

TARGET

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FINANCIAL STREET PROPERTY COMPANY LTD:

AFTER 26 YEARS IN THE BUSINESS ...

AND THIS IS ALL THAT MANAGEMENT CAN DECLARE !

Management of Financial Street Property Company Ltd dedicated more than eight pages of its 576-Page Global Offering Prospectus to the horrors of the outbreaks of Covid-19 and the anticipated effects that would likely affect the Company's businesses.

The Global Offering Prospectus of the Company was published and disseminated on Friday, June 19, 2020, but had the Prospectus been delayed for less than a month, the wording of Management's determinations in respect of the coronavirus's new outbreaks, round the world, may have resulted in the Company, having to dedicate even more pages, targeting this pandemic.

And, it is almost a certainty that, at the middle of Page 187 of the Global Offering Prospectus, the following statement would have had to be rewritten due to the resurgence of the disease that was, once again, taking its toll of the lives of hundreds of the innocents, throughout the world:

'Based on the above, our Directors are of the view that no material adverse effect on our operations and financial performance is expected to result from the recent COVID-19 outbreak.'

The Initial Public Offering (IPO) Of Financial Street Property Company Ltd

On Friday, June 19, 2020, Financial Street Property Company Ltd () (Code: 1502, Main Board, The Stock Exchange of Hongkong Ltd) published and disseminated its Global Offering Prospectus in the **H**ongkong **S**pecial **A**ddministrative **R**egion (**HKSAR**) of **P**eople's **R**epublic of **C**hina (**PRC**).

Management was intent to sell 90 million, one renminbi 'H' Offer Shares to investors of the HKSAR as well as to International Investors, at the Indicative Offer Price Per Share, ranging from a low of \$HK7.16 to a high of \$HK7.56.

Investors of the HKSAR were offered the opportunity to subscribe to nine million 'H' Offer Shares (the HKSAR Offer Shares tranche) and International Investors – Institutional Investors, Professional Investors and select, Well-Heeled Investors, along with this class of investors' corporate entities in which equity control was vested – were induced to put in their applications for 81 million 'H' Offer Shares in that which was labelled as being the International Offer Shares tranche.

On Friday, July 3, 2020, Management of Financial Street Property Company Ltd announced that the Offer Price Per 'H' Share had been struck at \$HK7.36 and that the Company anticipated, netting about \$HK607.30 million from the Global Offering.

With regard to the HKSAR 'H' Offer Shares tranche, one was informed that it had been '*very significantly over-subscribed*', with a total of 87,303 valid applications, having been received for the nine million 'H' Offer Shares, representing approximately 146.22 times the number of Shares, initially available under this tranche.

With regard to the International 'H' Offer Shares tranche, one was told that it, too, had been '*significantly over-subscribed*', representing about 20 times the total number of 'H' Shares, initially available under this International Offering.

As to the intended utilisations of the net proceeds of the Global Offering, one was informed to refer to Pages 331 through to 333 of the Global Offering Prospectus where one was able to read:

- Approximately, 60 percent of the net proceeds, that is about \$HK364.38 million, '*will be used to pursue strategic acquisitions and investment opportunities and to establish new branches and subsidiaries in the PRC to expand our business scale*';
- Approximately, 20 percent of the net proceeds, that is about \$HK121.46 million, '*will be*

used to develop our value-added services business’;

- Approximately, 10 percent of the net proceeds, that is about \$HK60.73 million, ‘*will be used to establish and upgrade our IT (Information Technology) and intelligent facilities systems’*; and,
- Approximately, 10 percent of the net proceeds, that is about \$HK60.73 million, ‘*will be used as our working capital and for general corporate purposes.*’

The History And Business Of Financial Street Property Company Ltd

The history of Financial Street Property Company Ltd can be traced back to May 20, 1994, when it was a PRC State and Joint-Stock, Jointly Owned enterprise (), operating under the name of Beijing City Financial Street Property Development Company

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It was established, one was told in the Global Offering Prospectus, in order to provide property management services in Beijing, the Capital City of the PRC.

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