

# TARGET

## Intelligence Report

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### **ALPHA PROFESSIONAL HOLDINGS LTD: MANAGEMENT SWITCHES FROM TRYING TO SELL MOBILE HANDSETS TO SELLING AUSTRALIAN MILK PRODUCTS**

After a little less than 13 years as being a company, effectively involved in research on the application of solutions with regard to technologies and the operating platform of mobile handsets, Senior Management determined to throw in the towel, so to speak, in favour of becoming completely engaged in the milk products business.

On or about February 12, 2010, Z-Obee Holdings Ltd (融達控股有限公司), a company, domiciled in Bermuda (the name of the Company was changed to Alpha Professional Holdings Ltd [阿爾法企業控股有限公司] on or about October 2, 2018, but still maintaining its domicile in Bermuda) announced that Z-Obee Holdings Ltd (Code: 948, Main Board, The Stock Exchange of Hongkong Ltd) had garnered \$HK127 million in a Placing and Public Offer of 114 million \$US0.008 Shares.

At Page Five of the February 26, 2010 Placing and Public Offer Announcement, one was informed of the following:

#### ***‘USE OF NET PROCEEDS FROM THE SHARE OFFER***

*‘Based on the final Offer Price of HK\$1.80 per Offer Share, the net proceeds from the Share Offer to be received by the Company, after deducting the underwriting fees and estimated total expenses paid and payable by the Group in connection thereto, are estimated to be approximately HK\$127 million. The Group intends to use such proceeds as follows:*

- 1. Approximately HK\$11 million to recruit additional professionals to join its R&D team and to improve the R&D team’s equipment;*
- 2. Approximately HK\$52 million to invest in research on the application and solutions of 3G technologies and operating platform of mobile handset in order to capture the potential opportunities of the rising*

*demand for 3G mobile handset and module especially in the multi-function mobile handset;*

- 3. Approximately HK\$52 million to strengthen the brand awareness of “VIM” or in Chinese “偉恩” in the mobile handset market in the PRC in order to position the Group’s strong industrial design of mobile handset with fashionable and trendy styles and to expand the distribution network and sales channel of the Group in the PRC; and*
- 4. The balance (\$HK12 million) to be used for working capital and other general corporate purpose.’*

On or about March 31, 2022, Management of Alpha Professional Holdings Ltd caused to publish and disseminate a nine-page announcement to shareholders and prospective investors, labelled:

***‘PLACING OF NEW SHARES UNDER GENERAL MANDATE’***

A precis of this announcement was presented at Page One of this Announcement as follows:

*‘On 31 March 2022 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which, the Placing Agent has conditionally agreed, as the placing agent of the Company, to procure on a best effort basis not less than six Placees to subscribe for up to 34,920,000 Placing Shares at the Placing Price of HK\$1.40 per Placing Share. The Placing Shares will be allotted and issued under the General Mandate.*

*‘Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion, the maximum number of Placing Shares of up to 34,920,000 Shares shall represent approximately 11.11% of the existing issued share capital of the Company as at the date of this announcement and approximately 10.00% of the issued share capital of the Company as enlarged by the allotment and issue of all the Placing Shares.*

*‘The Placing Price of HK\$1.40 per Placing Share represents (i) a premium of 2.19% to the closing price of HK\$1.370 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) a discount of approximately 2.51% to the average closing price of HK\$1.436 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement.*

*‘Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be HK\$48.9 million and the net proceeds will be approximately HK\$47.8 million (after deduction of commission and other expenses of the Placing), representing a net issue price of approximately HK\$1.37 per Placing Share. The Directors intend to use the net proceeds for (i) the development of and/or investment in the Milk Products Business; and (ii) general working capital of the Group.’*

At Pages Five and Six of the March 31, 2022 Announcement, under the heading, '**REASONS FOR THE PLACING AND THE USE OF PROCEEDS**', it was explained:

*'The Company is an investment holding company. The principal activities of the Group are trading of milk powder and baby foods, provision of mobile handset solution and property investment.*

*'Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be HK\$48.9 million and the net proceeds will be approximately HK\$47.8 million (after deduction of commission and other expenses of the Placing), representing a net issue price of approximately HK\$1.37 per Placing Share. Reference is also made to the Company's announcements dated 21 January 2022, 3 March 2022 and 24 March 2022 regarding the Group's distribution agreements with several milk powder brands. In order to capture the golden opportunities for further expanding the Milk Products Business, the Directors intend to use the net proceeds for (i) the development of and/or investment in the Milk Products Business; and (ii) general working capital of the Group.*

*'The Directors are of the view that the Placing will enhance the capital base and shareholders base of the Company. In addition, the net proceeds of the Placing will strengthen the Group's financial position supporting the operations and business development of the Group.*

*'The Board has considered ... [CLICK TO ORDER FULL ARTICLE](#)*

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