

**ETERNITY TECHNOLOGY HOLDINGS LTD:**  
**HERE IS ANOTHER COMPANY IN NEED OF YOUR CASH**

**But It's Just The First Of Its Fund-Raising Activities !**

One of the latest companies to seek a listing on the premier equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) made the claim that its products comprised, inter alia, **printed circuit board assemblies (PCBA's)** in electronic products '*embedded with PCBAs products by us in-house.*'

This may be true enough, but, in the opinion of **TARGET** (), parts of the above statement are more than just a slight exaggeration of the truth.

The company, to which **TARGET** is referring, is Eternity Technology Holdings Ltd () (Code: 1725, Main Board, The Stock Exchange of Hongkong Ltd).

**The Initial Public Offering (IPO) Of Eternity Technology Holdings Ltd**

Eternity Technology Holdings Ltd published and disseminated its Share Offer Prospectus on August 3, 2018.

The Company Offered a total of 75 million, one-cent Shares at the Indicative Offer Price Per Share, ranging from a low of \$HK1.70 to a high of \$HK2.00.

Investors of the HKSAR were encouraged to subscribe to 7.50 million Shares (the Public Offer tranche) and

67.50 million Shares were reserved for Professional/Institutional/

qualified Well-Heeled Investors (the Placing Share tranche).

Based on the Offer Price Per Share, being struck at \$HK1.85, the midpoint of the Indicative Offer Price, Management anticipated netting about \$HK103.80 million, according to Page 282 of the Share Offer Prospectus.

This relatively modest amount of money is expected to be allocated for the following purposes, according to Pages 283 through to 285 of the Share Offer Prospectus:

- Approximately, \$HK69.40 million, that is about 66.90 percent of the net proceeds, ‘will be used for expanding our production capacity and enhancing our production efficiency; of which approximately HK\$37.7 million will be allocated for acquisition of additional machinery and equipment to upgrade three SMT (Surface Mount Technology) assembly lines; approximately HK\$25.2 million will be allocated for acquisition of additional machinery and equipment to set up two additional SMT assembly lines; approximately HK\$4.6 million will be allocated for the acquisition of additional machinery and equipment to set up four automated testing lines; and approximately HK\$1.9 million will be allocated for recruiting four workers to operate the additional automated test lines, in order to increase our production capacity to cope with the simultaneous growth of the electronic product market and to capture the business opportunities to optimise our profitability’;
- Approximately, \$HK18.70 million, that is about 18.00 percent of the net proceeds, ‘will be used for leasing the New Premises, setting up an additional intelligent warehouse therein, converting our existing warehouse to be intelligent warehouse and recruiting one technical staff to operate and maintain the intelligent warehouse. Of the said sum of approximately HK\$18.7 million, approximately HK\$7.3 million will be allocated to convert our existing warehouse to be intelligent warehouse; HK\$10.7 million will be utilised for the lease of the New Premises and setting up an additional intelligent warehouse therein; and approximately HK\$0.7 million will be allocated to recruit one technical staff to operate and maintain the intelligent warehouse’;
- Approximately, \$HK4.90 million, that is about 4.70 percent of the net proceeds, ‘will be used for strengthening our research and development capabilities by recruiting an addition of six skilled research technicians’;
- Approximately, \$HK3.60 million, that is about 3.50 percent of the net proceeds, ‘will be used to upgrade our ERP (Enterprise Resource Planning) system and capabilities in information technology; of which HK\$1.8 million will be used to upgrade our ERP system; and approximately HK\$1.8 million will be used to recruit one technical staff to operate and maintain the ERP system’; and,
- Approximately, \$HK7.20 million, that is about 6.90 percent of the net proceeds, ‘will be used as general working capital of our Group’.

## The Business Of Eternity Technology Holdings Ltd

Eternity Technology Holdings Ltd can trace its history back to the incorporation in the HKSAR of Eternity Technology Development Ltd ().

That was on or about January 2, 2003.

Thus, the Company that is known today by the name of Eternity Technology Holdings Ltd could be said to be about 15 years old.

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

***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](mailto:editor@targetnewspapers.com). TARGET does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*