

**CIG-WH INTERNATIONAL (HOLDINGS) LTD:
A DEAD ISSUE**

[CIG-WH International \(Holdings\) Ltd](#) is in much worse shape than the announcement of the Final Results for the Financial Year, ended March 31, 1999, indicates.

The Company announced a Loss Attributable to Shareholders of about \$HK5.71 million, for the 1999 Year on Wednesday.

This Loss compared with a loss in the 1998 Year of about \$HK55.61 million.

While one may be tempted to suggest that things are looking up for the Company, with further losses being contained, such a determination would be wrong.

Buried, deeply, in the Chairman's published Report to Shareholders, is a paragraph, relating to '*LIQUIDITY AND FINANCIAL RESOURCES*'.

It reads as follows:

'The Group has previously raised a total amount of about HK\$103.5 million capital by two private placements on 2 September 1996 and 1 April 1997. The net proceeds derived from the first placement of approximately HK\$48.5 million were originally intended to be used in the expansion of the Company's existing business ventures, whilst the net proceeds derived from the second placement of approximately HK\$55 million were intended to be used as working capital for certain construction and development projects in the PRC. At present, the Group has not utilized the proceeds derived from the above fund-raising exercises as planned, and only part of the proceeds, about HK\$20 million, has been used as a deposit for the Ap Lei Chau IL128 PSPS project. The remaining balance of the proceeds has been deposited in banks as fixed deposits, pending the identification of suitable business opportunities which may or may not be within the exact scope of the original fund-raising intentions. Further announcements will be made in respect thereof if necessary...'

(TARGET* has not studded this announcement with a 'sic' here and a 'sic' there because to highlight all the mistakes it would have made it almost unreadable)

The bottom line of this announcement is that this Company cannot even make money with \$HK103.50 million, in cash, earning interest in banks.

Without seeing the 1999 Annual Report, it is difficult to understand how the Chairman, Mr [Wang Xian Zhang](#),...
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