

Innovis Holdings, now known by GEM Code Number 8065, describes itself in its Placing Prospectus, dated June 17, 2003, as follows:

'The Group is an Intelligent Building System (IBS) solutions provider offering a wide range of services in relation to i) IBS design, supply and installation services; ii) IBS maintenance services; and iii) IBS consultancy services. The Group's services are characterised by its capabilities in advising, designing, supplying, integrating, installing and managing a whole array of extra low voltage (ELV) electronic devices to achieve an efficient and automated building.'
(Page 61 of the Prospectus)

This Company gathered in about \$HK12.90 million from its Placement of 66 million, one-cent Shares at a Premium of 24 cents per Share.

At the time of the flotation, China Win (Holdings) Ltd took the opportunity to Place 61 million of its, one-cent Shares, also at 25 cents per Share.

China Win is owned as follows:

<u>Name of Shareholders</u>	<u>Equity Stake</u>	<u>Position in Innovis Holdings</u>
Mr Derek Tsang Hon Chung	46.41 percent	Chairman
Ms Wong Mau Fa	3.57 percent	Non-Executive Director and Wife of Mr Lam Yew Kai, an Executive Director
Mr Stanley Sung Fung Chin	3.57 percent	Executive Director

Mr Edmond Lam Yew Kai
(via Emerging Purity Company 46.45 percent Executive Director
Ltd)

China Win (Holdings) Ltd is deemed to be a Substantial Shareholder of Innovis Holdings, with an equity stake in the Company of about 56.33 percent, following the flotation on The GEM.

At the end of the day, therefore, China Win garnered about \$HK15.25 million, gross of expenses, while Innovis Holdings managed to net about \$HK12.90 million, that amount of money to be used for the following purposes:

1. Merchandising IBS Products and looking for more work	\$HK1.37 million
2. Geographic expansion in the PRC, proper	\$HK5.90 million
3. Research and development	\$HK2.32 million
4. Sales and marketing	\$HK1.32 million
5. General Working Capital	<u>\$HK1.97 million</u>
TOTAL	<u>\$HK12.88 MILLION</u>

The Financials

Since Innovis Holdings was founded in about February 1990 by Messrs Edmond Lam Yew Kai and Derek Tsang Hon Chung, when it was engaged in the installation of ELV (Extra Low Voltage) electronic systems for commercial and residential buildings in the HKSAR, it has not done particularly well ... [CLICK TO ORDER FULL ARTICLE](#)

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