

**HOP FUNG GROUP HOLDINGS LTD:  
THE HUI HAVE IT ... AND WILL KEEP IT FOR THEMSELVES**

When buying into Hop Fung Group Holdings Ltd (Code: 2320, Main Board, The Stock Exchange of Hongkong Ltd), one should realise that one is completely at the mercy of the Hui Sum Kwok Family, 3 members of whom hold positions in the Executive Board of Directors, while, at Senior Management level, there are another 3 members of the Hui Family, who watch the shekels come in and out of the publicly listed company.

Which may not be a bad thing – provided that the Hui Family has the ability to disregard the interests of the Family in favour of the interests of the Company.

And, for a Chinese family, this is difficult to imagine.

Hop Fung Group went public on the Main Board of The Stock Exchange of Hongkong Ltd last September 15, when it Offered a total of 108 million, 10-cents Shares at an Offer Price of \$HK1.10 per Share.

Of the 108 million Shares on Offer, 10.80 million Shares were New Shares, 79.20 million Shares were New Shares, all of which were Placed with institutions, while the Hui Family Placed another tranche of 18 million of the Family Shares, also at \$HK1.10 per Share.

The Hui Family, therefore, took about \$HK19.80 million, gross, to the bank, while Hop Fung Group walked away with about \$HK83 million, net of expenses.

After the allocation of the Offer Shares and the Placed Shares, the Hui Family was left with about 70 percent of the Issued and Fully Paid-Up Share Capital of the Company, while the investing public held 30 percent of the Issued and Fully Paid-Up Share Capital.

Hop Fung Group described itself in its Prospectus in the following terms:

*'The Group is principally engaged in the manufacture ... and sale of corrugated paper-ware products including corrugated paper boards and corrugated carton boxes.*

*The Group manufactures ... corrugated paper boards in customers' required sizes and specifications. The Group also manufactures and prints corrugated carton boxes from its corrugated paper boards in customised sizes, specifications, patterns and colours. The Group sells its products mainly to companies in Hong Kong and overseas and to companies or factories in the PRC (the **P**eople's **R**epublic of **C**hina) ...'. (Page 48 of the Prospectus)*

This Company's history goes back to 1985, the Prospectus states at Page 50, when Ms Cheung Sai Ying, the materfamilias, established Shing Fung Paper Products Factory, then a sole ... [CLICK TO ORDER FULL ARTICLE](#)

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