

E-commerce move lifts Heng Fung

ERIC NG

Shares of property development and investment company Heng Fung Holdings and subsidiary retailer Fronteer International rose sharply on market speculation of the potential of their Internet-related interests.

Heng Fung's share price rose 22.8 per cent to 35 HK cents yesterday, while Fronteer International rocketed 91.6 per cent to 46 HK cents.

Brokers said Fronteer's rise was exaggerated by low liquidity of its shares. The

company is to launch an on-line shopping service for its two-shop retail operation.

Chan Heng-fai, the chairman of both companies, yesterday said Heng Fung's associate company, Nasdaq-listed eVision USA.Com, has preliminary plans to spin off its 28 per cent-held investment bank unit, eBanker USA.Com, and wholly owned brokerage eBroker USA.Com next year.

eBanker USA.Com is aiming to raise US\$50 million after already raising about US\$15 million private capital in the US.

eVision USA.Com, which Heng Fung acquired in February last year for about US\$9 million, has a market capitalisation of more than US\$20 million.

Heng Fung last night also announced a subsidiary had entered into an agreement to subscribe to convertible bonds worth US\$1 million in on-line education operator online.edu.

If fully converted, Heng Fung could have up to a 60 per cent stake in locally based online.edu, whose education services help students complete university courses on-line.