

LEARNING CONCEPTS SUED BY SOLICITORS' FIRM

The solicitors' firm of Richards Butler has issued legal Proceedings against one of its (former?) clients: Publicly listed Learning Concepts Holdings Ltd (Code: 680, Main Board, The Stock Exchange of Hongkong Ltd).

Richards Butler's claim is for \$HK388,933.18, being *'the balance of remuneration payable to the Plaintiff in respect of work done, legal services rendered and moneys paid by the Plaintiff as the Defendant's solicitors for and on behalf of the Defendant at the Defendant's request between 5th June, 2000 and 20th September 2000.'* (Paragraph 3, Statement of Claim, High Court Action Number 8632 of 2001)

Richards Butler alleges that it rendered invoices to the Defendant between August 21, 2000 and September 20, 2000, but *'Wrongfully and despite subsequent demands by the Plaintiff to the Defendant, the Defendant has not paid ... HK\$388,933.18 ...'*

The Richards Butler Writ of Summons was issued just one day prior to Learning Concepts, announcing that it was proposing to issue new shares and convertible debentures in order to retire the unsecured debts of Team Concepts Manufacturing Ltd, a wholly owned subsidiary of Learning Concepts.

The announcement stated, inter alia, that Team Concepts *'was indebted to its unsecured creditors in the aggregate sum of approximately HK\$389,641,560 of which HK\$270,470,021 is owed to the wholly owned subsidiaries of the Company (Learning Concepts) and HK\$119,171,539 is owed to other Scheme Creditors ...'*

Team Concepts manufactures telecommunications and consumer electronics and has been operational in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) since March 1982.

Learning Concepts is proposing to issue 389,347,759 New Shares at the Par Value of 10 cents per share, having an aggregate value of \$HK38,934,776, representing about 5.546 percent of the Issued Share Capital as enlarged by the issuance of the New Shares.

In addition, the company is proposing to issue an equal value of Convertible Debentures, which, on conversion, could be translated into another 5.546 percent of the Enlarged Issued Share Capital, coming down to about 5.225 percent of the Issued Share Capital of Learning Concepts as enlarged by the conversion of the Debentures.

If implemented, the Scheme would retire all of the debts of Team Concepts.

Learning Concepts recorded a loss of about \$HK210.95 million for the 2000 Financial ... [CLICK TO ORDER FULL ARTICLE](#)

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