

**TIMES LTD:
DON'T HOLD YOUR BREATH !**

Tomorrow, Times Ltd () (Code: 1832, Main Board, The Stock Exchange of Hongkong Ltd) will hold a Board of Directors' Meeting in order to consider and, if thought fit, to release, inter alia, the Interim Results of this supermarket-operating company's Financial Results for the 6 months, ended June 30, 2007.

One should not hold one's breath, waiting for some bullish profits' news, however, because it is quite unlikely to be forthcoming.

If the profits' forecast and prognostications, contained in the Prospectus of this Company, are anywhere near the mark (as they should be), the Net Profits for the first half of the Current Year will be disappointing, Year-On-Year, and, on an annualised basis, considerably less than the like period of 2006.

As it was, for the 3 Financial Years, ended December 31, 2006, the Net Profits Attributable to Shareholders were nothing to write home of mom.

In fact, the profits' situation in respect of those 3 Financial Years would have been much worse had it not been for the material injection of cash into the Company by the Controlling Shareholder.

But more about that matter, later on in this analysis.

For the first half of this Year, the **Initial Public Offering (IPO)** Prospectus, dated June 29, 2007, stated that *'Forecast combined profit attributable to the Shareholders for the six months ending 30 June 2007 not less than RMB24.0 million (about HK\$24 million).'*

Since the Prospectus was issued just one day prior to the end of the first half of the Current Financial Year, one would hope that the statistics are accurate and reflect a true and fair situation with regard to the financials in respect of the Company.

If that not be the case, one would assume that the Authorities would be asking some rather difficult questions of Senior Management.

The Flotation of Times Ltd

Times Ltd made a Global Offering of 210.60 million, one-cent Shares at the Offer Price of \$HK4.18 per Share.

On August 3, 2007, it was announced that The Hongkong and Shanghai Banking Corporation Ltd () exercised, in full, its Over-Allotment Option of 31.59 million Shares on behalf of International Investors, also, at the Offer Price of \$HK4.18 per Share.

The IPO and the exercise in full of the Over-Allotment Option netted Times Ltd about \$HK950 million.

Of that amount of money, which must be considered a very tidy sum, not less than \$HK369.10 million, or about 39 percent, was allocated to retire some loans, owed to The Hongkong and Shanghai Banking Corporation Ltd.

The Prospectus, at Page 170, states that the other 2 uses of the net proceeds of the IPO would be used as to:

1. \$HK381.20 million for the expansion of the Company's retail outlets; and,
2. \$HK76.20 million to be used as General Working Capital.

(The above uses of the net proceeds was ... [CLICK TO ORDER FULL ARTICLE](#)

While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.

If readers feel that they would like to voice their opinions about that which they have read in TARGET, please feel free to e-mail your views to editor@targetnewspapers.com. TARGET does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.