

**MANFIELD CHEMICAL HOLDINGS LTD:
THIS COMPANY WILL NEVER SET THE WORLD ON FIRE**

Within the 419 pages of the Placing and Public Offer Prospectus of Manfield Chemical Holdings Ltd () (Code: 1561, Main Board, The Stock Exchange of Hongkong Ltd), one discovers that the Controlling Shareholder is, de facto, Mr Lee Seng Hui ().

This gentleman, via Mezzo International Ltd, a company that is domiciled in the **British Virgin Islands (BVI)**, is deemed to have an interest in 75 percent of the Issued and Fully Paid-Up Share Capital of this Company.

Mr Lee Seng Hui could rightly be dubbed as something of a rather important personality in big business in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), a mogul, if you will, being, inter alia:

1. The Executive Director and Chief Executive Officer of Allied Group Ltd () (Code: 373, Main Board, The Stock Exchange of Hongkong Ltd);
2. The Executive Director and Chief Executive Officer of Allied Properties (Hongkong) Ltd ([]) (Code: 56, Main Board, The Stock Exchange of Hongkong Ltd);
3. A Non-Executive Director of APAC Resources Ltd () (Code: 1104, Main Board, The Stock Exchange of Hongkong Ltd); and,
4. A Non-Executive Director of Tian An China Investments Company Ltd () (Code: 28, Main Board, The Stock Exchange of Hongkong Ltd).

But Mr Lee Seng Hui is not directly involved in the day-to-day management of Manfield Chemical, it appears, at least not visibly involved.

The Initial Public Offering (IPO)

Manfield Chemical published and disseminated its Placing and Public Offer Prospectus on November 17, 2015.

The Company announced that it was desirous of selling 150 million Shares of one-cent Per Share at \$HK1.00 each.

Of the total number of Shares on Offer, 15 million Shares were reserved for HKSAR Investors, the remaining 135 million Shares, being Placed with, presumably, well-heeled, international and Asian investors that had been approached, prior to the publication of the Placing and Public Offer Prospectus.

The applications for Shares opened just three days after the publication of the Placing and Public Offer Prospectus, at 11:45 am, and applications closed 15 minutes later, at noon.

Thus, it would appear that the game was over long before it even started.

Management of Manfield Chemical has stated that it fully expected to net about \$HK121.50 million from

this cash-raising exercise, that amount of money to be utilised, as follows:

1. Approximately, \$HK81.70 million, that is about 67.20 percent of the net proceeds, *‘to partially fund phase two of construction of the Springfield production facilities’*;
2. Approximately, \$HK12.00 million, that is about 9.90 percent of the net proceeds, *‘for purchase of additional machinery and equipment’*;
3. Approximately, \$HK3.30 million, that is about 2.70 percent of the net proceeds, *‘for partial settlement of the purchase price of the land for phase two of construction of the Springfield production facilities’*;
4. Approximately, \$HK20.00 million, that is about 16.50 percent of the net proceeds, *‘for repayment of a bank overdraft facility. Details of this overdraft facility are as follows:*
 - *We intend to draw on \$HK20 million from this overdraft facility with no maturity date but is repayable on demand by the bank. Interest is expected to be charged at 2 percent per annum below the prime rate of the bank or at 3 percent per annum over HIBOR (Hongkong Interbank Offered Rate), whichever is higher.**‘The capital obtained from this overdraft facility will be used for our Group’s general working capital, including for the partial repayment of the shareholder’s loan granted by Mezzo’*; and,
5. Approximately, \$HK4.50 million, that is about 3.70 of the net proceeds *‘for general working capital of our Group’* .-

With regard to Point Number Four, at Page 154 of the Placing and Public Offer Prospectus, one is told:

‘During the Track Record Period (the 42 months, ended June 30, 2015), we had been provided with a shareholder’s loan of approximately HK\$31.4 million by Mezzo. Our Directors confirm that the abovementioned shareholder’s loan will be partially repaid by our Group as to HK\$20 million prior to Listing with the remaining to be waived upon Listing.’

The Business

The ... [CLICK TO ORDER FULL ARTICLE](#)

-- E N D --

***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.