

# TARGET

## Intelligence Report

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T H U R S D A Y

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### **NEW HOPE SERVICE HOLDINGS LTD: FOR WHAT VALID REASON(S) DID THIS COMPANY SEEK A LISTING ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONGKONG LTD ?**

New Hope Service Holdings Ltd (新希望服務控股有限公司) (Code: 3658, Main Board, The Stock Exchange of Hongkong Ltd), as at December 31, 2020, had no borrowings of materiality and, according to the Combined Statements of Financial Position, found at Appendix I-5 of the 577-page Global Offering Prospectus, management had cash and cash equivalents, amounting to 112,614,000 renminbi (about \$HK135,835,007.00).

During the three Financial Years, ended December 31, 2020, the Company's Revenue had risen from the 2018-Year's figure of 257,964,000 renminbi (about \$HK311,156,177.00) to the 2020-Year's figure of 588,263,000 renminbi (about \$HK709,562,831.00), representing a Compound Annual Growth Rate of about 128 percent.

With regard to the Net Profit Attributable to Shareholders in respect of those three Financial Years, ended December 31, 2020, the 2018-Year's figure of 41,094,000 renminbi (about \$HK49,524,160.00) had risen to the 2020-Year's figure of 109,770,000 renminbi (about \$HK132,404,574.00), representing a Compound Annual Growth Rate of about 167.35 percent.

As far as this medium is concerned, the above statistics seem to beg the question:

*'Why did this Company determine to pitch a Global Offering of 200 million, one-cent Offer Shares on the premier equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) on Tuesday, May 11, 2021?*

*'It was not in need of any financing, at all!'*

### **The Initial Public Offering (IPO) Of New Hope Service Holdings Ltd**

New Hope Service Holdings Ltd sought to sell, in total, 200 million one-cent Offer Shares at the Indicative Offer Price Per Share, ranging from a low of not less than \$HK3.80, rising to a high of not more than \$HK4.70.

HKSAR Investors were given the opportunity to subscribe to 20 million Offer Shares (the HKSAR Offer Shares tranche) and International Investors – Institutional Investors, Professional Investors and select Well-Heeled Investors, along with their corporate entities in which this class of investors was deemed to own, legally and beneficially, equity control – were induced to put in their valid applications for some of the 180 million Offer Shares under this Global Offering (the International Offer Shares tranche).

On Monday, May 24, 2021, Management of New Hope Service Holdings Ltd caused to have published an Announcement as to the Offer Price and Allotment Results.

The Offer Price Per Share, Management informed its shareholders, had been struck at \$HK3.80, the lowest level of the Indicative Offer Price Per Share.

Management's estimate with regard to the Net Proceeds, derived from the Global Offering, was said to have been anticipated at \$HK706.80 million.

A total of 14,792 valid applications for Offer Shares had been received, in respect of the HKSAR Offer Shares tranche, for a total of 95,073,000 Offer Shares, *'equivalent to approximately 4.75 times the total number of 20,000,000 Hongkong Offer Shares, initially available for subscription.'*

With regard to the International Offer Shares tranche, one was informed that it had been *'moderately over-subscribed, and the over-subscription in the International Offering represents 1.78 times the total number of Offer Shares initially available for subscription under the International Offering.'* ... [CLICK TO ORDER FULL ARTICLE](#)

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