

**CEDAR BASE ELECTRONIC (GROUP) LTD:
WATCH THIS COMPANY,
BUT DON'T MAKE A COMMITMENT ... YET**

Cedar Base Electronic (Group) Ltd, the latest company to go public on The Stock Exchange of Hongkong Ltd, appears to have the corporate personality of an oyster.

It is unlikely, ever, to be a flyer, even of low-level, recurrent profits; and, is unlikely, ever, to be a source of reasonable returns for prospective shareholders.

Further, unless it can diversify its products, it is likely to end up on the junk heap in years to come.

Today, Cedar Base is, primarily, a manufacturer of the most basic of products: Electronic calculators.

True, everybody has one, including school children, but the competition, internationally, is fierce.

Cedar Base has gone to the marketplace in order to raise a total of \$HK80 million, gross, coming down to \$HK65 million, at the end of the day.

The money, raised in this flotation, is to be used as follows:

1. \$HK18 million for the design, development and production of moulds for the manufacture of new products;
2. \$HK12 million for Research and Development;
3. \$HK10 million to buy new equipment;
4. \$HK10 million to buy an office in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC); and,
5. \$HK15 million to be used as General Working Capital.

Over the past 3 Financial Years, this Company's performance has been spectacular, but there is no guarantee that the Results of the past 3 Years can be repeated in the next 3-Year cycle.

In fact, it is highly unlikely, given the present state of affairs in this Company, that it can even come close to the success of the past 3 Years ... [CLICK TO ORDER FULL ARTICLE](#)