

**TELECOM PLUS HOLDINGS LTD :
OLD DEBTS COME BACK TO HAUNT MANAGEMENT**

Only in the People's Republic of China (PRC) can this happen, repeatedly: A company can avoid paying its debts for years.

For TARGET readers, it has been about 16 months since this medium last wrote about Telecom Plus Holdings Ltd (Code: 1013, Main Board, The Stock Exchange of Hongkong Ltd), so, now, it is a matter of déjà vu for subscribers and readers.

Because Telecom Plus has just received a claim from a PRC entity, claiming that, for the past 31 months, this publicly listed company has not paid its debts for goods and services rendered.

Sino Link (Technology) Trading and Development Company Ltd, a company which is owned by Zhongshan Torch High Tech and Commercial Company Ltd and New Tech Industrial and Zhongshan Torch High and New Tech Products (Holdings) Ltd, has issued legal proceedings against Telecom Plus, claiming about \$HK2.80 million.

The Statement of Claim, attached to High Court Action Number 2954, alleges that Telecom Plus has owed this amount of money, going back to January 2000 – about 31 months ago.

The claims are for services rendered and materials, supplied to Telecom Plus.

It would appear that Telecom Plus has recognised the existence of the debt that it owes to the Plaintiff because it is alleged that this publicly listed company made 2 partial payments to Sino Link, both of \$HK100,000, each, in April and June, this year.

Those 2 payments reduced its indebtedness to the Plaintiff from about \$HK2.93 million to the present claim of about \$HK2.80 million.

Paragraph 3 of the Statement of Claim, attached to the Writ of Summons, makes this statement:

'By an undated written statement of account prepared and given by the Defendant to the Plaintiff on or about 7th June 2002, the Defendant admitted liability for payment of the said sum of HK\$2,731,195.36.'

The amount of money that is being claimed should not be a burden to Telecom Plus, if one can believe, entirely, that which has been published in the company's annual reports of the past few years.

For the Interim Period, ended March 31, 2000, Telecom Plus reported that it had earned about \$HK200 million for its shareholders.

For the Financial Year, ended March 31, 2002, the company reported a Net Profit Attributable to Shareholders of about \$HK9.22 million.

However, that result was a little lower than the previous Year's result when the company turned in a Net Profit Attributable to Shareholders of about \$HK237.43 million.

Since TARGET's last report on this company (Please see [TARGET Intelligence Report, Volume III, Number 73](#), published on April 20, 2001), there has been considerable activity with regard to the Share Capital ... [CLICK TO ORDER FULL ARTICLE](#)

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