

**hkcyber.com (HOLDINGS) LTD :
HANNY WANTS ITS DIVIDENDS**

Whenever a publicly listed company allows itself to be sued for relatively large sums of money, one can bet dollars to tofu that one of two things is taking place: It cannot pay the amount of money, being demanded, and, at the same time, it cannot raise the money from traditional sources; or, there is a dispute as to who owes what to whom.

But, whenever a publicly listed company cannot pay, what one must presume to be, a very small sum of money, in most anybody's books, that is, then there is only one or two conclusions to be drawn: The company does not have the wherewithal to settle the bill or, it has forgotten the bill.

The latter situation would appear to be the case in the matter of a wholly owned subsidiary of Hanny Holdings Ltd (Code: 275, Main Board, The Stock Exchange of Hongkong Ltd) and hkcyber.com (Holdings) Ltd (Code: 8118, The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd).

Hanny Magnetics (BVI) Ltd, back in March 2000, entered into an arrangement with hkcyber.com (Holdings) Ltd whereby, for about \$HK10.67 million, Hanny Magnetics would take up 267 Convertible, Non-Voting Preference Shares, which conferred the right on Hanny Magnetics to receive a 2-percent per annum, cumulative cash dividend on the Principal Sum.

The arrangement was consummated with a wholly owned subsidiary of hkcyber.com (Holdings), namely, hkcyber Ltd.

The 2-percent '*coupon*', attached to the Preference Shares, worked out to be an annual dividend of about \$HK213,333.34, payable to Hanny Magnetics.

In July 2000, about 4 months later, hkcyber.com (Holdings) came into a second arrangement with Hanny Magnetics, an arrangement which was similar, in many respects, to the one, already consummated, with its wholly owned subsidiary.

In the second agreement, Hanny Magnetics received 10,668 Ordinary Shares in hkcyber.com (Holdings) and 267 Convertible, Non-Voting Preference Shares, the 267 Preference Shares, complete with a 2-percent dividend '*coupon*'.

On January 31, 2001, Hanny Magnetics, in fact, converted its 267 Preference Shares into 100,125,000 Ordinary Shares in the Issued and Fully Paid-Up Share Capital of hkcyber.com (Holdings) Ltd.

On a pro-rata basis, hkcyber.com (Holdings) Ltd and hkcyber Ltd owed Hanny Magnetics, in aggregate, \$HK179,658.08, that sum of money, being the 2-percent dividend, payable for the length of time that Hanny Magnetics held the Preference Shares.

To date, it appears that neither hkcyber.com (Holdings) Ltd nor hkcyber Ltd has coughed ... [CLICK TO ORDER FULL ARTICLE](#)

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