

**GLOBAL FLEX HOLDINGS LTD:
WATCH OUT !**

Management May Try A Return To The Money Well

The big question, today, is this:

‘Will the parent company of [Global Flex Holdings Ltd \(\)](#) (Code: 471, Main Board, The Stock Exchange of Hongkong Ltd) be able to live up to its financial obligations to DBS Nominees Pte Ltd or, will the proverbial fur begin to fly in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People’s Republic of China (PRC) or in some other venue?’

Global Flex Holdings went public on the Main Board of The Stock Exchange of Hongkong Ltd on September 28, 2005, when it Offered 312.50 million Shares of 10 cents per Share at the price of \$HK1.02 per Share.

Of the total number of Shares on Offer, 250 million Shares were New Shares and 62.50 million Shares were designated ‘Sale Shares’.

The Sale Shares belonged to L.P.P. Holdings Ltd and Micropower Technology Ltd.

L.P.P. Holdings Ltd is a British Virgin Islands company which is 50 percent, beneficially, owned by Mr Lin Cheng Hung (), the Vice Chairman of Global Flex Holdings, and 50 percent, beneficially, owned by Mr Fang Chang Fa (), the Assistant General Manager of Global Flex Holdings.

As for Micropower Technology Ltd, it is, also, a British Virgin Islands company, owned legally by Mr Chien Wen Guey (), according to the Prospectus, but he holds part of the shares of the company as a fiduciary for and on behalf of certain employees of Global Flex Holdings.

Global Flex Holdings received, net of expenses, from its 2005, cash-raising exercise, about \$HK235 million (about \$US30.20 million) which was said, at the time, to be used as to:

1. \$HK157.20 million (about \$US20.20 million) for the construction of a manufacturing plant in the northern part of the PRC, proper; and,
2. \$HK77.80 million (\$US10 million) for the purchase of machinery and equipment at the Company’s existing plant at Suzhou, the PRC, proper.

At Pages 32 and 33 of the Prospectus, under ‘**RISK FACTORS**’, it was mentioned, inter alia, that Vertex Precision Electronics Incorporated (), a Taiwan-domiciled company, which is listed on the (Over-The-Counter) Greta Securities Market of the Republic of China (), which, together with Chia-Tung Investment Company Ltd (), also a Taiwan-domiciled company, owns the entire Issued and Fully Paid-Up Share Capital of Century Champion Group Ltd.

Century Champion Group Ltd is a company, domiciled in the British Virgin Islands, too.

Therefore, Century Champion Group Ltd becomes the holding company of Global Flex Holdings Ltd which is, today, a company, listed on the Main Board of The Stock Exchange of Hongkong Ltd.

Vertex Precision Electronics, the publicly listed company in Taiwan, is financially very weak, as **TARGET**

() mentioned on December 7, 2005, contained in **TARGET** Intelligence Report, Volume VII, Number 232, in the lead report, headlined:

***‘GLOBAL FLEX HOLDINGS LTD:
THE QUESTION IS WHETHER OR NOT THE TAIWAN PARENT
WILL BE A MILLSTONE AROUND THIS COMPANY’S NECK’***

There would ... [CLICK TO ORDER FULL ARTICLE](#)

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