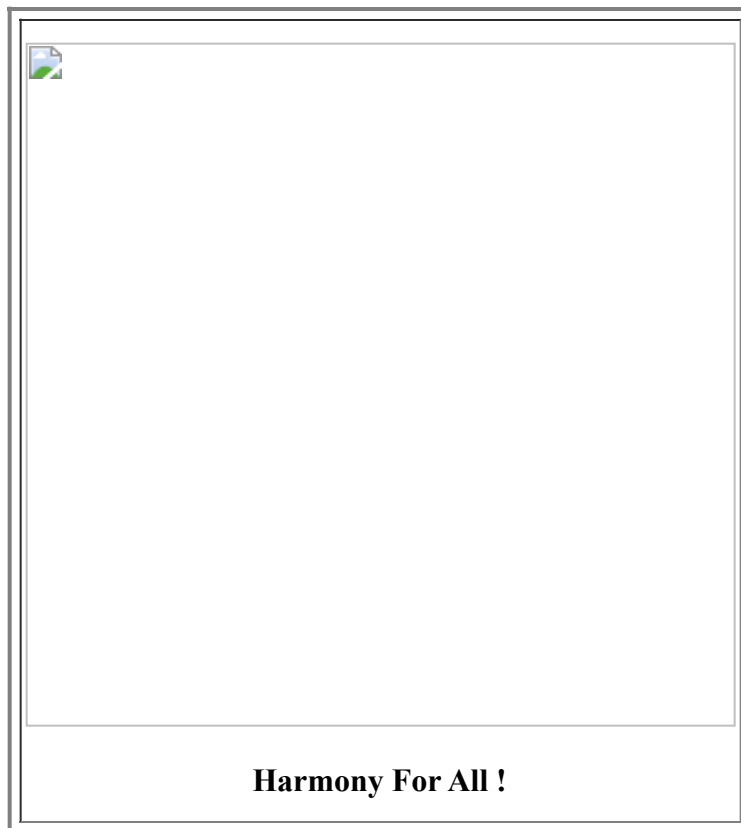


**RAINBOW INTERNATIONAL HOLDINGS LTD :
IS HARMONY THE END OF THE RAINBOW ?**

A plastic banner, placed over the name of Rainbow Cosmetics at the last, remaining shop of Rainbow International Holdings Ltd in Causeway Bay, the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), is proclaiming that Harmony Century Hongkong Ltd is '*A fully-owned member of Rainbow Group*'.



TARGET, recently, visited the Rainbow International's shop, located at the Ground Floor, Number 10, Kai Chiu Road, Causeway Bay, in order to ascertain the latest state of play with regard to this publicly listed company, which was quoted on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, being Stock Code Number 8079.

What this medium observed was:

1. There were only 2 customers for the 75 minutes that TARGET's reporter was present on that Tuesday morning and early afternoon;
2. There was only one girl in attendance at the shop for the entire time; and,
3. A poorly dressed man in his mid 30s, dressed in casual wear, was standing in front of the shop with his hands folded, for the most part, but was, from time to time, doing, what appeared to be, an inventory check of the goods on offer.

The plastic banner, which resembled the type of banner that demonstrators produce when protesting about something, was festooned in the shop, proclaiming to the world that Harmony Century was, indeed, a Rainbow International company.

As TARGET readers will recall, in TARGET Intelligence Report, Volume IV, Number 186, published on October 2, 2002:

1. Harmony Century was incorporated on May 2, 2002 and has, as its 2 Directors:
 - a. Ms Aldy Li Ngar Kwan, the Chairlady of Rainbow International
 - b. Mr Liang Kwok Lim, the Deputy Chairman of Rainbow International
2. The Registered Office of Harmony Century is given, in the Companies Registry, as being:

Sze Hing Loong Industrial Building
Factory B on the 4th Floor,
Number 44, Lee Chung Street,
Hongkong.

3. The Registered Office of Harmony Century was sold to Charter Sense Ltd for \$HK1.63 million on August 19, 2002 by Ms Aldy Li, formerly the Registered Owner of the property, it, having been purchased on August 27, 1996 from New Kwok Hing Printing Press Company Ltd for about \$HK3.50 million.

Today, however, it is being alleged, at the last, remaining shop of Rainbow International, that Harmony Century, which is selling its (or Rainbow International's) goods out of the Causeway Bay Shop, is a Rainbow company.

And having a great deal of trouble in doing so, too, by the looks of things.

The importance of Harmony Century is that it is being claimed by the owner of the Rainbow shop, Mr Fong Yiu Kwong, that Rainbow Cosmetic Company Ltd, a wholly owned subsidiary of Rainbow International, entered into some kind of secret arrangement with Harmony Century to sell its goods out of Mr Fong's shop, without his express authority, thus making the act contrary to the terms and conditions of the 1999 lease on the shop, signed between Rainbow Cosmetic Company Ltd and him.

Mr Fong is, also, claiming that he has not received any rent since April this year.

He has lodged a claim in the High Court of the HKSAR for about \$HK2.20 million against Rainbow Cosmetic, and a smaller claim against Harmony Century for mesne profits at the rate of \$HK360,000 per month plus rates of \$HK38,700 per quarter.

According to TOLFIN (TARGET's Computerised Online Financial Service and Credit-Checking Provider), the total amount of money, publicly known to be owed by various Rainbow companies to creditors is not less than \$HK7 million.

But, 12 of the Claims, lodged in various HKSAR Courts, do not stipulate the amount of the Claims... [CLICK TO ORDER FULL ARTICLE](#)

For Other Rainbow Reports, Please See:

[TARGET Intelligence Report, Volume IV, Number 75 of April 24, 2002](#)
[TARGET Intelligence Report, Volume IV, Number 115 of June 21, 2002](#)
[TARGET Intelligence Report, Volume IV, Number 118 of June 26, 2002](#)
[TARGET Intelligence Report, Volume IV, Number 134 of July 19, 2002](#)

[TARGET Intelligence Report, Volume IV, Number 154 of August 16, 2002](#)
[TARGET Intelligence Report, Volume IV, Number 184, of September 27, 2002](#)
[TARGET Intelligence Report, Volume IV, Number 186, of October 2, 2002](#)

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