

**RICHARDS BUTLERS TAKES ON CHINA STRATEGIC HOLDINGS LTD :  
WHERE'S OUR MONEY ?**

China Strategic Holdings Ltd (Code: 235, Main Board, The Stock Exchange of Hongkong Ltd) appears to have got itself entangled in a little legal altercation, but the current problem was brought about during the time that the Company was known as China Internet Global Alliance Ltd and was under the management of the former substantial shareholder, Mr Oei Hong Leong.

The solicitors' firm of Richards Butler has issued legal proceedings against China Strategic Holdings, as the Second Defendant, in High Court Action Number 5036, an Action in which the First Defendant is Bolton Group (International) Ltd, of Bermuda.

Richards Butler alleges, in its Statement of Claim, attached to the Writ of Summons, that it was instructed by Bolton Group *'to undertake certain work for and on behalf of the 1<sup>st</sup> Defendant ... confirmed in a letter from the Plaintiff to the 2<sup>nd</sup> Defendant, dated 23<sup>rd</sup> November 1995.'* (Paragraph 3)

Richards Butler is seeking \$HK729,739.57 *'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 1<sup>st</sup> Defendant's solicitors ... between 27<sup>th</sup> November 1995 and 15<sup>th</sup> January 1997.'* (Paragraph 4)

Richards Butler, then, explains that it sent invoices to Bolton Group over the period, May 17, 1996 and January 15, 1997, but the firm has yet to receive payment for its services.

Paragraph 7 of the Statement of Claim alleges that Bolton Group has denied any liability to Richards Butler on the grounds that it was China Strategic, which instructed the firm, not Bolton Group, and, in any event, the work was carried out *'for and on behalf of the 2<sup>nd</sup> Defendant and not the 1<sup>st</sup> Defendant.'*

If that defense is upheld and confirmed in a Court of Law, Richards Butler contends that, in the alternative, China Strategic is liable to the solicitors' firm for the outstanding balance, payable to it.

Thus, both Bolton Group and China Strategic are named as Defendants to the Action.

It is difficult to believe that China Strategic is short of the wherewithal to settle this bill because, as at December 31, 2000, the company had about \$HK612 million in pledged bank deposits, with bank balances and cash, standing at about \$HK885.23 million.

Net Current Assets, as at the Balance Sheet Date, stood at about \$HK5.25 billion.

The 2000 Annual Report of the company ... [CLICK TO ORDER FULL ARTICLE](#)

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