

**ALL IS WELL IN WELBACK ... SO, WHAT'S THIS ALL ABOUT, ANYWAY ?**

Digital camera maker Welback Holdings Ltd (Code: 491, Main Board, The Stock Exchange of Hongkong Ltd) appears to be in such dire financial circumstances that it cannot even pay the relatively small sum of \$HK50,000 to one of its former suppliers.

At least, that would appear to be the stand of J.E.O. Electronics Company Ltd.

A senior official of J.E.O. Electronics told TARGET, today, that it supplied electronic components to Welback, back in October and November 2000, but it has yet to receive a penny in payment from the publicly listed company.

The total value of the orders was \$HK50,320 and, since the supplier could get no joy by telephoning Welback's management, it put the case into the hands of its solicitors, Liu, Chan and Lam, the Chief Accountant for J.E.O. Electronics told TARGET.

According to the Chief Operating Officer of Welback, Mr T.M. Lau: *'I don't know how this matter fell between the cracks.*

*'We (Welback) may have trouble in raising \$HK50 million. But \$HK50,000!'*

While it is/was true that Welback was having its problems with North American Foreign Trading Corporation over allegations in respect of a 1996 order where it is alleged that there were defective goods, shipped by Welback to its former customer, this case is still in the works in the American Arbitration Association.

North American Foreign Trading Corporation is claiming about \$HK40 million while Welback has counterclaimed about \$HK18 million.

According to Mr Lau, this matter has no effect on his company so that he said he could not understand the reason for J.E.O. Electronics's allegations.

As at December 31, 2000, Welback's Consolidated Balance Sheet showed that it had cash, amounting to about \$HK49.24 million.

The total value of Shareholders' Funds stood at about \$HK148.49 million, at the half-way stage of its Financial Year, which ends on June 30, 2001 ... [CLICK TO ORDER FULL ARTICLE](#)

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