

**EXCEL DEVELOPMENT (HOLDINGS) LTD:
ONE CAN HARDLY GET EXCITED OVER THIS SHARE OFFER**

Will The Chief Executive Have A ‘Small’ Conflict Problem?

Prospective investors of Excel Development (Holdings) Ltd () (Code: 1372, Main Board, The Stock Exchange of Hongkong Ltd) should have no illusions: This Company is not pitching a one-off, Share Offering just to land something in the neighborhood of \$HK37.70 million, because this call to alms is just the beginning of Management’s fund-raising ambitions.

This Company’s Share Offer Prospectus, published and disseminated on November 28, 2013, makes the above statement only too clearly.

At Page 179 of the Prospectus, under the heading, **‘REASONS FOR AND BENEFITS FROM THE SPIN-OFF OF OUR COMPANY AND RETAINED VANTAGE GROUP’**, it is stated, among other things:

‘Our Company considers that the reasons and benefits of the Spin-off include the following:

- (i) the Spin-off will provide a separate fund raising platform to fund the growth and expansion of the civil engineering construction business of our Group; ...*
- (iii) the Spin-off will allow our Group to finance its expansion based on its own growth plans and projects; ...*
- (v) the proceeds expected to be received by our Group from the separate listing will enhance our business development potentials.’*

Reference to the term, *‘the Spin-off’*, is in respect of the fact that this Company is a 75-percent, owned subsidiary of Vantage International (Holdings) Ltd () (Code: 15, Main Board, The Stock Exchange of Hongkong Ltd).

During the past four Financial Years, ended March 31, 2013, Vantage International has not missed a beat, earning material profits for its shareholders as the following table, lifted from the database of **TOLFIN** (), the Computerised, Online Financial Intelligence Service and Web-Based, Credit-Checking Provider, indicates:

	‘Financial Year, Ended March 31			
	2013	2012	2011	2010
	HK\$’000	HK\$’000	HK\$’000	HK\$’000
		(Restated)	(Restated)	(Restated)
TURNOVER				
<i>Contract revenue</i>	3,454,844	2,936,582	2,581,906	2,038,850
<i>Property gross rental income</i>	21,809	20,859	18,551	15,943
	3,476,653	2,957,441	2,600,457	2,054,793
<i>Contract costs</i>	(3,273,468)	(2,777,639)	(2,390,991)	(1,901,867)
<i>Property expenses</i>	(1,476)	(1,268)	(1,805)	(894)

<i>Gross profit</i>	201,709	178,534	208,381	152,032
<i>Other income and gains</i>	184,634	98,211	181,179	129,601
<i>Administrative and other expenses</i>	(61,691)	(58,989)	(55,437)	(45,911)
<i>Finance costs</i>	(11,314)	(7,396)	(5,617)	(7,319)
<i>Share of profits and losses of jointly-controlled entities</i>	30,812	44,760	10,993	152
<i>Income tax</i>	(24,977)	(21,135)	(28,880)	(17,072)
<i>NET PROFIT/(LOSS)</i>				
<i>FOR THE YEAR</i>	319,173	233,985	310,619	211,483'

Vantage International, today, is selling 25 percent of the Issued and Fully Paid-Up Share Capital of Excel Development, maintaining the lion's share of the Company's equity for itself.

The Share Offer of Excel Development is 50 million, one-cent Shares at the Indicative Offer Price Per Share, ranging from a low of \$HK1.00 to a high of \$HK1.20.

Investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) are being Offered five million shares, the remaining 45 million shares, being Placed with International Investors.

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