

**RAINBOW INTERNATIONAL HOLDINGS LTD :  
THERE IS NO CROCK OF GOLD AT THE END OF THIS RAINBOW**

The beauty shop operator of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), publicly listed Rainbow International Holdings Ltd, is getting itself more and more into financial trouble, by all accounts.

Rainbow International was listed on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd on May 16, 2001 and, since its listing, it appears to have had one setback after another.

The latest problem – and a recurring one, it seems – is the inability of the Company to pay rent on some of its shops.

According to 2 landlords of 2 of the shops, operated by [Rainbow Cosmetic Company Ltd](#), a wholly owned subsidiary of Rainbow International, rent has not been paid for the past few months.

Totally, these landlords are claiming \$HK510,000 from Rainbow Cosmetic.

The shops are both located in South Kowloon, at Numbers 48 and 50, Sai Yeung Choi Street.

This brings the total number of allegations of non-payment of rent on shops, operated by Rainbow International, to 4.

It was only in November last year that Towerreed Ltd sued Rainbow Cosmetic for about \$HK800,000, being alleged non-payment of rent for 2 previous months, plus non-payment of rates.

That was in respect of the Company's Wanchai shop, located at Number 518, Lockhart Road.

It would appear that the 8-shop Company has, now, been reduced to 5 shops.

In fact, according to the website of Rainbow International, only 5 shops are shown on the site map, although some blurb with regard to the Company still mentions 8 shops.

Rainbow International, like so many GEM-listed companies, has been a consistent loser, having dropped about \$HK6.65 million for the 9 months to July 31, 2001.

For the period, November 1, 2001 to April 30, 2002, Rainbow International reported a Turnover of about \$HK38.21 million, which represented a fall of about 35 percent, Year-on-Year.

The Loss Attributable to Shareholders for the period was shown to be about \$HK13.41 million, which was an improvement over the Loss Attributable to Shareholders for the like period in 2001 of about 289 percent since the 2001 Losses were about \$HK3.45 million.

When Rainbow International went public on The GEM, a little more than one year ago ... [CLICK TO ORDER FULL ARTICLE](#)

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