

HINET'S (FORMER?) SOLICITORS FIRM IS LOOKING FOR ITS MONEY

HiNet Holdings Ltd (Code: 155, Main Board, The Stock Exchange of Hongkong Ltd) appears to have upset the solicitors firm of Denton Wilde Sapte (DWS) – because the Company's (former?) solicitors' firm has slapped a claim against HiNet, seeking about \$HK172,000.

Normally, a claim for such a piddling amount of money would be overlooked by TARGET since one has to assume that it is merely an administrative oversight on the part of somebody.

But, for a publicly listed company of the likes of HiNet to be pilloried by the likes of the mighty legal firm of Denton Wilde Sapte, one has to think what is behind the claim.

According to TARGET's usually reliable information, DWS purports to have taken instructions and provided legal services to HiNet between October 2000 and April 2001, but the firm has not been fully paid for its work.

Of the \$HK255,058, incurred in legal charges, HiNet paid about \$HK83,000 to DWS; it failed to pay the balance of nearly \$HK172,000, it is being alleged.

DWS is not happy with its lot and is chasing the public company for its money.

That HiNet is/was having financial difficulties is well known and is fully reflected in the Consolidated Profit and Loss Account of the Company for the Financial Year, ended March 31, 2001.

In the 2001 Year, the Company suffered a Loss Attributable to Shareholders of about \$HK433.40 million.

Which is not an insubstantial pile of money, no matter in which currency one cares to translate it.

This Loss compared with the 2000 Financial Year when a Net Profit Attributable to Shareholders of about \$HK25.48 million was recorded.

In the 2000 Year, HiNet raised about \$HK785 million from a Placement of Shares and from a Rights Issue.

This, too, is not an insubstantial pile of money, no matter in which currency one cares to translate it.

That money, Management stated in the 2001 Financial Report, was used '*to finance acquisitions of subsidiaries and construction of fibre-optic network.*'

Management, ... [CLICK TO ORDER FULL ARTICLE](#)

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