

**SUNLIGHT (1977) HOLDINGS LTD:
THIS COMPANY'S HISTORY IS AKIN
TO THE STORY OF RIP VAN WINKLE
IN WASHINGTON IRVING'S SKETCH BOOK**

Some Statements Boggle The Mind

It, now, appears to have become a constructive fact that an overseas company, desirous of seeking a listing on one of the two equity markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), has to agree to pay the fee, demanded by the piper, that fee, usually a goodly sum of money, prior to being permitted to sing the words of the piper's song.

TARGET () is referring, especially, to the matter of the **Initial Public Offering (IPO)** of Sunlight (1977) Holdings Ltd ([1977]) (Code: 8451, The **G**rowth **E**nterprise **M**arket [the **GEM**], The Stock Exchange of Hongkong Ltd).

Sunlight published and disseminated its Share Offer Prospectus on March 27, 2018.

It Offered 200 million, one-cent Shares at the Indicative Offer Price Per Share, ranging from a low of 25 cents to a high of 30 cents.

Investors of the HKSAR were Offered 20 million Shares with the remaining number of Shares on Offer – 180 million – being reserved as Placings to be sold to institutional and/or professional investors.

At Page 177 of the Share Offer Prospectus, it was stated that, at the Offer Price Per Share, being struck at

27.50 cents, the midpoint of the Indicative Offer Price, Management would net about \$HK30 million.

Sure enough, on April 13, 2018, Management announced that the Offer Price Per Share had, indeed, been struck at 27.50 cents and that it was anticipated that the Company's coffers would be enriched by about \$HK30 million.

This seemingly modest amount of money is currently intended to be utilised as follows, prospective shareholders were informed:

1. Approximately, 20.70 percent of the net proceeds, that is about \$HK6.20 million, *'will be used for upgrading our conversion line in Singapore for the production of jumbo roll tissues'*;
2. Approximately, 4.30 percent of the net proceeds, that is about \$HK1.30 million, *'will be used for acquiring a new conversion line for the production of hand towels'*;
3. Approximately, 65.00 percent of the net proceeds, that is about \$HK19.50 million, *'will be used for investing in an additional factory building in Singapore to be used as our warehouse and purchasing delivery trucks and lifting equipment'*; and,
4. Approximately, 10.00 percent of the net proceeds, that is about \$HK3.00 million, *'will be used as working capital and other general corporate purposes.'*

At Pages 179 through to 181 of the Share Offer Prospectus, Management had given 10 reasons for selecting a listing on The GEM of The Stock Exchange of Hongkong Ltd – which is, by the way, the secondary equity market of the HKSAR – in order to pitch its story to prospective shareholders instead of opting to seek a listing on The Stock Exchange of Singapore.

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

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