

**EXCEL TECHNOLOGY INTERNATIONAL HOLDINGS LTD:
THE GREAT MAN HAS CAUGHT A CRAB ON THIS INVESTMENT**

It would appear, on the face of it, that another of Mr Li Ka Shing's investments in a publicly listed company, quoted in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), has turned decidedly sour; and, questions might well be raised as to whether or not the Great Man will come to the rescue of this company when the call goes out – for cash.

Or, perhaps, Mr Li Ka Shing's half-educated son, Mr Richard Li Tzar Kai (), now that he is loaded with cash from the sales of his Singapore-listed company's shares in PCCW Ltd () (Code: 8, Main Board, The Stock Exchange of Hongkong Ltd), will consider topping up the coffers of Excel Technology International Holdings Ltd () (Code: 8048, The Growth Enterprise Market [The GEM] of The Stock Exchange of Hongkong Ltd).

Excel Technology International is said to be in the business of creating computer software, having gone public on The GEM on June 30, 2000, when it raised about \$HK180 million at its Initial Public Offering (IPO).

Mr Li Ka Shing () is deemed to be a shareholder of this company to the extent of about 14.54 percent of the Issued and Fully Paid-Up Share Capital, while Mrs Peggy Zee Chan Mei Chu () is, and always has been, the Chairman, holding 57.48 percent of the Issued and Fully Paid-Up Share Capital.

Since going public on The GEM, the company has lost, in aggregate, about \$HK223.65 million, up to June 30, 2006, having never turned in a positive result for any period since its IPO.

As at June 30, 2006, Shareholders' Funds had sunk from the 2001 Financial Year's figure of about \$HK219.36 million to about \$HK83.77 million.

In the 2005-Year, ended December 31, Excel Technology International reported a Loss Attributable to Shareholders of about \$HK15.71 million on a Turnover of about \$HK224.24 million.

The 2005-Year's results compared with the previous Year's when, on a Turnover of about \$HK162.89 million, the company turned in a Loss Attributable to Shareholders of about \$HK23.05 million.

For the 6 months, ended June 30, 2006, Excel Technology International reported that it had lost another \$HK4.54 million on a Turnover of about \$HK120.98 million.

However, the Interim Report of this company, also, stated that Management has been selling off some of the 'family jewels', obviously by necessity rather than by choice.

At Page 14 of the 2006 Interim Report, it is stated, inter alia:

'On 29 May 2006, the Group completed a transaction to dispose of its holdings (being 21.50%) of an associated company Camelot Information Systems Inc ("Camelot"), a provider of information technology service in China, for the consideration of US\$4,253,375 (equivalent to approximately HK\$33,176,325). Although this transaction generates an one-time disposal loss of HK\$3,237,000 to the Group, it increases our liquidity position significantly. The reason of the disposal, as described in the relevant announcement put out by the Group, is that the Group has decided to develop its own software service outsourcing business using its own resource, the disposal of Camelot will allow us to concentrate our effort in this area.'

The sale of its interest in this former associated company obviously was needed to beef up the cash position in the company.

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