

TARGET

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**UNITY ENTERPRISE HOLDINGS LTD:
IT IS HIGHLY UNLIKELY THAT THIS COMPANY WILL EVER BE
THE ‘DARLING’ OF THE STOCK EXCHANGE OF HONGKONG LTD**

Mr Yeung Wing Sun (楊永燊), formerly known as Mr Yeung Wing Shun (楊永迅), the current, 52-year-old Chairman of the Board of Directors of Unity Enterprise Holdings Ltd (盈滙企業控股有限公司) (Code: 2195, Main Board, The Stock Exchange of Hongkong Ltd), has been around the block more than once – and of that experience, no doubt, he would prefer not to be reminded.

Unity Enterprise Holdings Ltd published and disseminated its 437-page Share Offer Prospectus in the **Hongkong Special Administrative Region (HKSAR)** of the **People’s Republic of China (PRC)** on Friday, March 19, 2021, and, on Pages 177 and 178, one was informed, inter alia, that Mr Yeung Wing Sun ‘*has over 20 years of experience in the construction*’.

But, it is, also, stated that:

*‘Mr. Yeung had experienced financial difficulty as a result of the Asian financial crisis in 1997 and had defaulted in completion of a property transaction in January 1998. In January 1999, the property owners instituted legal proceedings against Mr. Yeung for damages for failing to complete the property transaction. In May 2000, the High Court of Hong Kong awarded the judgment in favour of the property owners and Mr. Yeung was ordered to pay a sum totalling approximately HK\$763,000 in December 2004 (the “**Judgment Debt**”). As Mr. Yeung could not repay the Judgment Debt, in December 2005, the property owners filed a bankruptcy petition against Mr. Yeung to the High Court of Hong Kong. Mr. Yeung was adjudicated bankrupt by virtue of a bankruptcy order made by the High Court of Hong Kong on 29 March 2006. From June 2000 to October 2006, Mr. Yeung only received a total income of HK\$880,000. From November 2006 to March 2011, Mr. Yeung did not receive any salary from HDC (Hong Dau Construction Company Ltd [香島建築有限公司]), taking into account his limited role and involvement in HDC. Therefore, during the period from June 2000 to March 2011, other than the said income, Mr. Yeung’s daily subsistence was supported by Mrs. Yeung (Ms Yu So Yin [余素賢], the wife of Mr Yeung Wing Sun).*

Due to Mr. Yeung's financial situation, Mr. Yeung was unable to pay the Judgment Debt before his discharge from bankruptcy in March 2010. Pursuant to section 30A of the Bankruptcy Ordinance (Chapter 6 of the Laws of Hong Kong), a bankrupt is discharged from bankruptcy by the expiration of four years where the bankrupt has not been previously been (sic) adjudged bankrupt. Accordingly, Mr. Yeung was discharged from bankruptcy by an order of the High Court of Hong Kong on 29 March 2010 and the discharge released him from all the bankruptcy debts.

'Our Company confirms that the Judgment Debt was not incurred in the course of any business carried on by Mr. Yeung. Having regard to (i) the discharge of Mr. Yeung's bankruptcy in March 2010; (ii) as advised by the Legal Counsel, the reason for the bankruptcy did not relate to any fraud or dishonesty and would not have any negative impact on Mr. Yeung's integrity which may in turn affect his suitability as an executive Director of our Group; and (iii) Mr. Yeung's work experience and contribution to the success of our Group, our Directors believe that Mr. Yeung has the character, experience and integrity to act as a Director and will be able to demonstrate a standard of competence commensurate with his position as a director of a listed issuer as required under Listing Rules.'

As is made very clear, on scanning the above two paragraphs, the financial problems that haunt this gentleman were due, entirely, to his inability to complete a property transaction in January of 1998 and, as such, he was, as a direct consequence, adjudged a bankrupt on March 29, 2006.

As far as Mr Yeung Wing Shun is concerned, today, no doubt, the past is best forgotten, while the future is there for the taking ... or is it?

The Initial Public Offering (IPO) Of Unity Enterprise Holdings Ltd

Senior Management of Unity Enterprise Holdings Ltd determined to sell a total of 250 million, one-cent Offer Shares at the Indicative Offer Price Per Share, ranging from a low of 50 cents, rising to a high of 56 cents.

A Public Offer Shares tranche – obviously targeted at small investors of the HKSAR – comprised 25 million Offer Shares, while a Placing Shares tranche, comprising 225 million Offer Shares, was presumably aimed at seducing Institutional Investors, Professional Investors and select, Well-Heeled Investors, along with their corporate entities in which this class of investors was deemed to hold equity control, legally and beneficially, to pry open their fur-lined purses and apply a goodly amount of shekels in order to purchase Offer Shares in the Company, via select Share Placements.

On Tuesday, March 30, 2021, Management of Unity Enterprise Holdings Ltd announced that the Offer Price Per Share had been struck at 56 cents – the highest level of the indicative Offer Price.

In the Announcement as to the Offer Price and the Allotment Results, one was told that Management envisaged netting about \$HK91 million from the Share Offer.

The Public Offer tranche, one was told, had been ‘*moderately over-subscribed*’, with Management, having received valid applications for a total of 541,345,000 Public Offer Shares, representing approximately 21.65 times the 25 million Public Offer Shares on Offer in this tranche.

With regard to the Placing Shares tranche, Management stated that it had ‘*been slightly over-subscribed, representing approximately 1.08 times the total number of 225,000,000 Placing Shares, initially available for subscription ...*’.

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