

ASIAN INFORMATION RESOURCES (HOLDINGS) LTD :
THIS IS A GAMBLER'S STOCK

It had to happen, that some party would get more greedy than the last greedy party – and Tai Fook Capital Ltd, part of publicly listed New World Development Company Ltd, is that greedy party, today.

Tai Fook has hit the latest listing on The GEM – The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd – with a 4.50-percent bill of the aggregate issue price of the new shares on offer for putting together the latest public offering, that of Asian Information Resources (Holdings) Ltd.

One may be tempted to suggest: The bigger the risk, the higher the commission to be charged?

Interestingly enough, Tai Fook and a 19-percent shareholder of Asian Information Resources, Aldgate Agents Ltd, part of New World CyberBase Ltd, are both subsidiaries of publicly listed New World, either directly or indirectly.

Asian Information Resources is seeking to raise about \$HK150 million, gross, by offering 12 million shares to members of the investing public; and, it is Placing an additional 108 million shares.

The 10-cent shares are all being offered at \$HK1.25 per share.

Asian Information Resources is a company which is engaged '*in the provision of Greater China content (the term, 'Greater China,' here means, the People's Republic of China (PRC), Taiwan, the Hongkong Special Administrative Region (HKSAR) of the PRC and Macau) with a focus on business information through the Internet and content related consultancy services. The Group also provides Internet solutions services ... the Group has formed associated companies to engage in e-commerce operations ...*'.

The Company was founded in 1994, but never really got started until 1997, Page 15 of the Prospectus states.

This Company has no assets and has never earned a profit.

This is the track record of the Company for the past 31 months:

	Year Ended December 31		
	1997	1998	Seven Months to July 31, 1999
	<i>(All Figures Are Denominated in \$HK'000)</i>		
Turnover	5,903	8,050	4,727
Operating Loss	(2,692)	(1,742)	(255)
Share of Losses of an Associated Company	(116)	(92)	Nil
Loss on Re-organisation	Nil	Nil	(861)
Net Loss	(2,808)	(1,843)	(1,061)

The Net Proceeds of this flotation, amounting to about \$HK135 million, are intended to be used as follows:

1. \$HK40 million to promotional exercises;
2. \$HK24 million to expand the Group's e-commerce operations;
3. \$HK18 million for new product development;

4. \$HK17 million to get some more staff and to establish some more offices; and,
5. \$HK36 million to be used as Working Capital.

The Adjusted Net Tangible Assets, as at October 31, 1999, amounted to about \$HK150.32 million, the Prospectus states, but this figure included the ... [CLICK TO ORDER FULL ARTICLE](#)

