

TARGET

Intelligence Report

VOLUME XXII No. 46

THURSDAY

March 5, 2020

ICON CULTURE GLOBAL COMPANY LTD:

‘DOUBLE, DOUBLE TOIL AND TROUBLE;

FIRE BURN AND CALDRON BUBBLE.’

Management of Icon Culture Global Company Ltd () has guaranteed that the Company’s Net Profit Attributable to Shareholders in respect of the 2019 Financial Year, ended December 31, shall be materially lower than the like period in respect of the 2018 Financial Year.

This is clearly stated in the Share Offer Prospectus of the Company, dated December 30, 2019.

At Page 267 of the Share Offer Prospectus, it was stated, in the final sentence under the heading, ***‘LISTING EXPENSES’***:

‘Prospective investors should note that the financial performance of our Group for FY2019 would be materially and adversely affected by the listing expenses mentioned above.’

Many companies, 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)**, have made similar statements as those of the Management of Icon Culture Global Company Ltd, but not quite as definitive as the ones

published by Management of this Company.

Be that as it may, however, in the case of this Company, there is every reason to believe that Management was spot on in respect of its prognostication as to the 2019 Financial Year's Bottom Line.

(More about this matter at the tail end of this report.)

The Initial Public Offering (IPO) Of Icon Culture Global Company Ltd

Icon Culture Global Company Ltd (Code: 8500, The Growth Enterprise Market [the GEM], The Stock Exchange of Hongkong Ltd), published and disseminated its Share Offer Prospectus in the HKSAR on Monday, December 30, 2019.

The Company Offered a total of 45 million, one-cent Shares at the Indicative Offer Price Per Share, ranging from a low of \$HK1.38 to a high of \$HK1.98.

In a Public Offer Shares tranche, presumably targeting investors of the HKSAR to subscribe to some of the Shares on Offer, the Company Offered 4.50 million Shares and, in a Placing Offer Shares tranche, presumably targeting Institutional Investors, Professional Investors and select, Well-Heeled Investors, along with their corporate entities in which this class of investor has equity control, such investors were induced to subscribe to 40.50 million Offer Shares via Share Placements.

On Monday, January 13, 2020, Management announced that the Offer Price Per Share had been struck at \$HK1.39 – one cent higher than the lowest rung of the Indicative Offer Price ladder – and that it was estimated that the Company would be enriched by about \$HK31.90 million from the Share Offer.

In the January 13, 2020 Announcement with regard to the Offer Price and Allotment Results, it was stated that, in respect of the Public Offer Shares tranche, it had been '*moderately over-subscribed*' and that a total of 12,446 valid applications for Offer Shares in this tranche had been received for a total of 67,936,000 Public Offer Shares, representing about 15.10 times the total number of 4.50 million Offer Shares, initially available for subscription under the Public Offer Shares tranche.

As to the Placing Offer Shares tranche, one was told that this tranche had been '*slightly over-subscribed*' with a total of 46.77 million Placing Shares, having been subscribed, equivalent to about 1.15 times the total number of 40.50 million Placing Shares, initially available in this tranche.

At Page 15 of this Announcement, one was told as to Management's present intentions with regard to the net proceeds of the Share Offer as follows:

1. Approximately, 54.60 percent, that is about \$HK17.40 million, *'to be used for increasing the coverage of the exclusive OOH (Out Of Home) and online advertising resources by acquiring additional resources'*;
2. Approximately, 29.00 percent, that is about \$HK9.30 million, *'to be used for expanding the business coverage in growing regions and the spectrums of service offerings'*;
3. Approximately, 6.40 percent, that is about \$HK2.00 million, *'to be used for enhancing the big data platforms'*; and,
4. Approximately, 10.00 percent, that is about \$HK3.20 million, *'to be used as working capital'*.

The History And Business Of Icon Culture Global Company Ltd

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