

**PW MEDTECH GROUP LTD:
IT'S JUST TOO GOOD TO BE TRUE – BUT IT MUST BE TRUE !**

The company is just five years old and its Net Profits are, already, more than 100 million renminbi (about \$HK126.70 million) – and rising, very quickly!

The Company is PW Medtech Group Ltd () (Code: 1358, Main Board, The Stock Exchange of Hongkong Ltd).

PW Medtech issued its Global Offering Prospectus on October 28, 2013, when it Offered 400 million, \$US0.0001 Shares at the Indicative Offer Price Per Share, ranging from \$HK2.60 to \$HK3.38.

Investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) are Offered 40 million Shares, the remaining 360 million Shares, being reserved for International Investors.

In view of the stated and publicised financial success of this Company, one must ask the questions, yet again:

Why is this Company interested in being floated on the premier equity market of the HKSAR ... or on any other equity market, for that matter?

Why share any slice of a successful corporate 'cake' with strangers?

Future Plans and The Use of the Net Proceeds

According to Page 279 of the Global Offering Prospectus, based on an Offer Price Per Share of \$HK2.99, being the midpoint of the Indicative Offer Price, Management estimates that it should net about \$HK1,118.50 million.

This not inconsiderable sum of money will be earmarked for the following purposes:

- About 50 percent of the net proceeds, that is about \$HK559.20 million, 'to expand our manufacturing capacity and invest in research and development of new products, consisting of (i) approximately 25%, or HK\$279.6 million, to purchase manufacturing equipment and complete the construction of our new manufacturing facilities for infusion sets in Beijing and Shandong; (ii) approximately 17%, or HK\$190.1 million, to expand the production capacity of our orthopedic implant facilities in Shenzhen and Tianjin; and (iii) approximately 8%, or HK\$89.5 million, to invest in research and development of new products';
- About 30 percent of the net proceeds, that is about \$HK335.50 million, 'to implement our expansion plans, which include making acquisitions and forming strategic alliances';
- About 10 percent of the net proceeds, that is about \$HK111.80 million, 'to expand our distribution network and sales and marketing team, including hiring dedicated specialist sales staff'; and,
- The remaining funds, that is \$HK111.80 million, to be used as addition Working Capital.

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