

**SIJIA GROUP COMPANY LTD:
THIS IS, REALLY, HARD TO SWALLOW, ISN'T IT ?**

When Sijia Group Company Ltd () issued its Global Offering Prospectus, dated January 26, 2010, **TARGET** () questioned as to the true reason that this manufacturer of polymer processed, high-strength polyester fabric would want to go public on the Main Board of The Stock Exchange of Hongkong Ltd.

It did not appear, on the surface, to make too much sense.

The Company, after all, as this medium pointed out, is ‘*swimming in cash*’.

As at August 31, 2009, it boasted of having cash and cash equivalents of about 222.67 million renminbi.

It, really, did not need any extra money.

And it, certainly, did not need to open its books to anybody: For what reason would Management want to share its hard-earned goodies with perfect strangers.

The full **TARGET** analysis of Sijia Group Company Ltd was published on Friday, January 29, 2010, headlined:

**‘SIJIA GROUP COMPANY LTD:
WHAT WAS THE TRUE REASON FOR THIS COMPANY TO GO PUBLIC ?’**

The next working day after the publication of **TARGET** Intelligence Report, Volume XII, Number 20, that was Monday, February 1, 2010, the Chairman of Sijia Group Company Ltd, Mr Lin Sheng Xiong (), announced the withdrawal of the listing.

Chairman Lin Sheng Xiong said, in his public announcement, inter alia:

‘In view of the current market conditions for initial public offerings and with the investors’ best interests in mind, the Company and the Sole Global Coordinator (for itself and on behalf of the Underwriters) have decided not to proceed with the Global Offering under the original timetable. The Company will continue to review the situation and further announcement(s) will be made at such time as a decision regarding a relaunch is reached.’

Rubbish! Poppycock!

It is difficult to believe that the Sole Global Coordinator/the Underwriters would determine not to proceed with the **Initial Public Offering (IPO)** because they were in for the money, nothing else – and lots of it, too.

But, for Chairman Lin Sheng Xiong, while he would have enjoyed, gathering about \$635 million, net of expenses, to add to his already overflowing war chest, to be slapped in the face by the inability of the Sole Global Coordinator/Underwriters to find buyers for 200 million of his Company’s shares was too much of an embarrassment for him, no doubt.

Faced with such a prospect, the only thing to do was to make a tactical advance – to the rear.

Actually, aside from ... [CLICK TO ORDER FULL ARTICLE](#)

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