

**VINCENT MEDICAL HOLDINGS LTD:
THIS COMPANY DID NOT, REALLY, NEED TO GO PUBLIC**

For What Reason Have Investors Shunned This Company?

In the 12 days since the listing of the shares of Vincent Medical Holdings Ltd () (Code: 1612, Main Board, The Stock Exchange of Hongkong Ltd), it appears that this Company is, certainly, not among the ‘darlings’ of investors of the Hongkong Special Administrative Region (HKSAR) of the People’s Republic of China (PRC).

Trading in the shares of this Company commenced on Wednesday, July 13, 2016, following the publication of its Global Offering Prospectus, dated June 30, 2016.

Vincent Medical reported good results in respect of the entire, 36-month, track-record period, ended December 31, 2015, and despite the Net Profit Attributable to Shareholders, having risen by about 148 percent, during the track-record period, and despite the Company, having no material debt, at all, even as at today’s date, the share price has been flip-flopping a few percentage points, but always close to the \$HK1.00 Offer Price.

The share price, yesterday, at noon, was \$HK1.02.

The Initial Public Offering (IPO)

Vincent Medical made a Global Offering of 127.60 million, one-cent Shares at the Indicative Offer Price Per Share, ranging from a low of \$HK1.00 to a high of \$HK1.25.

On July 12, 2016, Management announced that the Offer Price Per Share had been struck at \$HK1.00 – at the lowest rung of the Indicative Offer Price ‘ladder’.

The Company netted about \$HK95.70 million, for what it is worth.

HKSAR Investors – which included Employee Preferential Offering –were Offered 12.76 million Shares and 114.84 million Shares were, originally, to be Placed with International Investors.

The Company’s July 12 announcement stated that the HKSAR Share Offer tranche had been over-subscribed by about 30.80 times (392,652,000 Shares) and the International Offer tranche – which had been reduced to 89.32 million Shares due to a reallocation of Shares because of the heavy demand with regard to the response in the HKSAR Share tranche – had been ‘slightly over-subscribed’.

The usage of the net proceeds of the Global Offering, one was told, will be as follows:

- Approximately, 50 percent, that is about \$HK47.90 million, ‘for the expansion and upgrading of its production facility from 2016 to 2018’;
- Approximately, 27 percent, that is about \$HK25.80 million, ‘for development of its pipeline and planned products from 2016 to 2018, including:
 - ‘Approximately, \$HK15 million as development costs for its pipeline and planned

products; and,

- *‘Approximately, \$HK10.80 million for recruitment of approximately 27 additional staff for research and development and the relevant quality assurance’;*
- *Approximately, 18 percent, that is about \$HK17.20 million, ‘for sales and marketing from 2016 to 2018’; and,*
- *Approximately, five percent, that is about \$HK4.80 million, ‘for its general corporate purposes and working capital.’*

The Business of Vincent Medical Holdings Ltd

Vincent Medical is a manufacturer of a range of medical devices, with emphasis on respiratory products, imaging contrast media power injector disposable products and orthopaedic and rehabilitation products.

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