

**GLOBAL DIGITAL CREATIONS HOLDINGS LTD:
THIS COMPANY IS NOT FOR THE FAINT OF HEART**

When Global Digital Creations Holdings Ltd (Code: 8271, The Growth Enterprise Market [The GEM] of The Stock Exchange of Hongkong Ltd) went public, it was the first time that such a company had come to the equity markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

It was the first time, also, that a company, said to be engaged in the creation of computer graphics and their production for the entertainment and education industry, had sought a listing on a Recognised Stock Exchange of the HKSAR.

It was the first time, also, that a company, with a debt burden of a little more than \$HK93 million, with very little income, to date, and with little prospects of any material income in the immediate future, had had the chutzpah to seek a listing on the HKSAR.

And, it was, also, the first time that a group of former employees of the Government of the HKSAR had banded together to enter private enterprise.

The July 23, 2003, listing on The GEM, via Placements of New Shares and a Public Offer of Shares, was subscribed 1.10 times, but it took the help of some of the Underwriters to make it happen since they had 'to eat' some of their allotments.

Global Digital was formed by Mr Raymond Dennis Neoh and his elder brother, Mr Anthony Francis Neoh, the last-named gentleman, being a barrister by profession.

Mr Anthony Francis Neoh, for old-timers of Hongkong, as the territory used to be known, prior to July 1, 1997, was the Chairman of the SFC (the Securities and Futures Commission of Hongkong) between 1995 and 1998.

He is, today, the Chairman of Global Digital, and is one of the 2 Executive Directors, the other Executive Director, being his younger brother, Mr Raymond Dennis Neoh.

As one of 2 Executive Directors of this publicly listed company, it is clear that there is unlikely, ever, to be any dissention on the Executive Board of Directors.

Further, Page 137 of the Prospectus states that Chairman Anthony Francis Neoh '*is an actively practising Senior Council of the Hong Kong Bar*' and, as such, one may surmise that he spends only a small amount of his time, considering the affairs of the publicly listed company, which he chairs.

Global Digital Placed 58.30 million, one-cent Shares at a Premium of 99 cents per Share, and Offered to the investing public of the HKSAR, another 8 million, one-cent Shares on the same basis as the Placement Shares.

The \$HK53.30 million, raised in this flotation, is to be used, the Prospectus states, for the following purposes:

1. \$HK4.90 million for strengthening the management team;
2. \$HK27.70 million for developing the digital cinema distribution network in the PRC, proper, and in Asia;

3. \$HK12.60 million for research and development;
4. \$HK5.60 million for production maintenance; and,
5. \$HK2.50 million to be tipped into the General Working Capital Account.

At the time that this Company went public on The GEM, it was stated in the Prospectus that its total indebtedness was \$HK93,366,000.

Page 153 of the Prospectus states that, as at May 31, 2003, the debts of this Company were owed to ... [CLICK TO ORDER FULL ARTICLE](#)

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