

**B-TECH (HOLDINGS) LTD :
ON THE HIGH COURT FIRING LINE ... AGAIN
ALLEGATIONS OF ATTEMPTS TO DEFRAUD CREDITORS**

Two wholly owned subsidiaries of publicly listed B-Tech (Holdings) Ltd (Code: 412, Main Board, The Stock Exchange of Hongkong Ltd) have been hit with claims, totalling more than \$HK10 million.

The subsidiaries are Yu Jing Investment Ltd and Yu Jing Properties Ltd.

The Bank of East Asia Ltd (Code: 23, Main Board, The Stock Exchange of Hongkong Ltd) has named the 2 companies in 2 separate High Court Actions: Number 948 of 2001 and 949 of 2001.

Along with the 2 companies, the Chairman of B-Tech (Holdings), Mr Vincent Wong Chun Hung, has been cited as a guarantor of loans, afforded to the Yu Jing companies, going back to December 5, 1995.

Mr Vincent Wong, it is alleged, was only one of 3 guarantors to the loans.

The other 2 guarantors were a former Director of B-Tech Holdings, Mr David Seto Yuen Wai, who resigned as a Director on May 19, 2000, and a Ms Wong Lai Fong (Ms Wong Lai Fong's address is given as being the same as Mr David Seto's in the Writs of Summons).

The Statements of Claim, attached to both Writs of Summons, follow exactly the same format, with the exception of the amounts of money, involved.

The Bank of East Asia explains that, via its Guangzhou Branch, it advanced monies to the B-Tech (Holdings)'s subsidiaries, but when it came time to pay up, there was no money forthcoming.

In addition to the claims by The Bank of East Asia Ltd, 2 other subsidiaries of B-Tech (Holdings) have, also, been hit by claims, lodged in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

Thing On Enterprises Ltd, a company incorporated in the British Virgin Islands, has laid down its claims against B-Tech (Holdings) (First Defendant) and its 2, wholly owned subsidiaries: Coupeville Ltd (Second Defendant) and Easycom Ltd (Third Defendant).

According to the Statement of Claim, attached to the Writ of Summons, Number 987 of 2001, Easycom is the sole owner of Levels One and Three Harvest Building, Number 585, Longhua West Road, Xuhui District, Shanghai, the PRC, along with *'some 30-50 car parking spaces'*.

Paragraph 9 of the Statement of Claim alleges: *'By a lease contract dated 12th June, 1997 (the "Lease Contract") made between the 3rd Defendant's predecessor-in-title Shanghai Wahfull Real Estate Development Limited (the "Developer") and Shanghai Swede Furnishing Company Limited (the "Lessee") Levels 1 to 3 forming part of the Shanghai Property (described as the "Commercial Podium" in the S & P Agreement (Sales and Purchase Agreement) pleaded in paragraph 14 hereof) were leased to the Lessee by the Developer for a term of 5 years commencing on 1st April, 1997 and expiring on 31st March, 2002 at a monthly rent of US\$160,288.30.'*

Paragraph 10 of the Statement of Claim alleges that there was a supplementary agreement, dated August 25, 1999, which, in essence, reduced the monthly rent to the Lessee to \$US120,500.

It is, then, alleged that, on January 25, 2000, Easycom purchased the Shanghai property from the Developer, 'subject to and with the benefit of the Lease Contract.'

Paragraph 12 of the Statement of Claim then goes on to allege: 'By a further supplementary agreement dated 19th January, 2001 made between the 3rd Defendant (Easycom) as landlord and the Lessee as tenant the term created by the Lease Contract was extended until 31st January 2003 and the monthly rent was further reduced by approximately another 15% from US\$120,000.00 to US\$102,425.00 with effect from 1st February, 2001 upon the following payment terms:

- (a) US\$716,975 payable on 1st February, 2001 in respect of the rent payable for seven (7) months from 1st February, 2001 to 31st August, 2001 (effectively US\$102,425.00 per month);
- (b) US\$512,125.00 payable on 1st September, 2001 in respect of the rent payable for five (5) months from 1st September, 2001 to 31st January, 2002 (effectively US\$102,425.00 per month);
- (c) US\$614,550.00 payable on 1st February, 2002 in respect of the rent payable for six (6) months from 1st February, 2002 to 31st July, 2002 (effectively US\$102,425.00 per month); and
- (d) US\$614,550 payable on 1st August, 2002 in respect of the rent payable for six (6) months from 1st August, 2002 to 31st January, 2003 (effectively US\$102,425.00 per month).'

Paragraph 13 of the Statement of Claim alleges that, on January 19, 2001, Thing On Enterprises, the Plaintiff to the Action, purchased the entire Issued Share Capital of Easycom for \$HK25 million.

On January 31, 2001, the deal was done, ... [CLICK TO ORDER FULL ARTICLE](#)

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